

Seat No. : _____

JH-102

January-2025

MBA, Sem.-I (Day & Evening) Sem.-III (Evening)

Business Ethics & Society

Time : 2:00 Hours]

[Max. Marks : 50

Note : Answer all five questions.

1. Why is business ethics important, and Explain how do ethical practices contribute to business profitability ? **10**

2. What ethical issues do businesses face when dealing with external stakeholders such as customers, suppliers and governments ? Explain in detail. **10**

OR

2. What ethical issues do businesses face in ensuring fair treatment of their employees and internal stakeholders ? Explain in detail. **10**

3. What steps should organizations take to develop an effective ethics program to promote ethical behaviour ? Explain steps in detail. **10**

OR

3. Describe the major global ethical challenges in business. **10**

4. Explain how is business ethics connected to social responsibility, and what role does it play as a component of it ? **10**

OR

4. How can an ethics audit be defined, and what does the process involve ? Could you explain in detail how to conduct an ethics audit ? **10**

5. Read the Case Study and provide your answers to the following questions :

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Case Study :

A Multinational technology company has developed a cutting-edge software product that promises to revolutionize the way businesses manage their operations. The company has a long-standing relationship with a third-party vendor, DataSync, which is responsible for handling the sensitive data of company's clients. However, Company recently discovers that DataSync has been involved in unethical practices, including insufficient data protection measures and sharing client data with unauthorized third parties. Despite this, the vendor has been a crucial part of Company's supply chain, and replacing them would be costly and time-consuming. The ethical dilemma Company faces is whether to continue its partnership with DataSync, which could potentially damage its reputation and violate privacy regulations, or sever ties, risking a delay in product rollout and financial losses.

This situation places Company at a crossroads, balancing the need to protect client trust and privacy with the financial and operational impacts of changing its vendor. On one hand, continuing to work with DataSync may ensure smooth operations and profitability in the short term. However, it could expose the company to legal risks and public backlash, leading to a damaged reputation and loss of customers. On the other hand, terminating the contract with DataSync might ensure compliance with ethical standards and safeguard client data, but it could result in operational delays and strained relationships with key partners. The company must now evaluate the best course of action to uphold both its ethical obligations and business interests.

Questions :

- (A) What are the ethical challenges Company is facing in its relationship with DataSync ?
 - (B) What potential consequences could Company face if they continue to work with DataSync despite knowing about the unethical practices ?
 - (C) What steps should Company take to resolve the ethical dilemma, and what factors should they consider in making their decision ?
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