



ZIMBABWE EZEKIEL GUTI UNIVERSITY

FACULTY OF BUSINESS, ECONOMICS AND ACCOUNTING

DEPARTMENT OF BUSINESS ADMINISTRATION AND MANAGEMENT

EXAMINATION PAPER

COURSE CODE : CBM111
COURSE TITLE : BUSINESS ETHICS
DURATION : 3 Hours
LEVEL : 1:1
DATE : 25 OCT 2021

INSTRUCTIONS TO CANDIDATES:

- 1 No cell phones are allowed in the examination venue.
- 2 Question one is compulsory
- 3 Answer any **THREE (3)** questions from section B.
- 4 Begin each question on a new page.
- 5 The number of marks for each question or part question is shown in brackets []

1 AM

SECTION A

Case study

Question 1

An employee, Tendai, working in the accounts office of a medium-sized company listed on the Zimbabwe Stock Exchange, was working late one evening during the week. He realised he had left his pen in the boardroom at an earlier meeting and, given its value, went upstairs to look for it. As he approached the door he heard the following discussion: “Chief Executive: I am deeply concerned that if this fall in profit figures is disclosed in the next annual report, there will be all sorts of problems with the shareholders. We may even lose a number of big investors. Non-executive director (also the cousin of the Chief Executive): (large sigh) Well, I suppose we could always find a way of making them look better. Chief Executive: How? I can't see it at all. Non-executive director: Well, we could make them just slightly higher than last year's figures by including the proceeds of the sales of our toothbrush division. Chief Executive: But the sale doesn't go through until October. Non-executive director: No, but it will ... and it doesn't make much difference, we need the money on the books now. Chief Executive: But when the accounts are signed off, won't that be fraudulent? Non-executive director: Not really ... I don't see why ... it's just a manipulation of timing rather than numbers. Chief Executive: OK. That sounds good to me. Let's sort it out now.” Fred heard one of them move towards the door, and quickly slipped back to the stairs. He left work and spent the evening worrying about what he should do, if anything. He decided he would anonymously ask the Company Secretary how he could deal with this situation, and bring the issue out into the open.

As Company Secretary you receive a report from the employee about the overheard conversation. Write a brief summary for board members of the business ethics problems raised by this employee, and the weaknesses in the company's business ethics which are evident from the conversation above. [25marks]

SECTION B: ANSWER ANY THREE QUESTIONS

Question2

Happy staff, taking care of society and business ethics and satisfied stakeholders are the only factors leading to a successful organization? Discuss. **[25 marks]**

Question3

Imagine that you work for a multinational IT company and have been transferred to a European country. You want to adjust yourself culturally to the new environment so that you do not have cross-cultural problems. Which aspects of the local culture would you wish to observe and understand in order to avoid problems of cross-cultural communication? **[25 marks]**

Question4

Discuss whether economic policy conducted in accordance with the principles of ethics and high moral standards be the basis for the country's economic success? **[25 marks]**

Question5

What is an ethical workplace environment all about? What factors influence employees perception of the ethical workplace in an organization? **[25 marks]**