



FINAL EXAMINATION

COURSE : BUSINESS ETHICS

COURSE CODE : PBS2243

DURATION : 02 HOURS

INSTRUCTIONS TO CANDIDATES:

1. This question paper consists of **THREE (3)** parts : PART A (24 questions)
: PART B (26 questions)
: PART C (01 question)
2. Answer ALL questions from PART A, PART B and PART C.
 - i. Answer PART A in the True/False Answer Sheet.
 - ii. Answer PART B in the Objective Answer Sheet.
 - iii. Answer PART C in the Answer Booklet provided.
3. Please check to make sure that this examination pack consists of:
 - i. The Question Paper
 - ii. An Answer Booklet
 - iii. A True/False Answer Sheet
 - iv. An Objective Answer Sheet
4. Do not bring any material into the examination hall unless permission is given by the invigilator.
5. Please write your answer using a ball-point pen.

MYKAD NO : _____
ID. NO. : _____
LECTURER : _____
SECTION : _____

DO NOT OPEN THIS QUESTION PAPER UNTIL YOU ARE TOLD TO DO SO

The question paper consists of 09 printed pages

MAR2024/A/PBS2243

PART A: TRUE OR FALSE

Indicate whether the statement is True or False.

1. **(1 point)**
The ethical issue intensity triggers an ethical decision-making process in organizations.
2. **(1 point)**
Nationality refers to an individual's cultural background rather than their legal relationship with the country of birth.
3. **(1 point)**
Older employees, often with more experience, generally possess greater knowledge to handle complex ethical issues.
4. **(1 point)**
Locus of control refers to the general belief about how one is influenced by internal or external factors.
5. **(1 point)**
Organizations generally hold greater influence on decisions compared to an individual's own values.
6. **(1 point)**
Only cultures in non-profit organizations support ethical behavior.
7. **(1 point)**
Critical thinking does not play a significant role in ethical decision-making.
8. **(1 point)**
Inconsistent alignment between intentions, behavior, and ethical judgments may lead an individual to experience guilt.
9. **(1 point)**
Under Mintzberg strategic decision making strategies, entrepreneurial mode is commonly shaped by collective decision-making processes within the organization.
10. **(1 point)**
The adaptive mode in strategic decision-making by Mintzberg often leads to a lack of clarity and consensus on strategic goals due to its fragmented approach.
11. **(1 point)**
Leaders play a minimal role in shaping an organization's corporate culture.
12. **(1 point)**
A crucial aspect of developing an ethics program is to regularly review and inform for continuous improvement.

13. **(1 point)**
Communicating ethical standards through various channels, such as documents and webpages, is unnecessary for an effective ethics program.
14. **(1 point)**
The pacesetter leader works best when the team is already motivated and skilled, and the leader needs quick results.
15. **(1 point)**
The most successful leaders do not rely on one style of leadership but alternate their techniques based on the characteristics of the situation.
16. **(1 point)**
Transactional leaders focus on achieving current objectives efficiently and primarily link job performance to rewards.
17. **(1 point)**
Change agents are individuals who come from inside an organization but only operate externally to initiate organizational transformations.
18. **(1 point)**
An ethical leader lacks a passion for doing things right and often overlook the significance of ethical behavior.
19. **(1 point)**
An ethical leader in a business setting emphasizes developing ethical reasoning and specific moral beliefs.
20. **(1 point)**
Ethical leaders consider only those stakeholders who directly impact the bottom line of the organization.
21. **(1 point)**
Some cultures are so strong and usually they dictate the character of the entire organization to outsiders.
22. **(1 point)**
Organizations with an apathetic culture show high concern for people and performance.
23. **(1 point)**
The needs or goals of individuals may change as they progresses through the ranks of the company and influencing their individual's motivating behavior.
24. **(1 point)**
Many decisions within organizations are beyond the influence of individuals alone since the decision often made by committees, formal or informal groups.

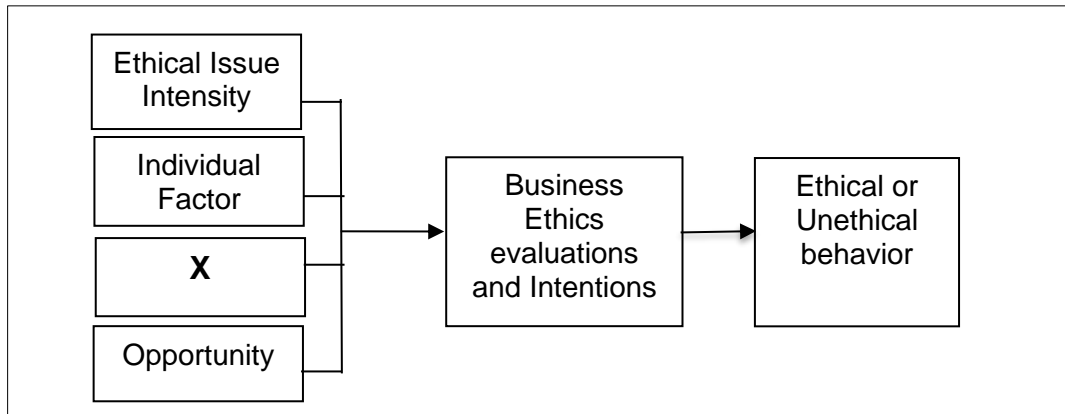
PART B: MULTIPLE CHOICEChoose the *BEST ANSWER*.**1. (1 point)**

Figure 1

The figure above contains elements from the Framework for Understanding Ethical Decision Making in Business. Which of the following is the **CORRECT** element for **X**?

- A. Relevance factor
 - B. Organizational factor
 - C. Legal factor
 - D. Financial factor
- 2. (1 point)**
Person values and organization values should be aligned to _____.
- A. influence personal interest decision making
 - B. create positive work attitude
 - C. develop restrictions on working process
 - D. encourage aggressive commitment for short term planning
- 3. (1 point)**
Which statement accurately describes the relationship between the ethical climate and corporate culture?
- A. Ethical climate and corporate culture are entirely unrelated concepts
 - B. Ethical climate is a subcomponent of corporate culture
 - C. Corporate culture is a subset of ethical climate
 - D. Ethical climate and corporate culture are synonymous terms
- 4. (1 point)**
In which individual's factors below have a positive correlation to influence men and women to improve ethical decision-making abilities?
- A. Gender
 - B. Education
 - C. Nationality
 - D. Age

5. (1 point)

Which viewpoint below suggests that individuals attribute their life outcomes are based on their own efforts and skills?

- A. External control
- B. Locus of control
- C. Local of control
- D. Internal control

6. (1 point)

Below are components of ethical climate within an organization, **EXCEPT** _____.

- A. coworker influence
- B. ethical policies
- C. individual work performance
- D. top management action

7. (1 point)

"A manufacturing company faces problem of choosing between cost-effective production methods that harm the environment and more sustainable but expensive practices. The conflict lies between profit-making and environmental responsibility."

Select the **CORRECT** category below that suits the above statement.

- A. Ethical practice
- B. Ethical dilemma
- C. Ethical consciousness
- D. Ethical boundaries

8. (1 point)

What characterizes the primary focus in the entrepreneurial mode of Mintzberg's decision making strategy?

- A. Resolving problems
- B. Adapting to market trends
- C. Opportunities
- D. Technology

9. (1 point)

"Managers create reactive solutions to existing problems, rather than a proactive search for new opportunities."

Which Mintzberg's modes of strategic decision making does the statement above associated with?

- A. Mission mode
- B. Planning mode
- C. Business mode
- D. Adaptive mode

10. **(1 point)**
What characterizes the key activities in the Planning Mode of strategic decision-making?
- A. Haphazard selection of strategies regardless of situation
 - B. Systematic gathering of information, generating feasible strategies, and rational selection
 - C. Reactive problem-solving, react in one incident only and neglect further incidents related to organization
 - D. Fragmented approach to strategic decision making
11. **(1 point)**
Which aspect in an organization does leadership style primarily impact in nurturing the corporate culture?
- A. Financial reports of non-profit organization
 - B. Supplier hierarchy
 - C. Employees' adherence to norms and values
 - D. Marketing strategies of competitors
12. **(1 point)**
What is the key factor in ensuring the sustainability of an ethics program's effectiveness?
- A. Inconsistent implementation
 - B. Delayed response and enforcement
 - C. Nonchalant monitoring
 - D. Consistent implementation and timely enforcement
13. **(1 point)**
Which action is pivotal to fostering a culture of ethical behavior in an organization?
- A. Providing no resources for employees' concerns
 - B. Inconsistent enforcement of ethical standards
 - C. Consistent and fair enforcement of ethical standards
 - D. Disregarding communication of ethical codes
14. **(1 point)**
- “Works to create emotional bonds that bring a feeling of bonding and belonging to the organization.”
- This statement is associated with _____ leader.
- A. Coercive
 - B. Democratic
 - C. Authoritative
 - D. Affiliative
15. **(1 point)**
What is a critical aspect of managing in transactional leadership?
- A. Restricting access to necessary resources
 - B. Severing the link between job performance and rewards
 - C. Ensuring employees have the resources needed
 - D. Disregarding job performance entirely

16. **(1 point)**
In which scenario below is the correct statement to show transformational leaders are most effective?
- A. When there's strong stakeholder support for an ethical culture
 - B. When employees have low commitment and minimal ethical commitment
 - C. In organizations with a punitive work environment
 - D. Where employees are discouraged from innovation
17. **(1 point)**
What distinguishes ethical leaders in emphasizing ethical behavior within a business?
- A. Imposing specific and limited moral beliefs
 - B. Prioritizing ethical reasoning over moral beliefs
 - C. Disregarding the importance of ethical behavior
 - D. Restriction a diverse set of moral beliefs
18. **(1 point)**
Which of the following characterizes ethical leaders concerning their approach to potential problems?
- A. Reactive and spontaneous actions
 - B. Anticipating, planning, and preventing problems
 - C. Ignoring stakeholders' interests
 - D. Lack of cooperation and communication
19. **(1 point)**
How do ethical leaders demonstrate alignment with organizational values?
- A. Merely talking about organizational values
 - B. Inconsistent actions compared to organizational values
 - C. Aligning their actions with organizational values
 - D. Focusing solely on personal values
20. **(1 point)**
What does transparency, as exhibited by ethical leaders, primarily involve?
- A. Restricting the flow of ideas and information
 - B. Encouraging secrecy in decision-making
 - C. Limiting collaboration among team members
 - D. Freely sharing ideas and information
21. **(1 point)**
Which of the following organizations' culture dimensions is concerned for performance?
- A. The organization's efforts to care for its employees' well-being
 - B. The organization's efforts to care for its customer' well-being
 - C. The organization's efforts to focus on technological improvement
 - D. The organization's efforts to focus on output and employee productivity

22. **(1 point)**
Which of the following **BEST** describes the definitions of corporate culture according to Mutual of Omaha?
- A. The explicit statements and mechanism to hinder values throughout the organization
 - B. The norms that are influenced by founder's values
 - C. The character of the entire organization to outsiders
 - D. The shared belief that determines how its people behave and solve business problem
23. **(1 point)**
Below are "Values of Success" based on Omaha's understanding, **EXCEPT** _____.
- A. teamwork
 - B. personal focus
 - C. customer focus
 - D. innovation and risk
24. **(1 point)**
"Exhibits high concern for people, but minimal concern for performance". This statement relates with _____ culture.
- A. caring
 - B. apathetic
 - C. exacting
 - D. integrative
25. **(1 point)**
"Exposing an employer's wrongdoing to outsider such as media or government regulatory agencies". This statement called as _____.
- A. culture organization
 - B. law and principle
 - C. whistle blowing
 - D. conflict of interest
26. **(1 point)**
Which of the following is **TRUE** regarding group norms?
- A. A sanction that may not be necessary to bring a nonconforming group into line
 - B. A standard of behavior acceptable in a group
 - C. Appointing people for a specific function in an organization
 - D. Work conflicts and failure of monitoring in an organization

PART C: ESSAY

Answer ALL question.

1. (10 points)

- a. Define formal group. (2 points)
- b. Differentiate between centralized organization and decentralized organization. (8 points)

END OF QUESTION PAPER