

BUSINESS ETHICS

PAN AFRICA CHRISTIAN UNIVERSITY

BUS3123/BCM210/ BIT312: BUSINESS ETHICS

ROYSAMBU - DAY

DATE: WEDNESDAY

TIME: 9.00 – 12.00 P.M.

ANSWER QUESTION ONE AND ANY OTHER FOUR QUESTIONS

QUESTION 1 **COMPULSORY** **(40 MARKS)**

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

Study on supermarket pricing due soon

A study commissioned by the Competition Authority of Kenya (CAK) into supermarkets' pricing strategies is expected to be unveiled by the end of next month. CAK launched a probe on supermarkets over rising customer complaints of price manipulation, where customers are misled to overpay for goods.

The competition watchdog announced the retailers would face scrutiny following mounting claims they were posting different prices on the shelf from what they charge at the tills. A consumer lobby, which a year ago threatened to sue a major retailer for possible dodgy pricing, welcomed the study but added that its findings must immediately transform into regulatory steps.

Some of the large retailers have in the past claimed the time lag between changes in shelf price and the till are responsible for the problem.

Apart from the price cheating, CAK said supermarkets that sell defective stock would be in focus.

Task

- (i) Describe the nature of operations in some supermarkets as illustrated in the case study above. **(4 Marks)**
- (ii) Explain **TWO** moral choices that employees in this sector are faced with. **(4 Marks)**
- (iii) Suggest the punitive measures that supermarkets which flout the rules of operations should be subjected to. **(2 Marks)**

BUSINESS ETHICS

(b) The nature of Business Ethics is manifested in many ways. Discuss any **THREE** of these ways. **(6 Marks)**

(c) Explain **FOUR** factors that promote ethical workplace behavior in an organization. **(8 Marks)**

(d) Explain **FOUR** environmental issues that affect businesses. **(8 Marks)**

(e) Ruth was known as a whistle blower in the organizations that she worked for. Discuss **FOUR** disadvantages of whistle blowing in an organization. **(8 Marks)**

QUESTION 2 **(15 MARKS)**

(a) Highlight **FIVE** importance of Business Ethics to an organization. **(5 Marks)**

(b) Describe the Mill's utilitarian Theory of Justice with reference to an organization. **(6 Marks)**

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

QUESTION 3 **(15 MARKS)**

(a) Discuss **THREE** components of the Aristotle's virtue ethics with reference to an organization. **(6 Marks)**

(b) Explain, with appropriate examples, **THREE** levels of Business Ethics. **(9 Marks)**

QUESTION 4 **(15 MARKS)**

(a) Explain Robert Nozick's Theory of Justice with relevant examples as it applies to an organization. **(6 Marks)**

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

(i) Obligations to the firm, **(3 Marks)**

(ii) Loyalty to the company, **(3 Marks)**

(iii) Conflict of interest. **(3 Marks)**

BUSINESS ETHICS

QUESTION 5

(15 MARKS)

- (a) Outline **THREE** consequences of unethical behaviour at the workplace. **(3 Marks)**
- (b) Discuss **THREE** types of Social Responsibility and their ethical implications in an organization. **(6 Marks)**
- (c) Explain **THREE** reasons for the need for employees to report discrimination, workplace and sexual harassment. **(6 Marks)**

QUESTION 6

(15 MARKS)

- (a) QRSIT Company is developing a code of ethics for the organization. Outline **FIVE** key issues that should be addressed in the document. **(5 Marks)**
- (b) Discuss **FIVE** moral responsibilities that businesses have to consumers. **(10 Marks)**

End of Exam