



**SIDDHARTH GROUP OF INSTITUTIONS:: PUTTUR
(AUTONOMOUS)**
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QUESTION BANK (DESCRIPTIVE)

Subject with Code: Business Ethics &
Corporate Governance (19MB9015)
Year & Sem: II-MBA & I-Sem

Course & Branch: MBA
Regulation: R19

**UNIT –I
BUSINESS ETHICS AND CORPORATE ETHICS**

1	a) What are the ethical theories and approaches for decision making? Explain.	[L1][CO1]	[5M]
	b) What is the importance of business ethics and corporate ethics?	[L1][CO1]	[5M]
2	Explain various ethical theories	[L2][CO1]	[10M]
3	Discuss various principles of ethics and its implications in the modern business world.	[L1][CO1]	[10M]
4	Moral value of an act is not wholly dependent on its consequences. Discuss with a historic example.	[L5][CO1]	[10M]
5	Write in detail about modern ethical models for decision making.	[L1][CO1]	[10M]
6	Discuss in brief, major theories of Ethics. Which of them, in your opinion, answer the moral Dilemma better than others?	[L6][CO1]	[10M]
7	Define Indian Ethos and explain them articulately.	[L1][CO1]	[10M]
8	What are all the ethical concerns for a manager in an organization?	[L1][CO1]	[10M]
9	Write about “ethics in business competition”.	[L2][CO1]	[10M]
10	a) Why ethics are much important in business world?	[L1][CO1]	[5M]
	b) Explain the unethical practices and ethical dilemma of a business company in establishing mining ore factory at domestic premises.	[L4][CO1]	[5M]

UNIT –II
ETHICAL ASPECTS IN ORGANIZATION I

1	Explain the ethics to be followed in marketing with examples.	[L3][CO2]	[10M]
2	Elaborate on falling ethical standards in advertising	[L3][CO2]	[10M]
3	What are the major issues involved in false advertising?	[L1][CO2]	[10M]
4	What are the marketing ethics? Why should a firm follow these? Explain.	[L4][CO2]	[10M]
5	What are the ethical aspects relating to consumer behavior? Explain.	[L1][CO2]	[10M]
6	a) How criticism can be explained in marketing ethics?	[L3][CO1]	[5M]
	b) What are marketing ethics and consumer ethics and critically evaluate the differences between them?	[L3][CO1]	[5M]
7	If an employee leaves a company, to work for a competitor, what types of knowledge would be ethical for the employee to share with the new employer, and what types of knowledge would be unethical to share?	[L6][CO2]	[10M]
8	Relate ethical concepts in selection, training and development.	[L2][CO2]	[10M]
9	a) Explain the ethics to be followed in workplace.	[L3][CO2]	[5M]
	b) What are the issues of ethics at work place in a MNC company? Explain.	[L3][CO2]	[5M]
10	What are the major issues involved in performance appraisal?	[L1][CO2]	[10M]

UNIT –III
ETHICAL ASPECTS IN ORGANIZATION II

1	What is insider trading? Give illustrations.	[L1][CO3]	[10M]
2	What do you mean by ethical investment? How far do modern companies cater to ethical investment?	[L3][CO3]	[10M]
3	Briefly state and explain the code of ethics adopted by the business firms in combating frauds.	[L2][CO3]	[10M]
4	Why should a firm follow ethics in finance? Explain.	[L3][CO3]	[10M]
5	Explain the following: a) Cyber crime. b) Information technology. c) Intellectual property rights.	[L1][CO3]	[10M]
6	Explain the special significance of cyber crime with examples.	[L1][CO3]	[10M]
7	Briefly explain the provisions of Information Technology Act 2000 dealing with cyber laws.	[L1][CO3]	[10M]
8	Answer the following: a) Intellectual property rights. b) Cyber crimes.	[L1][CO3]	[10M]
9	What is Information Security and Threats? Write the related ethical elements.	[L2][CO3]	[10M]
10	State the importance for IPR in the current scenario.	[L4][CO3]	[10M]

UNIT –IV
CORPORATE GOVERNANCE

1	a) What is the purpose of corporate governance?	[L1][CO4]	[5M]
	b) How the theories and philosophies help in for smooth running of corporate governance?	[L1][CO4]	[5M]
2	Describe various theories of corporate governance.	[L2][CO4]	[10M]
3	“Directors are the key persons in corporate governance structure”. Comment.	[L4][CO4]	[10M]
4	Explain about Nature and evolution of corporate governance.	[L1][CO4]	[10M]
5	“Corporate governance is not only the responsibility of listed companies but also public and private companies”. Do you agree with this statement? Substantiate with the proper justification.	[L6][CO4]	[10M]
6	What is Japanese model of corporate governance? Explain it comprehensively.	[L1][CO4]	[10M]
7	What is the difference between Corporate governance and management?	[L2][CO4]	[10M]
8	Explain first theory of corporate governance (McGregor)	[L1][CO4]	[10M]
9	Explain about stewardship theory in corporate governance.	[L1][CO4]	[10M]
10	a) Define Corporate governance. Explain its importance in business	[L2][CO4]	[5M]
	b) list out the common Governance problems in various corporate failure	[L2][CO4]	[5M]

UNIT –V
CORPORATE GOVERNANCE STRUCTURES

1	Elucidate the structures and processes of corporate governance.	[L2][CO5]	[10M]
2	Explain the appointment, duties and responsibilities of auditors of limited company.	[L1][CO5]	[10M]
3	What do you mean by stake holders? Who is the major stake holders involved in business?	[L1][CO5]	[10M]
4	Why does business needs society's approval in order to function? What may happen if society disapproves of a business activity?	[L3][CO5]	[10M]
5	Discuss the following: a) Institutional investors. b) Directors. c) Auditors.	[L1][CO5]	[10M]
6	Does political lobbying affect corporate social responsibility? Elaborate with examples.	[L4][CO5]	[10M]
7	It has been put to you that one of the merits of ethics is that it provides an understanding for the principles of corporate governance? What do you make of that argument? If it is Rejected; what other principles should under lie corporate governance, if they are not ethical ones? Discuss.	[L6][CO5]	[10M]
8	Write a brief note on: a) Stake holders. b) Social development. c) Corporate social responsibility.	[L1][CO5]	[10M]
9	a) How corporate could be responsible to stake holders?	[L3][CO5]	[5M]
	b) What is corporate social responsibility (CSR) and what are the activities taking by the TATA group and ONGC as part of CSR?	[L5][CO5]	[5M]
10	What is "Institutional Investor"? Explain about its types	[L2][CO5]	[10M]

Case study - 1

A junior member of staff has just returned to work after taking special leave to care for her elderly mother. For financial reasons she needs to work full-time. She has been having difficulties with her mother's home care arrangements, causing her to miss a number of team meetings (which usually take place at the beginning of each day) and to leave work early. She is very competent in her work but her absences are putting pressure on her and her overworked colleagues. You are her manager, and you are aware that the flow of work through the practice is coming under pressure. One of her male colleagues is beginning to make comments such as "a woman's place is in the home", and is undermining her at every opportunity, putting her under even greater stress.

Question:

How should you proceed so as not to discredit yourself, your profession or the practice for which you work and at the same time maintaining *integrity* and *confidentiality* in your actions?

Case study – 2

Jayanth is a son-in-law of a local MLA and is now posted as block development officer in his father-in-law's constituency. He comes to know that MLA's followers, who are mainly small contractors and many elected members of Gram Panchayat, are hand in glove with local Panchayat officials in misusing MGNREGA funds. He finds that each Panchayat secretary along with elected members have used machines to complete many works under the scheme and siphoned off funds using fake job cards. He also finds out that all this was done at the behest of his father-in-law, the local MLA. Now, the state government has taken cognizance of the issue after a media report and has ordered inquiry into the scam.

Jayanth has to probe the matter and file a report to higher authorities. His father-in-law is pressurizing him to file a false report as he himself is under pressure from his followers, who if found guilty will be slapped with a criminal case. Some contractors have contacted and requested him to not to mention their names in the report in return for a hefty bribe. Some Panchayat secretaries have requested him to spare them as according to them Panchayat members had coerced them into becoming partners in crime. Jayanth is recently married and it is his first government job.

What should be his course of action?

Case study – 3

You are stranded in traffic in your car. You are driving the car. A poor girl looking very frail approaches you and start begging for money. Looking at he frail appearance, out of compassion, you take out your wallet to search for a ten Rupees note. The girl who is standing very near to you snatches the wallet and starts running. A man on a motorbike who see this act, catches the girl and starts beating her in full view of public. Now the traffic is moving and your car is in the middle of the road.

What will you do in such a situation? And why?

Case study – 4

You are posted as Superintendent of Police to a District. The stenographer, a beautiful young lady who is smart and hardworking, grows close to you. You take her assistance in many office tasks. In the office and beyond, a rumour spreads that you are having an affair with her. To make things worse the stenographer has confessed to her friends in office that she loves you. You are affectionate towards her but you are faithful to your wife. You do not worry about rumours and carry on with your work meanwhile growing more close to stenographer. Your wife comes to know about these rumours. A point is reached where the stenographer becomes powerful in the office thanks to your close association. Your continued association is straining your relationship with your wife and is also affecting your public image.

What will you do in these circumstances? Which values would you uphold most in such a scenario and explain why.

Case study – 5

A former employee who was fired due to poor quality work, absences, and lateness related to her drinking problem, informs you that she has applied for a position at another company and has already given your name as a reference. She desperately needs a job (she is a single parent with three children), and she asks you to give her a good recommendation and not mention her drinking, which she assures you is now under control.

She also asks you to say that she voluntarily left the company to address a family medical crisis, and that the company was pleased with her work. You like this person and believe she is a good worker when she is not drinking. You doubt that she really has overcome her drinking problem, however, and you would not recommend your own company hire her back.

- What do you say to this woman?
- What do you say to an employer who calls you for a reference?
- What if the prospective employer was a friend?
- Suppose the problem was a theft?
- Suppose she had asked you to be a reference prior to supplying your name to her prospective employer?
- What values are at stake? Do some of the values conflict with one another?

Case study – 6

Shraddha recently landed a well paying software job in a reputed company in Bangalore. She has an ambition to become a civil servant. She is working hard towards it. Recently she wrote the entrance for Prime Minister's Rural Development Fellowship (PMRDF) and got selected as its Fellow. Though she received better salary in the present job, she wanted to accept the PMRD Fellowship and work for it. She will be posted in a far away state from her present location. The district where she will be posted is a sensitive region severely affected by Naxal problem. Few days ago, few civil servants and policemen were killed by Naxals in an ambush.

Shraddha's parents do not want her to leave the present job. Her boyfriend with whom her marriage is fixed is also not supporting her. She thinks that this fellowship would equip her with skills needed to work as an IAS officer in case she gets selected in future.

- a. If you are in Shraddha's place, what decision will you take? Give reasons. (150 Words)
- b. Do you think it's right on her boyfriend's and parents' part to say no to her decision? Critically comment.

Case study – 7

You are working as an employee in a private company. One afternoon in the office you get a frantic call from your wife that your two year old daughter is very ill and her condition is critical. Unfortunately nobody is there around to help your wife in any way. Your car is the only option to take your daughter to the hospital, you have to rush to help your daughter as soon as possible.

You soon leave the office. On your way back home you hit an old woman and she is critically injured and before you notice she dies. Nobody has noticed the accident as it has taken place on a stretch of road that's always free of traffic and people. Your wife is calling you frantically for the help. Any delay would cost your daughter's life.

- a. In this scenario what will you do? And why? (150 Words)
- b. Examine the rules, laws and values which come into the picture in the above scenario.

Case study – 8

You have passed UPSC Civil Services exam with a very good rank (Rank 10) and you have given first preference to IAS and your home state. You will get home cadre as you are the topper from the state and there is vacancy available under your category. A former Chief Minister, who belongs to your caste, now wants to make you his Son-in-Law. Just like you, his daughter is also a graduate from top foreign university, she is very beautiful and as per information gathered from different sources by your parents, she is a down to earth and sweet girl.

The former Chief Minister is also the head of the political party he belongs to and there is every chance that he would become Chief Minister again if his party comes to power in next elections. Your parents are on cloud nine ever since this marriage offer has been proposed.

The former Chief Minister was jailed for few years in the past on corruption and murder charges. There are serious cases still pending against him in different courts. He is very rich. His business empire runs into thousands of crores. He has only one daughter.

His family has liked you a lot for your personality and looks also. They want you to be their Son-in-Law at any cost. The girl has also liked you. Recently they have sent costly gifts to your parents, about which you were unaware of.

- 1) Do you think it is unethical for you to marry the girl as you are going to serve in the same state and where there are chances of you working under your future Father-in-Law? Comment. **(150 Words)**
- 2) Will you deny this marriage proposal because your father-in-law was a criminal and many cases against him are pending? Comment. **(100 Words)**
- 3) Critically examine ethical issues involved in this case study. **(100 Words)**

Case study – 9

You are travelling in a government bus to attend a very important job interview. In one hour you should be present at the interview venue. The bus is very congested. Luckily you are seated. From your seat you observe that a middle aged man standing next to a girl is touching and trying to molest her. The girl is silently resisting and trying to move away from him. But the man is continuing his actions. As the bus is congested, nobody is noticing this except you.

- 1) In this situation, what will you do? Explain. **(150 Words)**
- 2) If you do not do anything, which values will you be compromising? Explain their importance. **(200 Words)**

Case study – 10

A multi-storey building which was illegally constructed collapses and kills fifty innocent workers – including women and children. These workers were poor migrants from far away villages. The building was allowed to construct only three storeys, but the builder has violated the rules and raised four more storeys. The government immediately announces cash relief to aggrieved families. The builder is arrested and put under court trial.

1. On whom does the ultimate blame for the death of fifty innocent lives rest – government or builder? Explain why. **(200 Words)**
2. Is it morally correct to give cash relief to the diseased families in this case? Substantiate why. **(150 Words)**

Case study – 11

Rajanna had borrowed money from a private bank to buy a tractor. He was a farmer who grew sugar-cane on his two acres irrigated land. He bought the tractor from the money he had received from bank loan. He also used part of the money to pay dowry and expenses for his daughter's wedding. Owing to price drop in sugar cane in the market, he consistently defaulted on his bank loan. Fortunately he owned irrigated land and he was confident of repaying the debt within two years if the price of sugar cane improved. The bank authorities had sent him few notices. However, recently the bank decided to publish the photographs of defaulters in the public places and in local newspaper to put pressure on them. Rajanna, who was a respected individual in his village was shocked to know this and committed suicide.

After few days, the bank auctioned his tractor off too. Rajanna's wife and children have complained against the bank to the police accusing it of killing Rajanna.

- 1) Was it ethical for the bank to take a decision to publish photographs of loan defaulters? Explain. **(150 Words)**
- 2) Critically comment on ethical aspects of Rajanna's deeds. **(250 Words)**

Case study – 12

You are a senior police officer working at the state police headquarters. Your wife is a Commissioner in the Higher Education Department. Recently an RTI activist has filed an RTI application seeking all the information related to purchases made by the department for the government colleges. At the behest of the minister, almost double the amount was spent by the department to purchase furniture and computers for all the state run colleges. If the real facts come out, your wife will be at risk of getting suspended and if corruption charges proved, she might even go to jail. The RTI activist is actually a close friend of yours. You come to know that he is targeting the minister in charge of the department and has nothing against your wife. He also tells you that he is ready to withdraw application as a gesture of friendship.

In this situation, what will you do? Explain. **(250 Words)**

Case study – 13

Your friend who is travelling with you in a train gives ten rupees to an eight year old girl who is begging for money. An elderly co-passenger comments that it is unethical to give money like that and it would make these children lazy forever. Another co-passenger, a middle aged lady sympathizes with the girl and tells the elderly man that the girl must be an orphan thus needs money for sustenance and she goes on to appreciate your friend for giving the girl money.

Whom will you support in this situation? Explain why.

Case study – 14

You are working as Superintendent of Police. In a village which comes under your jurisdiction gang rapes has taken place. A school teacher has been raped by four youths. The parents of the lady directly complain you that the local Sub-Inspector has not registered case against those youths and moreover, when their daughter went to register a complain, he insulted and then threatened her with consequences if she went before media or made the case public. They also tell you that the lady teacher was not sent for medical check-up. Now the media doesn't know about the case, nor does the public. The parents allege that the local Sub-Inspector has taken bribe from those youth and has let them off without registering a case against them. Now the parents are saying that as a last resort they would go before the media, but they are scared about revelation of their daughter's identity and losing her job too.

In this scenario, what will you do? Explain.