

FINAL
ALTERNATIVE ASSESSMENT
Examination Paper

(COVER PAGE)

Session	:	<u>APRIL 2021</u>
Programme	:	<u>DIPLOMA IN BUSINESS PROGRAMME (DIB) DIPLOMA IN MARKETING PROGRAMME (DMKT) DIPLOMA IN FINANCE PROGRAMME (DIF) DIPLOMA IN ENTREPRENEURSHIP PROGRAMME (DENT)</u>
Course	:	<u>LAW2103: BUSINESS ETHICS</u>
Date of Examination	:	<u>28 July 2021 (Wednesday)</u>
Time	:	<u>4:00 p.m. – 6:30 p.m.</u> Reading Time : <u>Nil</u>
Duration	:	<u>2 Hours : 30 Minutes</u>

Special Instruction :

Note: The last 30 minutes is provided for the submission of your answers. Any issues with connectivity, scanning and uploading of your answers should be resolved within this 30 minutes.

Instruction: This paper consists of **TWO (2) SECTIONS**.
Answer **ALL** questions in **SECTION A** and **SECTION B**.

Materials permitted	:	<u>Nil</u>
Materials provided	:	<u>Nil</u>
Examiner(s)	:	<u>GARY SOLIBUN, EDI HEZRI HAIRI, BEE BEE KOH and SHARVINA SHAJAHAN</u>
Chief Moderator	:	<u>Yee Aik Phoay</u>

This paper consists of 3 printed pages, including the cover page

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LAW 2103: BUSINESS ETHICS
FINAL ALTERNATIVE ASSESSMENT: APRIL 2021 SESSION

Instruction: This paper consists of **TWO (2) SECTIONS**.

Answer **ALL** questions in **SECTION A** and **SECTION B**.

SECTION A

Question 1

Old School Venture Sdn Bhd is a company steeped in tradition and organizational culture. During this fasting month, the company came out with a new policy due to some religious belief practiced by most of the upper management. The policy states that employees are only allowed to eat one meal, with no coffee breaks in between, at one secluded area located in front of a toilet. Furthermore, the management maintained constant spot checks on all of its employees. CCTVs were also installed in some parts of the building. One employee, Miss X, felt embarrassed and upset when she was groped and body searched during one of these spot checks that was conducted by a male colleague when she was alone at her office room. When Miss X decided to report this matter to the police if the management did not take any action, the Director of the company immediately appointed his close nephew, Adam to investigate on her case.

[The above scenario is a hypothetical scenario and the characters used are fictional in nature]

Identify and elaborate on **FOUR (4)** ethical issues found in the above scenario. (25 marks)

(Total: 25 marks)

Question 2

Merck & Company, Inc. when confronted with the river blindness disease, a disease caused by infection with parasitic worms which causes severe itching, bumps under the skin and eventually blindness, had to decide on whether to invest in research for a drug that, even if successful, might not even pay for itself. The disease is caused by blackfly that lives and breeds near fast-flowing streams and rivers near remote rural villages found in the third world country. Hence, costly research and development for its cure, might not even bring any profit to the company.

- (a) With regards to the above, explain the differing views on whether a company should be a moral agent or not. (15 marks)
- (b) Explain **FOUR (4)** benefits for the need for a company to act ethically and responsibly. (10 marks)

(Total: 25 marks)

Question 3

- (a) Explain why advertisement to children can be considered as unethical. (10 marks)
- (b) Using relevant examples, elaborate **THREE (3)** types of defect that can lead to a product liability claim. (15 marks)
- (Total: 25 marks)**

SECTION B

Question 1

The Tuskegee Syphilis Experiment (1932-1972) was conducted by the United States Public Health Service (PHS) and the Centers for Disease Control and Prevention (CDC). The purpose of this study was to observe the natural history of untreated syphilis. A total of 600 impoverished African-American men participated in the study, 399 had latent syphilis while a control group of 201 men were not infected. As an incentive for their participation the men were promised free medical care, but were deceived by the PHS, who disguised placebos, ineffective methods, and diagnostic procedures as treatment. After funding for treatment was lost, the study was continued without informing the men that they would never be treated. In order to track the disease's full progression, researchers provided no effective care as the men died, went blind or insane or experienced other severe health problems due to their untreated syphilis. Not even when by 1947, penicillin was widely available and had become the standard treatment for syphilis.

With regards to the above historical scenario, explain the Utilitarianism theory and determine whether this theory would deem this experiment to be ethical.

(25 marks)

(Total: 25 marks)

--THE END--

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