



## BERJAYA BUSINESS SCHOOL

### FINAL EXAMINATION

Student ID (in Figures) : 

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Student ID (in Words) : \_\_\_\_\_  
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Subject Code & Name : **DCS3301 Business Ethics and Corporate Citizenship**  
 Semester & Year : September – December 2017  
 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 of Hospitality 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 of Hospitality.

**Total number of pages = 4 (Including the cover page)**

**PART A : SHORT-ANSWER QUESTIONS (60 MARKS)**

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

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1. Define “ethical issue”. (6 marks)
2. “We need to stand together to ensure that travel and tourism are always a positive force for good in the world” (J. W. Marriott, Jr., *Business Conduct Guide*, p. 40).  
  
The quote above shows that the Marriott corporation and its CEO are committed to which kind of responsibility? (6 marks)
3. Name **THREE (3)** causes that—according to Jennings (2006)—can contribute to the formation of “bad barrels”. (2 marks x 3 = 6 marks)
4. Give another term for
  - (a) “moral relativism” (3 marks)
  - (b) “absolute relativism” (3 marks)
5. (a) Name **THREE (3)** social drivers that may promote ethical awareness in business. (3 marks)  
(b) For each, give **ONE (1)** example and briefly explain how it affected ethical awareness in a business or industry. (3 marks)
6. What are “group norms”? And why is the notion important for managers in the context of business ethics? (6 marks)
7. (a) What are the **FOUR (4)** tiers of an ethical culture? (4 marks)  
(b) Choose **TWO (2)** tiers and give **ONE (1)** example of a component or initiative for each one. (2 marks)
8. 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
9. What do utilitarianism and social contract theory have in common?

Both are a form of (a) \_\_\_\_\_ ethics.

Both focus on the (b) \_\_\_\_\_ of our decisions and acts.

Supply the missing words. (3 marks x 2 = 6 marks)

10. Consider the following situation.

Two famous TV chefs give money to charity. TV Chef A does it because she considers it her duty to do so; she realises she has been more fortunate in life than others who are in desperate need. TV Chef B does it only because his name and picture will appear in the media, enhancing his status in the country. TV Chef B seeks maximum exposure and publicity. By contrast, TV Chef A makes no effort to bring attention to her charitable giving; she believes it's not relevant to her reasons for giving in the first place. Note that both A and B are equally rich and that every year both chefs donate exactly the same sum of money to the same organisation, namely, *Feed The Children*. Also, *Feed The Children* uses the amount given by both TV chefs equally effectively in reducing hunger among children worldwide.

According to Immanuel Kant,

(a) which of these two famous TV chefs has acted morally? (2 marks)

(b) and why? (4 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 analysis in the booklet provided.

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#### **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)**

Carol is the shift leader at a local fast-food restaurant. She first started working there as a summer job for some additional money. She enjoyed working for this company. The job was hard on her feet, especially during the breakfast, lunch or dinner rush, when she is usually too busy to even notice.

Today was an important day. 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. It was going to take a lot of work to get her staff up to speed, and Carol expected that a lot of the customers would need extra time to work through all the new options, but overall she liked the new menu and she thought that the new lower-priced items would bring in a lot of new customers who are looking for something more than burgers and fries.

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**