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 Objective Answer Sheet.
   - ii. Answer PART B in the True/False 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 Objective Answer Sheet
   - iii. An Answer Booklet

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 10 printed pages

OCT2024/D/PBS2243

PART A: TRUE OR FALSE
Indicate the statement is True or False.

1. **(1 point)**
   The entrepreneurial mode of decision-making is characterized by high levels of risk-taking and innovation.

2. **(1 point)**
   External control is when people believe that their lives are based on their own effort and skills.

3. **(1 point)**
   Ethical climate can be enhanced by providing clear ethical guidelines and training.

4. **(1 point)**
   Opportunities to engage in unethical behaviour can be eliminated by establishing and enforcing formal codes, policies and rules.

5. **(1 point)**
   The last step in the ethical decision-making process is determined by a person's intentions and the final decision on what action to take.

6. **(1 point)**
   Ethical decision-making models emphasize quick and spontaneous decisions.

7. **(1 point)**
   The adaptive mode of decision-making is most suitable for complex and changing environments.

8. **(1 point)**
   Ethical decision-making is solely the responsibility of top management.

9. **(1 point)**
   Mintzberg's entrepreneurial mode is made by one powerful individual who has entrepreneurial competencies like innovation and risk taking.

10. **(1 point)**
    Financial performance is the primary focus of ethical decision-making.

11. **(1 point)**
    Ethical leaders should have passion to do it right.

12. **(1 point)**
    A key aspect of effective leadership is to ensure that implementation is consistent throughout the organization.

13. **(1 point)**
    An affiliative leadership style is ideal when the leader is working with an expert's team who have more knowledge than the leader.

14. **(1 point)**
The coercive leader is needed when the organization focuses to developing people for the future.

15. **(1 point)**
When a team is already motivated and skilled, a coaching leadership style is most effective.

16. **(1 point)**
Transactional leaders often manage to change the organization to fit with environment.

17. **(1 point)**
Transformational leaders aim to enhance employees' commitment levels while building trust and boosting motivation.

18. **(1 point)**
Strong ethical leaders always being transparent and actively involved in organizational decision making.

19. **(1 point)**
Ethical leaders must view the entire organization to understand how ethics impact the firm's overall ethical culture.

20. **(1 point)**
Ethical leaders should not consider stakeholders' interests.

21. **(1 point)**
Corporate culture may come from upper management in the form of memos, codes, handbooks, manuals, forms and ceremonies.

22. **(1 point)**
Apathetic culture refers to the influence that leaders and managers have over the behavior and decisions of subordinates.

23. **(1 point)**
Informal groups can be divided into committees, work groups and teams.

24. **(1 point)**
Whistle blowing can be defined as an action of exposing an employer's wrongdoing to outsiders such as media or government regulatory agencies.

PART B: MULTIPLE CHOICES
Answer ALL questions.

1. **(1 point)**
   _____ are decisions made based on trial and error, often reacting to unforeseen challenges.

   A. Planning mode
   B. Entrepreneurial mode
   C. Adaptive mode
   D. Risk-averse mode

2. **(1 point)**
   What is the relationship between significant others in the workplace and ethical decision-making?

   A. Significant others have no influence on decisions.
   B. They influence ethical decisions through social interactions and advice.
   C. They only impact non-ethical decisions.
   D. They discourage ethical behavior.

3. **(1 point)**
   _____ is most directly influenced by the ethical climate within an organization.

   A. The organization's financial success
   B. Employees' willingness to report unethical behavior
   C. External market conditions
   D. Nationality of employees.

4. **(1 point)**
   What factor is most likely to increase ethical issue intensity within a business?

   A. Low organizational transparency.
   B. Strong financial incentives to behave unethically.
   C. High visibility of the issue to stakeholders.
   D. Lack of corporate governance.

5. **(1 point)**
   What strategic decision-making mode, according to Mintzberg, involves major decisions being centered around the vision of the founder or CEO?

   A. Planning mode
   B. Entrepreneurial mode
   C. Adaptive mode
   D. Risk-averse mode

6. **(1 point)**
_____ in ethical decision-making involves the perceived relevance or importance of an ethical issue to the individual or workgroup.

A. Ethical issue intensity
B. Organizational culture
C. Corporate governance
D. Compliance programs

7. **(1 point)**
What role does critical thinking play in ethical dilemmas?

A. It complicates ethical decisions.
B. It encourages ethical mistakes.
C. It is unnecessary in ethical decision-making.
D. It ensures the consistency of ethical intentions and actions.

8. **(1 point)**
What is the factor that directly influences ethical behavior on a daily basis?

A. Corporate culture.
B. Ethical climate.
C. Significant others.
D. Entrepreneurial mode.

9. **(1 point)**
_____ control relates to people believe that their lives are based on their own effort and skill.

A. Locus
B. Lead
C. External
D. Internal

10. **(1 point)**
Corporate culture involves _____.

A. a set the values, beliefs, and norms that guide employee behavior
B. unethical decision-making process
C. external stakeholders only
D. solely to gain profit

11. (**1 point**)
Which of the following is the **BEST** definition of leadership?

   A. The ability or authority to guide and direct others toward achievement of a goals.
   B. The work experience that a person has to make ethical decision making.
   C. The process of communicate the vision and mission of the company.
   D. Control that people have such as controllable and uncontrollable.

12. (**1 point**)
Which of the following is **NOT** an example of a leadership role in developing an ethics program?

   A. Maintain commitment from top managers.
   B. Ensure consistent implementation.
   C. Focus only for the employee's productivity.
   D. Monitor and assess using appropriate methods.

13. (**1 point**)
A: Team already motivated and skilled.
B: Leader need quick result.

The statement above can be associated with which leadership style?

   A. Democratic leader
   B. Pacesetting leader
   C. Coaching leader
   D. Authoritative leader

14. (**1 point**)
Which of the following is **NOT** related to leadership style?

   A. Coercive leader
   B. Cooperation leader
   C. Democratic leader
   D. Authoritative leader

15. (**1 point**)
The leadership style that works best when the leader demands for immediate compliance and suitable in time of crisis can be associated with _____.

   A. coercive leader
   B. pacesetting leader
   C. democratic leader
   D. coaching leader

16. **(1 point)**
    Which of the following is the most effective time for an affiliative leader?

    A. When in times of stress and the teams need to rebuild trust.
    B. When the team needs a new vision.
    C. When in time of crisis and help control a problem.
    D. When some problem cannot find any solutions.

17. **(1 point)**
    All the following are the traits of transactional leaders **EXCEPT** _____.

    A. Attempt to create employee satisfaction through negotiation
    B. Ensure employees have necessary resources
    C. Allow employees to freely make decision
    D. Bartering for desired behavior or level of performance

18. **(1 point)**
    "Mawar is a leader who loves to anticipate, plan, and act in advance to prevent problem"

    The statement above refers to which habits of strong ethical leaders?

    A. Ethical leaders are proactive
    B. Ethical leaders have strong character
    C. Ethical leaders have passion to do right
    D. Ethical leaders consider stakeholders' interest

19. **(1 point)**
    Which of the following is the **CORRECT** match of leadership style?

    A. Coercive leader: models' excellence and self-direction
    B. Pacesetting leader: least effective when teammates are unwilling to change or learn
    C. Coaching leader: mobilizes the team toward a common vision and focuses on end goals
    D. Democratic leader: effective when leaders need fresh ideas from qualified teammates.

20. **(1 point)**
    Which of the following **BEST** describes the habit of strong ethical leaders?

    A. Ethical leaders have a strong personal character
    B. Ethical leaders have a weak motivation
    C. Ethical leaders have a slow response with the subordinates
    D. Ethical leaders have not revise and reform to ensure continuous improvement

21. **(1 point)**
Which dimensions reflect an organization's culture that prioritizes the well-being of its workers?

A. Concern for people
B. Concern for community
C. Concern for performance
D. Concern for standard

22. **(1 point)**
Which of the following is **TRUE** about centralized organization?

A. Decision-making authority is concentrated in the hands of top-level managers
B. Decision-making authority is concentrated in the hands of lower-level employees
C. Decision-making authority is delegated as far down the chain of command
D. Profit centers may deviate from organizational objectives

23. **(1 point)**
Which type of organizational structure may have less upward communication among employees?

A. Formal organization
B. Informal organization
C. Decentralized organization
D. Centralized organization

24. **(1 point)**
What kind of group shares a common interest among two or more individuals but without an explicit organizational structure?

A. Functional group
B. Informal group
C. Formal group
D. Sanction group

25. **(1 point)**
The following statements are true **EXCEPT_____.**

A. decentralized organization considerable distance between employee and decision maker.
B. decision-making authority is delegated as far down the chain of command as possible in decentralized organizations.
C. profit centers within a decentralized organization may deviate from organizational objectives
D. decentralized organization have difficulty in responding quickly to changes policy and procedures established by top management.

26. **(1 point)**
Which of the following culture typologies exhibits a high concern for people but minimal concern for performance?

A. Apathetic
B. Caring
C. Exacting
D. Integrative

PART C: ESSAY

1. **(10 points)**
   Leaders possess a unique combination of qualities, including vision, communication skills, empathy, decisiveness, and the ability to motivate others. They are often seen as role models, setting standards and expectations for others to follow. Additionally, understanding the different types of power is crucial for effective leadership, as it shapes relationships, communication, and the overall dynamics within an organization.

   a. Discover **FOUR (4)** differences between transactional leader and transformational leader.
      (4 points)

   b. Interpret **THREE (3)** types of power that can be utilized by a leader for effective leadership.
      (6 points)

END OF QUESTION PAPER