



**PAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

FACULTY OF MANAGEMENT SCIENCES

CENTRE FOR ENTERPRISE DEVELOPMENT

QUALIFICATION: DIPLOMA IN BUSINESS PROCESS MANAGEMENT	
QUALIFICATION CODE: 06DBPM	LEVEL: 6
COURSE CODE: BBE621C	COURSE NAME: BUSINESS ETHICS
DATE: JUNE 2018	PAPER: THEORY
DURATION: 3 HOURS	MARKS: 100

1st Opportunity Examination	
EXAMINER	MS. M. CLOETE
MODERATOR:	MR.B.ZEALAND

INSTRUCTIONS
<ol style="list-style-type: none">1. Answer ALL the questions in the examination booklet provided2. Write clearly and neatly.3. Number the answers clearly.

PERMISSIBLE MATERIALS

1. Examination paper
2. Examination booklet

SECTION A
MULTIPLE CHOICE QUESTIONS
CHOOSE THE CORRECT ANSWER

(2X20=40)

QUESTION 1

1. If a very successful fast food restaurant has been ignoring customers' concerns about the small war toys and toy guns included in their Kids Meals, then managers should begin focusing on improving the firm's.

- A. ethics.
- B. defense.
- C. profitability.
- D. productivity.
- E. game plan.

2. If the owner of a shoe store seeking a price reduction gives the manager of an athletic shoe manufacturing company a new personal computer, the shoe store owner is using which approach to influence the manufacturer's decision making?

- A. tipping
- B. bribery
- C. high technology
- D. computer impacting
- E. discounting

3. Actions society deems unethical are?

- A. always illegal.
- B. socially responsible.
- C. illegal but socially responsible.
- D. not necessarily illegal.
- E. covered by business law.

4. The most important step in understanding business ethics is?

- A. establishing codes of ethics.
- B. learning to recognize ethical issues.
- C. having efficient operations.
- D. implementing a strategic plan.

E. hiring ethical employees.

5. Which of the following is an argument against social responsibility?

- A. Businesses created many of the problems, so they should participate in finding solutions.
- B. Businesses may lose their focus on profit-making.
- C. As members of society, businesses should do their fair share.
- D. The survival of a healthy economy depends on businesses being socially responsible.

6. A set of formalized rules and standards that describe what a company expects of its employees is called a(n)?

- A. strategic plan.
- B. moral philosophy.
- C. guideline.
- D. code of ethics.
- E. corporate citizenship plan.

7. Which of the following issues did your textbook identify as a category of ethical issues to study?

- A. conflicts of interest
- B. fairness and honesty
- C. business relationships
- D. communications
- E. all of the above

8. Social responsibility is the obligation a business has to do which of the following?

- A. minimize its positive impact on society and maximize its negative impact
- B. make the highest possible return for investors
- C. develop total quality management
- D. be as competitive as possible
- E. none of the above

9. It is the responsibility of _____ to create a work environment that helps the company achieve its objectives and fulfill its responsibilities?
- A. Employees
 - B. Individuals
 - C. the government
 - D. owners
 - E. managers
10. A _____ exists when a person must choose whether to advance his or her own personal interests or those of others?
- A. communication problem
 - B. fairness and honesty issue
 - C. conflict of interest
 - D. business relationship problem
 - E. conflict of values
11. The Surgeon General's warning on cigarette packages about the health implications of smoking is an example of which of the following ethical issues?
- A. Communications
 - B. relationships within a business
 - C. conflict of interest
 - D. fairness and honesty
 - E. none of the above
12. Business ethics relates to?
- A. society's decisions.
 - B. an individual's or work group's decisions.
 - C. an organization's decisions.
 - D. government decisions.
 - E. legal decisions.

13. the social responsibility of a business is important to?

- A. owners and investors.
- B. employees.
- C. governments.
- D. competitors.
- E. all of the above.

14. Consumers vote against firms they view as socially irresponsible by?

- A. boycotting the company's products.
- B. expressing dissatisfaction by protesting.
- C. writing their representatives in Congress.
- D. filing complaints with the company.
- E. all of the above.

15. Today, most companies view social responsibility as?

- A. an unnecessary burden.
- B. a cost of doing business.
- C. a waste of time.
- D. too costly to implement.
- E. a waste of human resources.

16. A supplier of pesticides has offered the manager of a farm supply store a free two-week cruise if his firm gets a very large order from the store. The most ethical course of action for the store manager to take would be to?

- A. call the police.
- B. accept the offer.
- C. politely turn it down and discuss it with his supervisor.
- D. accept it if the pesticide in question meets quality standards.
- E. ask around and see how other store managers handled such offers previously.

17. Which of the following statements about business ethics is true?

- A. It concerns the impact of a business's activities on society.
- B. It refers to principles and standards that determine acceptable behavior in the world of business.
- C. It relates to an individual's values and moral standards and the resulting business decisions he or she makes.
- D. What is ethical is determined by the public, government regulators, interest groups, competitors, and individual's personal moral values.
- E. All of the above.

18. Which of the following is an argument for social responsibility?

- A. It sidetracks managers from their primary objective.
- B. Being socially responsible gives businesses more power.
- C. Businesses may not have the necessary expertise.
- D. The government should bear the responsibility.
- E. Businesses have the financial resources to help society.

19. Which of the following management activities can help to reduce unethical behavior in business?

- A. establish clear policies on unethical behavior
- B. limit opportunities for unethical behavior
- C. establish formal rules and procedures
- D. punish unethical behavior firmly
- E. all of the above

20. Utilitarianism suggest that it is ethical to make decisions based on:

- A. What is best for people
- B. Common decency
- C. Mortal virtues
- D. What is best for the company
- E. All – A,B,C,D

SECTION B
QUESTION 2

(6)

Describe the three criteria used to evaluate the adequacy of moral reasoning.

QUESTION 3

(6)

List the six stages of moral development according to Lawrence Kohlberg.

QUESTION 4

(4)

Explain the two formulations of Immanuel Kant's Categorical Imperative?

QUESTION 5

(6)

Briefly explain three ways advertising can become unethical?

QUESTION 6

(8)

Name and explain the four main types of basic moral considerations.

QUESTION 7

(6)

Distinguish between:

- I. leadership
- II. management
- III. Charismatic leadership

QUESTION 8

(4)

Briefly explain any two leadership styles of your choice.

SECTION C
TRUE OR FALSE

(2X10=20)

QUESTION 10

- I. One meaning of "employee rights" is that employees have claims independently of any particular legal system, claims that originate from the respect due them as human beings.
- II. Without collective bargaining, employers would have a stronger incentive to compromise with individual employees on levels of wages and benefits.
- III. The idea of government providing a job for everyone makes sense only if it means the responsibility to provide jobs that are compatible with qualifications to those who can't find a job in the private sector.
- IV. The employment at will doctrine means, essentially, that unless a specific contract states otherwise, an employer has the right to hire and fire an employee for any reason whatever and the employee has the right to quit a job at any time.
- V. According to Norman Bowie, employers have an obligation to provide jobs for individuals and structure the workplace so that workers can exercise their autonomy, their independence.
- VI. Rather than specifying every acceptable and unacceptable reason for dismissing an employee, "due process" refers to the procedures employers must go through before dismissing workers.
- VII. The private property rights of business make it doubtful that it derives its coercive power from the consent of the governed even in societies where individuals are respected as autonomous, free decision makers.
- VIII. Stockholder rights raise a relevant objection to the participation of workers in management decisions only if such participation threatens a stockholder's investment.
- IX. It is simply too much to ask of employers to provide an ideally safe workplace.
- X. Information about employees that is gathered through such technologies as polygraphs, drug-testing, surveillance, psychological tests or electronic monitoring may sometimes have to include information that is not ordinarily job-relevant and legitimately knowable by the employer if the employer thinks the overall good of the business might someday require it.