



PAN AFRICA CHRISTIAN UNIVERSITY
END OF SEMESTER EXAMINATION FOR THE DEGREE OF
BACHELORS OF COMMERCE
BACHELOR OF BUSINESS LEADERSHIP
BACHELOR OF BUSINESS INFORMATION TECHNOLOGY
MAY-AUGUST 2017

CAMPUS: ROYSAMBU

DEPARTMENT: BUSINESS

COURSE CODE: BCM210|BUS3123|BIT312

COURSE TITLE: BUSINESS ETHICS

EXAM DATE: TUESDAY 25th JULY 2017

TIME: 5.30PM-8.30PM

INSTRUCTIONS

- Read all questions carefully before attempting.
- Write your student number on the answer sheet provided
- Answer FIVE questions out of the SIX Provided
- Answer question one and any other four questions

(a) Read the passage below and answer the questions that follow.

REAL Bank boss arrested

Top REAL Bank officials are being sought for grilling and prosecution over corruption claims at the institution that occasioned it to be put under receivership. This was after detectives from Banking Fraud Unit arrested former REAL Bank chairman Mr. Wanton. He spent the night in police custody and is expected to answer to charges of money laundering and theft of money. Wanton is among seven senior bank managers whom the Director of Public Prosecution (DPP) authorized their prosecution over the collapse of the bank. The other six are yet to be found and police said they had issued summonses on them to present themselves for processing.

The bank was placed under receivership for 10 months after experiencing liquidity difficulties that led to a loss of Sh926 million for the financial year 2016.

A court heard that the Mr. Wanton bought his wife a vehicle worth Sh35 million. He had also been receiving Sh8 million every month from the bank for consultancy.

Task

- (i) Describe the character of Mr. Wanton as illustrated in the case study above. **(4 Marks)**
- (ii) Explain **TWO** moral choices that employees in this bank including the top officials are faced with. **(4 Marks)**
- (iii) Suggest the kind of punishment that these officials should be subjected to. **(2 Marks)**
- (b) Describe **THREE** elements of Business Ethics. **(6 Marks)**
- (c) Explain **FOUR** reasons that make people to make unethical decisions. **(8 Marks)**
- (d) Discuss **FOUR** environmental issues that organizations face today. **(8 Marks)**
- (e) Explain **FOUR** disadvantages of self-interest to moral decisions and obligations in an organization. **(8 Marks)**

QUESTION 2

(15 MARKS)

(a) Explain, with relevant examples from an organization, the Normative Theories of Ethics. **(6 Marks)**

(b) Discuss Robert Nozick's Theory of Justice with relevant examples as it applies to an organization. **(9 Marks)**

QUESTION 3

(15 MARKS)

(a) Explain the concept of character according to Aristotle and show its relevance in an organization. **(6 Marks)**

(b) Describe, with appropriate examples, **THREE** types of management models. **(9 Marks)**

QUESTION 4

(15 MARKS)

(a) Explain **THREE** roles of Business Ethics. **(6 Marks)**

(b) Discuss, with relevant examples, the following in relation to moral choices facing employees in organizations:

(i) Abuse of official position, **(3 Marks)**

(ii) Bribes and kickbacks, **(3 Marks)**

(iii) Obligations to third parties. **(3 Marks)**

QUESTION 5

(a) Outline **FIVE** reasons that may make employees hesitate to report discrimination, workplace harassment and sexual harassment. **(5 Marks)**

(b) Discuss **TWO** frameworks for understanding ethical theories. **(4 Marks)**

(c) Explain **THREE** aspects that may cause incentive conflicts in an organization. **(6 Marks)**

QUESTION 6

(a) Outline **SEVEN** emerging ethical issues in business. **(7 Marks)**

(b) Discuss **FOUR** steps that should be taken by manufacturers to assure consumers about the safety standards of their products. **(8 Marks)**