



PAN AFRICA CHRISTIAN UNIVERSITY

BACHELORS OF BUSINESS LEADERSHIP

END OF TERM EXAMINATION

DEPARTMENT: BUSINESS

COURSE CODE: BUS3123

COURSE TITLE: BUSINESS ETHICS

EXAM DATE: Tuesday, 28th July 2015

TIME: 0900HRS – 1200HRS

INSTRUCTIONS

- Read all questions carefully before attempting.
- Write your **student number** on the answer booklet provided.
- *Question one is compulsory*
- *Answer any other four questions*

QUESTION ONE.

Read the case below and answer the questions that follow.

Possible Conflict of Interest

Bill Quinn is the State Archaeologist for one of the states in the Midwest. He is thus an employee of the state. Among the many responsibilities of his office is the issuance of antiquities permits to allow qualified archaeologists to do contract archaeology within the state. In this context, his office often defines the scope of the archaeological work to be done, prepares requests for proposals to do the work, evaluates proposals (often submitted by private firms in a competitive bidding situation), decides who will be awarded the contract, and ultimately judges the adequacy of the work performed.

Mike is another full-time state employee as the State Highway Salvage Archaeologist. He has decided to open his own (private) firm on the side, and has applied for an antiquities permit so that he too might bid on and receive some of these lucrative contracts. Bill is concerned about this, because even though Mike is an honorable person, he will be placing himself in a potential conflict of interest situation. This is because Mike, as a part of his official duties as a public servant, can take part in (and potentially influence) some of the archaeological contract decisions and evaluations mentioned above. He and/or others in his office would, among other things, be in a position to have prior knowledge of future contracts and be in conflict of interest through the contract process. In short, it would be possible for Mike to use his position as a public official to gain unfair advantage over his competitors in the private sector.

(a) Should Bill issue an antiquities permit to Mike? (6marks)

(b) Is it ethical for a public official (Mike, in this case) to be, or allow himself to be, in a potential conflict of interest situation of this nature, even though in fact he has no intention of abusing his official position for personal gain (i.e., no actual conflict of interest has occurred)?

(8marks)

(c) Is it unethical only if he actually acts in conflict of interest? (6marks)

QUESTION TWO

With relevant examples explain the meaning of the following terms as used in business ethics.

- a. Utilitarianism (4marks)
- b. Rights and duties (4marks)
- c. Justice and fairness and forms of justice (4marks)
- d. Ethic of care (4marks)
- e. The moral virtues (4marks)

QUESTION THREE

- (a) Explain the importance of studying business ethics (8 marks)
- (b) Write short notes on the following terms
 - i. Ethics (6 marks)
 - ii. Business ethics (6marks)

QUESTION FOUR

- (a) Who should pay the costs of pollution control or protecting and restoring the environment, and how should it be paid. (8 marks)
- (b) Explain the concept of whistle blowing (2marks)
- (c) Whistle blowing isn't justified unless some criterion is met. Discuss (10marks)

QUESTION FIVE

- (a) Discuss any five ways in which businesses can be responsible for their actions (10marks)
- (b) Identify and Explain any five areas in which business ethics can be applied in a business (10marks)

QUESTION SIX

- (a) Define what an ethical dilemma is. (4marks)
- (b) Identify and explain any five categories of common ethical dilemmas in business (10marks)
- (c) Explain any two factors affecting ethical choices for the Manager (6marks)