**SAINTGITS COLLEG OF APPLIED SCIENCES**

**Third semester First Internal Examination (September 2018)**

**BUSINESS ETHICS**

**ANSWER SCHEME**

**PART A**

1. Duties and obligations of business directed towards the welfare of the society.

2. Business ethics is a branch of study deals with the principles, values and standards that describes right conduct in business.

3.

* Law is considered only with minimum regulations necessary for public order. On the other hand, ethics cannot be legislated. It examines both the individual and social good in all dimensions.
* Ethics and law are quite independent of each other. What is lawful need not necessarily be ethical. Similarly, all types of ethical behaviour may not be legislated.

4.

* Warm support from the employees
* Easy mobilisation of finance
* Strong customer support
* Reduced litigations
* Good governance
* Environment friendly products
* Fair use of natural resources.

5. An ethical code of conduct is a formal written guidelines used by organisation to communicate internally its moral and ethical expectation of employees.

6. Code of conduct, workplace ethics, CSR, ethical training, Values etc.

**PART B**

7. **Arguments for CSR :**

* Long term existence of business
* Goodwill
* Acceptance
* Recognition

**Against CSR:**

* Cost of social work
* Business man is not expert in social work
* Social responsibility os not legal responsibility
* Ignore business aim.

8.

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| ETHICS | CSR |
| 1.Business ethics are moral values and principles. | Obligations of business towards society. |
| 2. Business ethics should make a positive movement for the society. | Business is focus on profit, but with social responsibility, business is responsible to perform beneficial activities for the society. |
| 3. wide concept | Narrow concept |
| 4.Without BE, business is capitalism at its worst. | Without SR, community will not get benefit. |

9**. Corporate Philanthropy:-**

Means love for mankind. Philanthropy addresses the contribution of an individual or group to other organisation that in turn work to improve the quality of life of citizens or residents.

**Corporate sustainability:**

Concept and action of ensuring that a corporate organisation exists in perpetuity, providing returns and benefits for multiple generations of internal and external stakeholders.

10. Community: prevent environmental pollution, assisting overall development of the society, development of backward areas, promotion of SSI, education.

11. Internal factors: organisational culture, nature of business leadership, moral insight of the employees

External factors: society, legal system, industry, ethical behaviour of competitors

12.

* Interest
* Satisfaction exercise due care
* Conflicts fidelity to social responsibilities
* Decision willing compliance with law
* avoidance of conflict
* Enlightenment
* Reciprocity

**SEC C**

13.

* Teleological approach: In this case a right action has good consequences; a wrong action has bad consequences. Actions are judged as ethical and unethical based on their results.
* Egoism approach: this theory interprets “right action as action whose consequences, considered among all the alternatives maximizes my good that is ,action that benefits me the most or harms me the least.”
* Justice approach: Ethics of justice, also known as morality of justice,deals with moral choices through a measure of rights of the people involved and chooses the solution that seems to damage the least number of people.
* Utilitarianism approach: to a utilitarian, the choice that yields the greatest benefit to the most people is the choice that is ethically correct.
* Relativism : Different groups of people ought to have different ethical standards for evaluating act as right or wrong

14.

CSR : Duties and obligations of business directed towards the welfare of the society

* Consumers: quality products at fair price, good distribution system, R&D, new products, remove imperfection, after sales service, grievance redressel, Avoid misleading information.
* Community: prevent environmental pollution, assisting overall development of the society, development of backward areas, promotion of SSI, education.
* Employees: fair wages, best working condition, fair working standards, labour welfare facility, promotion, recognition, appreciation, opportunity in participating managerial decision making process.
* Owners/investor :disclose relevant information, conserve, protect and increase investors assets
* Suppliers :ensure that business activity are free from litigation, share information, integrate them into business planning process, pay on time
* Competitors : foster open market for trade and investment, promote competitive behaviour, respect IPR
* Government : setting up units as per government rules, not conduct monopolistic and restrictive trade practices, avoid corruption, confirming to pollution control norms