

The
Management
University
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POST GRADUATE UNIVERSITY EXAMINATIONS
SCHOOL OF MANAGEMENT AND LEADERSHIP
DEGREE OF MASTER OF MANAGEMENT AND
LEADERSHIP

MML 5112: ETHICAL LEADERSHIP

DATE: 1ST APRIL 2026

DURATION: 3 HOURS

MAXIMUM MARKS: 60

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **FOUR (4)** questions.
4. Question **ONE is compulsory**.
5. Answer any other **TWO** questions.
6. Question **ONE** carries **30 MARKS** and the rest carry **15 MARKS** each.
7. **Write all your answers in the Examination answer booklet provided**

QUESTION ONE

Read the Case Study below carefully and answer the questions that follow:

ETHICAL LEADERSHIP IN A MODERN ORGANIZATION

GreenGrow Foods Ltd is a fast-growing agro-processing company operating across East Africa. The company prides itself on sustainability, fair trade practices, and community empowerment. However, due to increased competition and rising operational costs, senior management is under pressure to maximize profits.

An internal audit reveals that one of GreenGrow's major suppliers uses underpaid casual laborers and bypasses environmental safety standards. Terminating the supplier would significantly increase production costs and may lead to staff layoffs. At the same time, continuing the relationship risks damaging the company's ethical reputation, violating its stated values, and eroding stakeholder trust.

The Chief Executive Officer (CEO) must decide whether to:

- Continue working with the supplier to protect profitability and jobs;
or
- Terminate the contract and seek ethically compliant suppliers at a higher cost.

Required:

- a) Define ethical leadership and explain its relevance in the modern organizational context, with reference to the case study above. **(6 Marks)**
- b) Using the case, discuss the core elements, characteristics, and key actions of ethical leaders, clearly showing how these influence leadership effectiveness during ethical dilemmas.

(8 Marks)

- c) Apply the 4-V Model of Ethical Leadership (Values, Vision, Voice, and Virtue) to the case study to illustrate how organizational values can be translated into ethical action and decision-making.

(8 Marks)

- d) Critically evaluate the advantages and disadvantages of ethical leadership in relation to the decision facing GreenGrow Foods Ltd, highlighting its impact on organizational performance, employee morale, and stakeholder trust.

**(8
Marks)**

QUESTION TWO

- a) Explain the traditional philosophical arrangement of ethics and its importance in ethical decision-making.

(5 Marks)

- b) Critically analyze the following ethical theory categories, giving relevant organizational examples for each:

(5 Marks)

- i. Consequentialist theories
 - ii. Non-consequentialist theories
 - iii. Agent-centered theories
- c) Assess how ethical theories shape organizational values, moral standards, and leadership roles.

(5 Marks)

QUESTION THREE

- a) Explain ethical decision-making frameworks can be integrated when leaders face complex ethical dilemmas.

(6 Marks)

b) Using a real or hypothetical organizational case, demonstrate the step-by-step ethical decision-making process, from recognizing the ethical issue to reflection on outcomes

(5 Marks)

c) Discuss the role of justice, care, critique, and community in ethical leadership decision-making

(4 Marks)

QUESTION FOUR

a) Explain the importance of professional ethics and codes of conduct in organizations. **(5**

Marks)

b) Differentiate between a compliance-based code of ethics and a values-based code of ethics, stating the benefits of each.

(4 Marks)

c) Examine the four program evaluation standards and the five guiding principles/virtues for evaluators, explaining how they promote ethical accountability and good governance.

(6 Marks)