



BERJAYA BUSINESS SCHOOL

FINAL EXAMINATION

Student ID (in Figures) :

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Student ID (in Words) : _____

Course Code & Name : **DCS3301 Business Ethics and Corporate Citizenship**
 Trimester & Year : May – August 2018
 Lecturer/Examiner : Dr Antoon De Rycker
 Duration : 2 Hours

INSTRUCTIONS TO CANDIDATES

1. This question paper consists of two (2) parts:
 - PART A (60 marks)** : Ten (10) short-answer questions. Answer ALL questions in the booklet provided.
 - PART B (40 marks)** : Two (2) cases for analysis. Write your case analyses in the booklet provided.
2. Candidates are not allowed to bring any unauthorized materials except writing equipment into the Examination Hall. Electronic dictionaries are strictly prohibited.
3. This question paper must be submitted along with all used and/or unused rough papers and/or graph paper (if any). Candidates are NOT allowed to take any examination materials out of the examination hall.
4. Only ballpoint pens are allowed to be used in answering the questions, with the exception of multiple choice questions, where 2B pencils are to be used.

WARNING: The University Examination Board (UEB) of BERJAYA University College regards cheating as a most serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in accordance with the clauses stipulated in the Students' Handbook, up to and including expulsion from BERJAYA University College.

PART A : SHORT-ANSWER QUESTIONS (60 MARKS)

INSTRUCTION(S) : This part consists of TEN (10) questions. Write your answers in the booklet provided.

1. Which level (I, II or III) and stage (1–6) of a person’s cognitive moral development (Kohlberg, 1958) do the following forms of behaviour refer to? (6 marks)
 - displaying stereotypical “good” behaviour
 - living up to what is expected by peers and people close to you

2. What is utilitarianism? (6 marks)

3. Match each ethical theory with its description. (2 marks x 3 = 6 marks)

A	<i>Social Contract theory</i>	1	<i>The emphasis is on moral character rather than rules or outcomes.</i>
B	<i>Categorical Imperative</i>	2	<i>Good or right is determined by the rules we make and follow.</i>
C	<i>Virtue ethics</i>	3	<i>Moral laws are absolute.</i>

4. “How different are ethical standards in different cultures – really?” Explain your answer. (6 marks)
5. What are the **FOUR (4)** tiers of an ethical culture? (1.5 marks x 4 = 6 marks)
6. Choose **TWO (2)** tiers of an ethical culture – see the previous question – and give **ONE (1)** example of a component or initiative for each one. (3 marks x 2 = 6 marks)
7. In an article in *Harvard Business Review*, Kathleen Reardon (2007) refers to “blowing the whistle” as a form of “calculated risk taking”. This calculation involves six things any prospective whistleblower needs to take into consideration. Name **THREE (3)** of them and give a brief explanation. (2 marks x 3 = 6 marks)
8. In “blowing the whistle”, what is meant by “going outside your chain of command”? (6 marks)
9. What are “group norms”? And why is the notion important for managers in the context of business ethics? (6 marks)
10. To understand business ethics, we must understand that generally, people do what they are told. There is a strong psychological tendency to obey authority, also at work. What practical advice can we derive from this for managing ethical issues in the workplace? (6 marks)

END OF PART A

PART B : CASES (40 MARKS)

INSTRUCTION(S) : Using the AAA model of ethical decision-making, analyse the following two cases. Write your analyses in the booklet provided.

CASE 1: The vegetable blender (10 marks)

Mrs Pinheiro is upgrading one of her family hotel's satellite kitchens and has just placed an order worth RM50,000 for new cooking and food-processing equipment with Matterhorn Hotel & Restaurant Sdn Bhd. During one of her meetings with the sales representative, Mrs Pinheiro mentioned that she wished she had a vegetable blender just like the one she just ordered. The Matterhorn representative tells her that because of her large order, she is welcome to a 50 per cent discount on an RM500 vegetable blender for her home.

CASE 2: The healthy menu (30 marks)

Today was an important day for Carol, the shift leader at a local fast-food restaurant. Dave, the store manager, had called an all-staff meeting to discuss the new healthy menu that the company had launched in response to public pressure for healthier lunch choices – lots of salads and new options for their side items.

The company had sent a detailed information kit on the new menu and Dave covered the material very thoroughly. As he finished the last PowerPoint slide, he asked if anyone had any questions. Since they had been in the meeting for over an hour, Carol and her team were very conscious of all the work that wasn't getting done for the lunch rush, so no one asked any questions. As a last comment, Dave said:

"This new menu should hopefully bring in some new customers, but let's not forget what we're doing here. We're here to make money for our shareholders and to do that, we have to make a profit. So, we're only going to make a limited number of these new items – if they run out, offer customers something from the regular menu and don't forget to push the upsize menu options and ice creams for dessert – those are still our most profitable items. And if someone wants one of these new healthy salads, make sure you offer them an ice cream or shake to go with it".

Carol was amazed. The company was making a big push for this new menu and spending a ton of money on advertising, and here was Dave planning to sabotage it just because he was afraid that these lower-priced items would hurt his sales (and his bonus!).

END OF EXAM PAPER