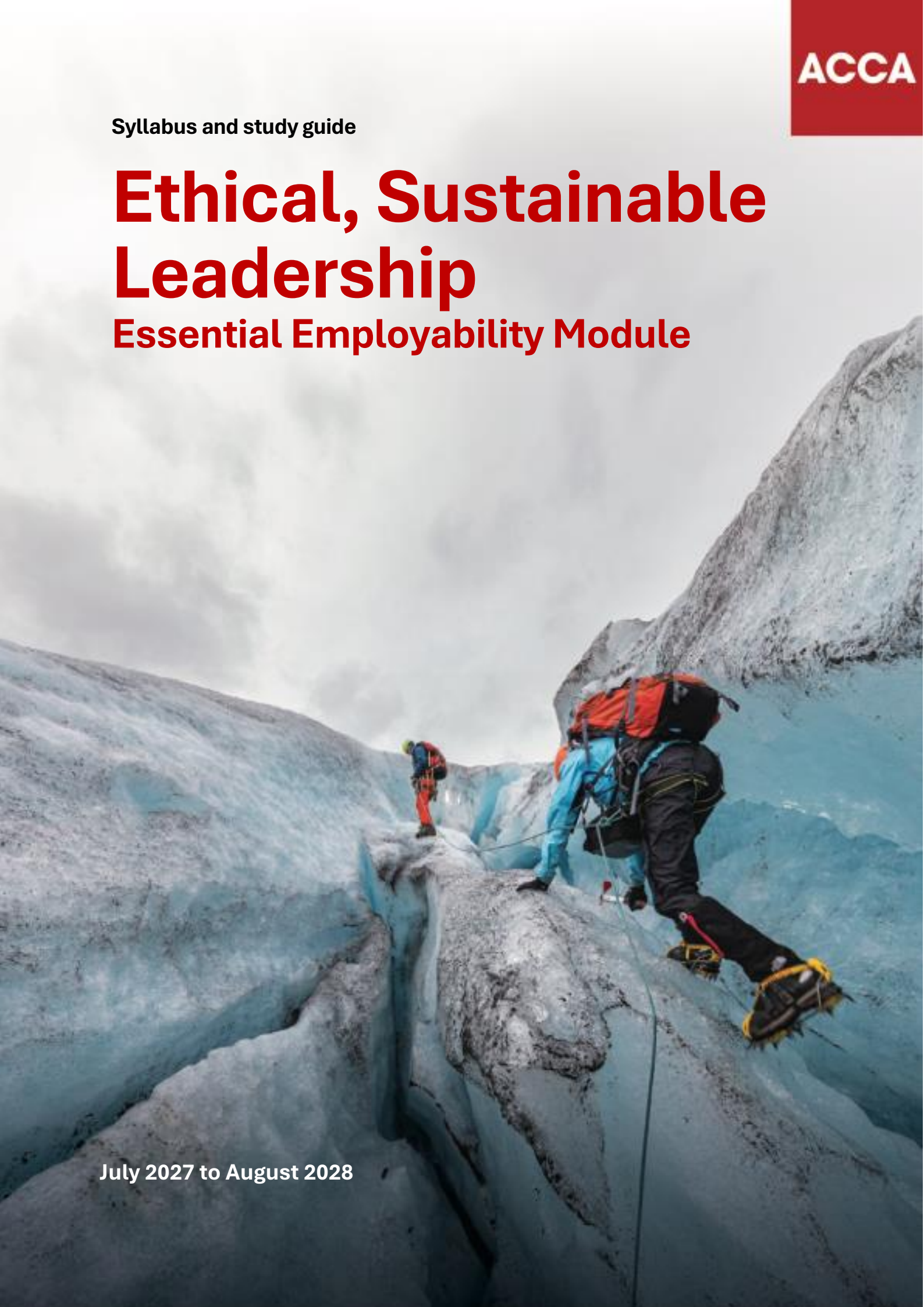


Syllabus and study guide

Ethical, Sustainable Leadership

Essential Employability Module

July 2027 to August 2028



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1. Overall aim of the syllabus

Organisations play a critical role in developing and incorporating practices which prioritise environmental protection, social responsibility and economic prosperity, and it is essential that business leaders have the capabilities and ethical mindset to be at the vanguard of this vital transition to a sustainable future. Through this module candidates will explore leadership styles, qualities and skills, ethical principles, and learn about how sustainability is impacting business. Accountants play a leading role in managing the intersection of environmental, social, and economic considerations and need to have expertise in ethics, sustainability, and leadership, so they are prepared for the challenges they may encounter across any sector and can lead with integrity.

2. Introduction to the syllabus

The syllabus for the Ethical, Sustainable Leadership Essential Employability Module begins with an introduction to leadership, which covers different types of leadership styles, the qualities required to be an effective leader, and the role which leadership plays in organisations.

The syllabus then progresses to cover the key skills which are essential to effective leadership – professional storytelling, motivation and empowerment, negotiation and conflict resolution, commercial awareness and innovation, and change management. Useful frameworks and techniques will be introduced alongside practical guidance on how to develop and enhance these skills.

An ethical mindset is essential for professional accountants, and the syllabus focuses on different approaches, branches, and frameworks of ethics and the relationship between ethics and the profession. The fundamental principles in ACCA’s Code of Ethics and Conduct are covered and how to apply this framework to evaluate and respond to threats to these fundamental principles and resolve an ethical dilemma.

The syllabus then focuses on sustainable development and covers essential sustainability concepts and issues, and how they impact the economy, society, and business. The syllabus also raises the systemic barriers to making progress on sustainability.

This then leads into the strategic role of the accountancy profession globally in supporting organisations to address sustainability challenges. The syllabus covers the skills required of a professional accountant in incorporating sustainability into strategic planning, decision making, performance measurement, sustainability reporting and assurance engagements. The syllabus also makes the link back to ethics and looks at threats to fundamental principles and safeguards in the context of sustainability and evaluates examples of unethical company behaviour.

Leaders are now required to expand their leadership capabilities to advance sustainability goals, and the syllabus demonstrates how leaders can integrate sustainability issues into strategic objectives, decision-making processes, risk management and governance, target setting, and effective management of the value chain. The syllabus also covers new technologies which are driving sustainable business practices and the importance of continuous improvement.

The syllabus concludes with advice on how to become an ethical, sustainable leader and how to cultivate and model ethical behaviour, develop a growth mindset, build leadership skills, and embed continuous lifelong learning.

3. Guide to learning and assessment

The Ethical, Sustainable Leadership Essential Employability Module is an innovative learning and assessment experience. The main capabilities will be developed through an engaging learning journey which will include both interactive assessment activities to build leadership skills, an ethical and sustainable mindset, and professional values.

The syllabus for the Ethical, Sustainable Leadership Essential Employability Module will be reviewed annually.

4. Learning hours and education recognition

As a member of the International Federation of Accountants, ACCA seeks to enhance the education recognition of its qualification on both national and international education frameworks, and with educational authorities and partners globally. In doing so, ACCA aims to ensure that its qualifications are recognised and valued by governments and regulatory authorities and employers across all sectors. To this end, ACCA qualifications are currently recognised on the educational frameworks in several countries. Please refer to your national education framework regulator for further information about recognition.

5. Main capabilities

The module will support the development of the following employability skills:

Leadership

- Ability to apply leadership approaches to understand personal leadership style
- Development of key leadership skills to enhance capabilities and further career progression
- Use of leadership skills to act effectively across the roles expected of a strong and inspirational leader
- Adaptation of the key leadership skills, qualities, and capabilities to advance sustainability goals

Ethics

- Adoption of ethical practice to ensure a responsible approach is taken in professional and leadership roles
- Application of relevant ethical frameworks and a structured approach to ethical decision making
- Ability to adapt relevant ethical frameworks in a sustainability context

Innovation

- Development of a sustainable mindset within professional practice
- Take initiative to look for areas of efficiency and continuous improvement to make business processes more sustainable
- Ability to assess business development opportunities in relation to developing strategy and providing advice to clients

Scepticism and judgement

- Application of professional scepticism and professional judgement to strategy, decision making, and reporting of performance
- Adoption of an inquiring mind when evaluating opportunities, risks, and threats
- Development of inclusive thinking, considering all impacts of decisions

Personal growth

- Act with integrity and accountability for decisions and actions
- Build the ability to assess personal values, motivations, strengths and weaknesses
- Development of a personal strategy for cultivating a growth mindset and lifelong learning

6. The syllabus

Unit 1

Introduction to leadership

Unit 2

Role of leadership

Unit 3

Key skills for effective leadership -
professional storytelling

Unit 4

Key skills for effective leadership -
motivation and empowerment

Unit 5

Key skills for effective leadership -
negotiation and conflict resolution

Unit 6

Key skills for effective leadership -
commercial awareness and innovation

Unit 7

Key skills for effective leadership -
change management

Unit 8

Approaches to ethics

Unit 9

Professional ethics

Unit 10

Sustainable development

Unit 11

Sustainability for professional accountants

Unit 12

Sustainability and business leadership

Unit 13

Becoming an ethical, sustainable leader

7. Detailed study guide

1 Introduction to leadership

1. Advise on what is meant by leadership.
2. Assess the different types of leadership styles and the factors which influence it.
3. Evaluate Blake and Mouton's managerial grid as a tool for identifying a leader's style.
4. Assess the qualities required to be an effective leader.

2 Role of leadership

1. Assess the importance for leaders to create and articulate a clear vision and strategy.
2. Advise on the need for leaders to build organisational culture and shared values.
3. Assess why it is essential that leaders are able to communicate effectively.
4. Evaluate the role of leaders in managing and developing teams.
5. Advise on the need for leaders to facilitate progress towards objectives and use resources to achieve optimal efficiency.
6. Evaluate the responsibility of leaders to protect an organisation's assets and build a robust governance and control strategy.

3 Key skills for effective leadership – professional storytelling

1. Evaluate how professional storytelling enhances leadership, engages teams, and inspires success.
2. Advise on the key aspects of professional storytelling.

3. Assess how to develop the skill of effective and inspirational storytelling.

4 Key skills for effective leadership – motivation and empowerment

1. Advise on the importance of leaders to build relationships and empower and motivate teams.
2. Evaluate the Hershey-Blanchard situational leadership framework for effective leadership.
3. Evaluate Adair's action-centred leadership model to determine the core actions for leading teams.

5 Key skills for effective leadership – negotiation and conflict resolution

1. Advise why negotiation is important for leaders and assess the qualities required for an effective negotiator and how to develop the right skills.
2. Evaluate the importance of managing stakeholders and gaining support and buy-in from key contributors.
3. Advise on why managing conflict is a vital differentiator for effective leadership.
4. Advise on the strategies to prepare for a negotiation.

6 Key skills for effective leadership – commercial awareness and innovation

1. Evaluate why commercial awareness is essential for leaders and strategic decision makers.
2. Evaluate the importance of problem solving and being alert to opportunities and threats.

3. Assess how to develop an innovative mindset and how to become an innovative leader.
4. Assess why decision making is a critical leadership skill and how decision-making skills can be enhanced.

7 Key skills for effective leadership – change management

1. Advise on the role of leadership in change management.
2. Assess the 5 Cs of change leadership as an approach to managing change.
3. Evaluate the need for leaders to provide clear, transparent guidance, listen to feedback and address concerns.

8 Approaches to ethics

1. Assess different approaches to ethics (absolutism versus relativism; deontological versus teleological; utilitarianism, pluralism, egoism and virtue).
2. Assess different branches of ethics (metaethics, normative ethics, applied ethics and descriptive ethics).
3. Evaluate the ethical frameworks of justice and care.
4. Advise on the factors which influence ethics (individual, societal and cultural, organisational).
5. Assess the differences between rules-based and principles-based approaches to ethics.

9 Professional ethics

1. Assess the relationship between ethics and the professions.

2. Assess the ethical challenges which accountants are facing and the skills required to navigate ethical challenges.
3. Evaluate the factors which contribute to ethics and independence breaches in accounting and audit firms.
4. Advise on the fundamental principles in ACCA's Code of Ethics and Conduct.
5. Apply the ACCA Code of Ethics and Conduct framework to evaluate and respond to threats to the fundamental principles.
6. Advise on a structured approach which can be taken to resolving an ethical dilemma.

10 Sustainable development

1. Assess the concepts of sustainability and sustainable development, and the significance of the United Nations Sustainable Development Goals.
2. Assess the three dimensions of sustainable development (environmental, social, and economic), their interconnection, and the main challenges associated with them.
3. Explain economic growth, degrowth, and the decoupling theory, and assess key sustainability concepts (including planetary boundaries; ecosystems, biodiversity, and ecosystem services; doughnut economics; different forms of capital; circular economy; social inequality, living wage, and respecting human rights; and sustainable finance).
4. Evaluate key sustainability issues, (including climate change, biodiversity loss, and social inequality), their potential impacts, and the economic sectors most affected.

5. Evaluate the role of intergovernmental institutions, governments, non-government organisations, and businesses in advancing sustainable development.
6. Assess the role of key international agreements and policy responses in advancing the global sustainability agenda.
7. Evaluate systemic barriers to making progress on sustainability (i.e. political, economic, technological, social norms or cultural factors).
8. Advise on carbon accounting, science-based target setting, transition planning, and scenario analysis.
6. Assess how investors use ESG and sustainability information.
7. Assess the key areas in which sustainability affects the work of the professional accountant, the advice given to clients, and when it is appropriate to consult with experts.
8. Assess the key skills of a professional accountant in incorporating sustainability into strategic planning, decision making, performance measurement, sustainability reporting and assurance engagements.
9. Assess ethical and governance challenges in managing sustainability performance.

11 Sustainability for professional accountants

1. Evaluate the strategic role of the accountancy profession globally in supporting organisations to address sustainability challenges.
2. Assess the importance of adopting a sustainable approach within a professional accountancy practice and maintaining ethical standards and public trust.
3. Assess the environmental impact of personal actions, identify opportunities to enhance social responsibility, and recommend improvements to make business processes more sustainable.
4. Assess the need for sustainability reporting frameworks and evaluate the factors which make sustainability reporting useful for investors.
5. Evaluate the various sustainability frameworks, guidance, and standards, and assess the interaction between them.
10. Evaluate examples of unethical company behaviour e.g. ‘greenwashing’, ‘greenhushing’, and ‘social washing’.
11. Evaluate potential threats to ethical principles and advise on relevant actions and safeguards to mitigate threats in the context of sustainability.

12 Sustainability and business leadership

1. Assess the key leadership capabilities to advance sustainability goals.
2. Advise on the need for leaders to prioritise long-term sustainable performance and focus on the development of a sustainable business model.
3. Assess how leaders integrate sustainability issues into strategic planning and decision-making processes to preserve or create value.
4. Evaluate the need for leaders to evaluate alternative sustainability strategies, investments, financing, or initiatives.

5. Assess the importance of embedding sustainability issues into short-term financial planning cycles and long-term growth plans.
 6. Advise on the role of leaders in integrating sustainability issues into an entity's governance, risk and controls, and performance management processes.
 7. Evaluate the importance of setting science-based targets and developing metrics for material sustainability issues.
 8. Assess the importance of responsible value chains and collaborative relationships with sustainability-aligned business partners.
 9. Advise on the importance of allocating resources to sustainability initiatives across core business operations.
 10. Evaluate the need to investigate new technologies which are driving innovations and sustainable business practices.
 11. Evaluate reasons why there may be insufficient support for sustainability initiatives and the challenges leaders might face in driving sustainability initiatives.
 12. Assess the importance of evaluating sustainability performance and recommending areas for improvement.
 13. Assess the potential consequences of 'greenwashing', or failures to meet sustainability targets or commitments.
2. Advise on why regular self-assessment and reflection is essential to understand personal values, motivations, strengths and weaknesses.
 3. Assess the importance of developing a vision which prioritises long-term value and embraces innovation.
 4. Evaluate why it is vital to foster open communication, engage with stakeholders, and listen to diverse voices.
 5. Design a personal improvement plan to develop a growth mindset, enhance skills and knowledge, and embed continuous lifelong learning.

13 Becoming an ethical, sustainable leader

1. Evaluate the need to continually cultivate and model ethical behaviour and demonstrate accountability for decisions and actions.