



MBA DEGREE EXAMINATIONS: APRIL / MAY 2023

(Regulation 2021)

Fourth Semester

MASTER OF BUSINESS ADMINISTRATION

P21MBC4121: Business Ethics

COURSE OUTCOMES

- CO1:** Explain the fundamental concepts of business ethics and its principle in business organisation
- CO2:** Propose suitable solutions for overcoming ethical dilemma situations in various functional areas and for implementing CSR activities and UN Sustainable Goals
- CO3:** Display creative thinking skills in the application of ethical principle for solving ethical issues beneficial for the business and society

Time: Two Hours

Maximum Marks: 50

PART A (1Q x 10M = 10 Marks)

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Case Situation: Dealing with Ethical Violations.

CO3 K₆

A pharma company in Hyderabad, as part of their CSR activity, started a project to improve the livelihood of people in the villages by supporting their education and giving them entry level jobs. An enrolment drive was organized and 2 boys from the village, Rakesh & Paul were selected. The boys were thrilled as they arrived in Hyderabad and were put up in a small residential unit arranged by the company with small mess and support services. The company had sponsored their education, and now their stay and provided them with a job. The Salary of 15,000 per month was like a dream come true for both Rakesh and Paul.

The size of their batch was 30 trainees who were from similar financial and cultural backgrounds. The Hyderabad factory where all the 30 were posted had a local HR team with a HR manager and a couple of officers, who were responsible for the recruitment and onboarding of new joiners.

Vivek Reddy, a HR officer, was a seasoned employee of the company who was quite influential and knew the process very well. On the very first day in office, Vivek called this group of 30 trainees and explained to them the company rules, the basic etiquettes to be maintained etc. He also explained to them that they were entitled to one-time travel and shifting allowance of Rs. 10,000 at the time of joining. He told the trainees to get invoice from a local transporter for the 10,000/- against payment of 2,000/-. The trainees were told that

this was how it happened, and they should not forgo this amount. Both, Rakesh & Paul felt this was not right and told Vivek, but Vivek convinced them that this was their ENTITLEMENT.

One fine morning, 30 transport bills from the same company landed up in the accounts department duly approved by HR for processing and payment. The finance department person, a young lady, Sunitha found something very strange and escalated this to the Head of HR and Finance.

The Head HR Keshav and Finance Head Bala conducted a small investigation and found out what happened from the trainees. The matter was escalated to the Ethics Committee. After a lot of discussions and the reports of Keshav and Bala, analyzing the invoices from Sunitha, the following actions were taken:

- Vivek Reddy was relieved of all duties without any notice
- The transporter who produced the fake invoices, was to be blacklisted
- 30 trainees were to be given a written warning.

Questions:

1. Discuss why Vivek should be relieved of his duties and the trainees were to be given only a warning.
2. Discuss whether culture and ethics should be role-modelled by a leader.

PART B (5Q x 2M = 10 Marks)

2	Explain the meaning of work ethics.	CO1	K ₂
3	What is Utilitarianism?	CO1	K ₁
4	Define Corporate Social Responsibility.	CO1	K ₁
5	Explain the principles of professional ethics.	CO1	K ₂
6	What is an ethical dilemma?	CO1	K ₁

PART C (3Q x 10M = 30 Marks)

Answer Any Three Question only

7	Explain 'Code of Ethics' and the benefits of managing ethics at workplace.	CO3	K ₅
8	Explain the ethical dilemmas in business.	CO2	K ₅
9	Discuss the different ways in which unethical practices are carried out in the financial market.	CO2	K ₆
10	Discuss the different strategies of corporate social responsibility.	CO2	K ₆
