

**MBA – INFORMATION TECHNOLOGY  
MANAGEMENT (MBAITM)**

**Term-End Examination**

00233

**June, 2015**

**MBM-014 : BUSINESS ETHICS AND CORPORATE  
SOCIAL RESPONSIBILITY**

*Time : 3 hours*

*Maximum Marks : 100*

**Note :**

- (i) *Section I is compulsory.*
- (ii) *In Section II, attempt any five questions.*
- (iii) *Italicized figures to the right indicate maximum marks.*

**SECTION I**

1. Read the case carefully and answer the questions given below :

“Chennai Cement Ltd.” was a market leader and used to supply cement in Tamil Nadu, Andhra Pradesh and Kerala. This company is marketing in the Southern states since the past 60 years, successfully enjoying a sort of monopoly. The important thing here is that a major portion of their sales was towards government supply. However, recently the company started losing its

market share of government supply to their competitors because of some activities of the competitors, like giving bribes to obtain big orders of government supply.

Chennai Cement Ltd. (CCL), being a traditional company, has been known in the market for its ethical practices and providing good services to its customers. The company always cared for its employees, small contractors, distributors and customers. CCL is recently worried about losing customers and its limitation to diversify in the target market because of limited staff. Therefore, now the big question in front of CCL is how to control the corrupt practices of the competitors and retain its share of the government sector while being ethical.

- (i) Is CCL also to be blamed for the current market situation ? 10
- (ii) Should CCL also start paying bribes to get contracts, since it seems to be the current market norm ? What will be the pros and cons ? 2+8
- (iii) Suggest alternatives to CCL for revamping its business. 10

## SECTION II

2. (i) "Ethics has no place in business." Discuss this statement. 7
- (ii) "From an ethical point of view, big business is always bad business." Discuss the pros and cons of this statement. 7
3. "Social responsibility of business is an exercise in balancing the objectives of society with those of the business." In the light of this statement, describe the primary, moral, rational and economic arguments in favour of CSR. 7+7
4. "Advertising should be banned because it diminishes a consumer's freedom of choice." Discuss this claim. Do you agree or disagree that "criticisms of advertising based on its social effects are inconclusive"? 7+7
5. Why is top management support for CSR critical? Can CSR be delegated? If so, why and to whom? 2+5+7
6. Who are the stakeholders of business? Explain to what extent should manufacturers be held liable for damages caused by their products. 5+9
7. What are the key issues of business ethics in Human Resource Management? Discuss Sarbanes-Oxley Act of 2002. 8+6