

# Journal entry one

Business



Journal Entry One Ethics are an important aspect either in personal life or business activities. Business ethics refer to a code of values and principles that govern the actions of a person, or a group of people, regarding what is right versus what is wrong, however they are not just about the difference between right and wrong; they are the actual application of that knowledge to business. The leaders in an organisation play a very important role in this because other staffs take their cues regarding the behaviours that are acceptable based on how they see the leaders acting and the behaviours they see being rewarded in their peers (Ellen, & Ascalon, 2008). An ethical culture is cultivated where the leaders behave in an ethical manner as the other staffs follow that as they are also rewarded.

The Enron and Tyco scandals shows that un-ethical practices, lack of leadership, and financial corruption are the three reasons that lead to the collapse of the these giants that had been in operation and doing good business over the years. These two companies did not have effective compliance and ethics program since these scandals took long to be unearthed and this shows they did not have proper follow-ups for the leadership and also those staff that knew about it did not take it upon them to disclose them.

A few months ago I worked for a company that did not follow the guidelines since the stated organisation ethics were only written and were openly seen to be followed even by the management since mistakes were committed but no due process was followed to punish the offenders. This gave a chance to all staff to do as they wished.

#### Reference

<https://assignbuster.com/journal-entry-one/>

Ellen, V. V., & Ascalon, E. (2008). The role and impact of leadership development in supporting ethical action in organisations. *The Journal of Management Development*, 27(2), 187-195. doi: <http://dx.doi.org/10.1108/02621710810849326>