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KIBABII UNIVERSITY



UNIVERSITY EXAMINATIONS

**2021/2022 ACADEMIC YEAR
FOURTH YEAR SECOND SEMESTER
SPECIAL/SUPPLEMENTARY EXAMINATION**

**FOR THE DEGREE OF BACHELOR OF COMMERCE
COURSE CODE: BCO 421/BCB 420
COURSE TITLE: BUSINESS ETHICS**

DATE: 24/11/2022

TIME: 11.00AM – 1.00PM

INSTRUCTION TO CANDIDATES

- 1) The paper contains FIVE questions
- 2) Attempt THREE questions
- 3) Question ONE is Compulsory

TIME: 2 Hours

KIBU observes ZERO tolerance to examination cheating

QUESTION ONE (30 MARKS)

CASE STUDY: HARMFUL THEFT OR SIGN OF THE TIME?

Source: *Nation Daily* July 31, 2019

- a) i. Three people were arrested Wednesday after law enforcement officer found dozens of secondary schools students watching dirty content in their business premises. The students, who are from three schools in Nakuru were also detained reported Nakuru East Regional Commander".
Identify and comment on the key business levels in the case study (6 marks)
- ii. Why is it unlawful to download music and other entertainment movie sites from the internet and share it with either your colleagues or friends? (4 marks)
- b) i. Detail using examples ways which university students often use to illegally distribute copyrighted services. (4 marks)
- ii. Discuss possible ways the universities can use to stop such activities. (4 marks)
- iii. Explain how value-based system is important in the above case study. (2 marks)
- c) i. Compliance is about obeying and adhering to rules and authority. Briefly explain SIX areas where as a Kibabii university student you have failed to comply (6 marks)
- ii. What are the advantages of ethical compliance in organizations? (4 marks)

QUESTION TWO (20 MARKS)

- a) i. Most blue chip companies prioritize moral values at their workplace by ensuring behaviors are aligned with those value based management. But business ethics myths bring general confusion in most companies. What is a business ethics myth? (2 marks)
- ii. Describe at least how these myths have not represented truth but popular and unexamined relationships between business and ethics. (8 marks)
- b) What are the benefits of Government having control over business? (10 marks)

QUESTION THREE (20 MARKS)

- a) i. Briefly explain how Economic Analysis (Pareto Optimality) can be used in the analysis of ethical problems by management in organizations in Kenya. (8 marks)
- ii. What is ethical dilemma as used in business ethics? (2 marks)

- b) Highlight **FIVE** major milestone systems with relevance to managerial decisions that managers use to think through the consequences of their actions on multiple dimensions. (10 marks)

QUESTION FOUR (20 MARKS)

- a) The concept of corporate social responsibility presupposes that a corporation has not only the economic legal obligation but also has certain responsibility to the society. State **FIVE** factors against and **FIVE** arguments for corporate social responsibility (10 marks)
- b) Miss. Sharon Chilumiyo a graduate from Kibabii University in 2020, recently joined an International NGO that deals with human rights advocacy in Kenya. One of the questions she was asked about was how well she knows work ethics and the moral values that as employees she will follow in executing her duties. Describe the common elements that Miss. Sharon Chilumiyo will follow and what her employer will be expecting from her. (10 marks)

QUESTION FIVE (20 MARKS)

- a) In event and in your own thinking as a Business Ethics Expert; Do you believe that ethics is an important factor in business transactions today (10 marks)
- b) i. Organizations recognize professionalism of their employees and embrace the Code of Business Conduct. What is a code of conduct? (2 marks)
- ii. How do predatory pricing occur in a market environment (8 marks)