Presidency University, Bengaluru
School of Management

II Semester 2015-2016 **Comprehensive** **Course: MBA A 118 Business Ethics and CSR**

(Closed Book)

Max Marks: 80 **Max Time: 3 Hours** **Weightage: 40 %** **23 May 2016** **Set A**

Part A

2X10 Marks= 20 Marks

1. Differentiate between Morality and Law?
2. What is Business Ethics?
3. Define Corporate Citizenship?
4. Define Sustainability?
5. Differentiate between ethical and normative theories?
6. What is Social Accounting?
7. Define Sustainable Consumption?
8. What do you mean by conflict of interest?
9. What is Regulation? Why is it important?
10. Define Utilitarianism?

Part B

5X6 Marks= 30 Marks

1. What is Triple Bottom Line? Critically evaluate the perspectives of Triple Bottom Line and the implications for business ethics?
2. What is Corporate Social Responsiveness? Examine the outcomes of Corporate Social Responsibilities?
3. What do you mean by Ethical Decision making? Critically examine the factors for ethical decision making?
4. What are the types of relationship stakeholders can have with corporations? What are the problems with stakeholder relationship?
5. 'Management of human resources- an ethical problem between rights and duties'. Evaluate this statement? What responsibility should employers have for ensuring that employees maintain an appropriate work life balance?
6. 'Competition between rival firms is like a battle. You play to win and anything goes'. Critically assess this statement in context of western multinationals competing with domestic firms in developing countries?

Part C

Case Study **30 Marks (6+9+9+6)**

A Beautiful Deal

You work as a purchase manager for a large European Retailing Company that is in the process of revamping its line of own label cosmetics. This line is important to your business and as your company has expanded, own-label cosmetics have gradually occupied an increasingly prominent role in the product mix in stores.

Your existing supplier of own-label products, *Beauty to Go*, has supplied your company for ten years and over two third of their business is accounted for by your company's orders. You have a good relationship with the Account Manager of *Beauty to Go* who like yourself, has been in her role for a number of years, and has become a good friend.

As you are considering how to proceed with the revamp, a competing supplier, *Real Cosmetics*, also contact you, offering virtually identical products to *Beauty to Go*, with what appears to be equivalent supply arrangements, but at a slightly lower price per unit. Over a year this would work out to approximately $200000 savings- not a huge sum for your company, but quiet a substantial saving of about 2% on your costs. In addition, *Real Cosmetics* also highlights in its sales pitch that they go well beyond industry standard for non-animal testing of their products ingredients-again, a significant improvement over what *Beauty to Go,* has been offering you.

Questions

1. What are the ethical issues at stake in this situation?
2. What are the theories do you think might help you in deciding an appropriate decision?
3. What are the main considerations that theories raise?
4. How would you proceed in this situation?

School of Management

II Semester 2015-16 Course: MBA A11 8- Business Ethics and Corporate Social Responsibility

(Closed Book)

Max Marks: 30 Max Time: 50 Min Weightage: 15% 11th April 2016

Q1 Answer the following in short **5 X 1 = 5 Marks**

1. What is business ethics?
2. Define morality and ethics?
3. Define sustainability?
4. Why do corporations have social responsibilities?
5. What is an ethical decision?

Q2. Answer the following **3 X 5 = 15 Marks**

1. Business ethics do not really matter to small firms owners? Critically examine why such view of small firms might be pervasive and likely to be correct?
2. Critically evaluate the outcomes of Corporate Social Responsibility?
3. What is the difference between descriptive and normative ethical theories?

Q3. Case study **1 X 10 = 10 Marks**

Carbon Credits and Carbon Trading

'Carbon Credits is a term used to denote a certificate or permit giving the right to emit one tonne of carbon or carbon dioxide equivalent this a part of an international effort to reduce green hourse emissions by capping them for each country and allowing surplus countries (that is, those emissions are less than their quotas) to sell their credits to those which are in need of additional carbons. Governments, in turn, allot carbon limits to their businesses, and those that can reduce their emissions can get credit (monetary benefits) and those which increase the emissions (such as setting up a new factory) would need to buy their rights. The systems was formalized in Kyoto Protocol.

In 2007, the total carbo trading was around US$5 billion, and India had a share of US$1 billion. India is a carbon surplus country, in that it has achieved more that its quota of emission reduction. It has generated some 30 million tonnes of carbon credits and is generating more credits. The trading is done in international exchanges.

Firms can now not only contribute to the reduction in environment pollution for their own sake, but also make money in the process. This is a case of how you can do well by doing something good. ITC Sonar became the first hospitality chain in the world to earn carbon credits.

1. Analyzing the case, evaluate the need for Corporate Accountability? (3 Marks)

2. Why is it necessary to have an ethical code of conduct for organizations? (4 Marks)
3. Social issues and problems are the proper province of the state rather than corporate managers. Examine(3 Marks)