

LAIKIPIA



UNIVERSITY

UNIVERSITY EXAMINATIONS

2ND SEMESTER 2023/2024 ACADEMIC YEAR

**FOURTH YEAR EXAMINATION FOR THE DEGREE OF
BACHELOR OF COMMERCE**

**BCOM 403: BUSINESS ETHICS AND CORPORATE
GOVERNANCE**

STREAM:

TIME: 2 HRS

DAY: WEDNESDAY [11.30-1.30 P.M]

DATE: 10/04/2024

THIS QUESTION PAPER CONSISTS OF THREE (3) PAGES

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INSTRUCTION: Answer Question **ONE** and any other **TWO** Questions

QUESTION ONE

- a) Many companies are instituting ethics programs of one kind or another. However toothless ethics programs provide no protection from potentially catastrophic ethical failures. Discuss measures which companies interested in implementing ethics programs would take **(10marks)**

- b) Differentiate between teleological and deontological theories of individual behaviour. **(10Marks)**

- c) In general, there are many areas where ethical dilemmas arise in business. Discuss the ethical dilemmas that arise in business when dealing with:Human Resource issues. **(10marks)**

QUESTION TWO

- a) You are the Director (Finance) of a company recording Kshs.110 million sales turnover a year. The Managing Director of your company is standing for elections under the banner of a political party. You do not like politics. If your M.D wins the election, the company will benefit and his victory is near certain.You have been asked to delay the payments to suppliers by increasing the repayment period from 30 days credit to 90 days credit, and cut down on all other payments so as to transfer the liquidity to the electoral campaign of your M.D in six months time with the public interest petitions being very much in the news. Identify the ethical issues in the scenario and propose your alternative action. **(10marks)**

- b) According to Kohlberg’s model of cognitive moral development, different people make different decisions in similar ethical situations. Discuss the Kohlberg’s six stages of individual development and how they relate to the corporate culture. **(10 Marks)**

QUESTION THREE

- a) Identify and explain the various ethical issues in sales and marketing and demonstrate at least one issue using a case you have ever encountered. **(10marks)**

- b) Discuss the contribution of religion in enhancing ethics in business organizations **(10marks)**



QUESTION FOUR

- a) You have been employed to be the financial advisor of the Governor in your county. There has been many cases of corruption by the county employees. Suggest to the governor the strategies that can be put in place to stop this deep rooted behavior in the county **(10marks)**
- b) Advertising is attracting a lot of attention in business ethics. Using relevant examples, explain the major ethical issues in advertising. **(10 marks)**

