



Business Values and Ethics

SBS MBA / MSc

Assignment – Al Ain 2020

STUDENT ID

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UNIT TITLE / CODE:

NAME (in Full):

GENERAL INSTRUCTIONS

- All assignments are to be submitted **4th June 2020** on to examinationboard@atmsedu.org and cc to azrafatima@atmsedu.org, assignmentsubmission2019@gmail.com
- If assignment is not submitted on date, will follow with penalty of 10% deduction of marks for every day.
- Similarity between students work is strictly not accepted, any student found with similar work will be graded Zero and fail for the course. However, Plagiarism is an academic offence and will not be tolerated under SBS
- Assignment once submitted to exam board is final for marking.
- Total 100 marks

GUIDELINES FOR ASSIGNMENT

1. If assignment is Question & Answer based then.
 - Introduction is needed for each question.
 - Question has to be answered based on the mark allotted for each question with references if any idea or information is taken from other source.
2. If assignment is case based then,
 - Executive summary
 - Table of content
 - Body of assignment (questions related to case need to be answered)
 - Conclusion / Recommendation if any
 - References (in-text + citation) to be used.

Total Marks _____ / 100

PLAGIARISM

Plagiarism is a form of **cheating**, by representing someone else's work as your own or using someone else's work (another student or author) without acknowledging it with a reference. This is a serious breach of the Academic Regulations and will be dealt with accordingly. Students found to have plagiarised can be **excluded from the program**.

Plagiarism occurs whenever you do any of the following things without acknowledging the original source:

- ✓ Copy information from any source (including the **study guide**, books, newspapers, the internet)
- ✓ Use another person's concepts or ideas
- ✓ Summarise or paraphrase another person's work.

How do I avoid plagiarism?

To ensure you are not plagiarising, you must acknowledge with a reference whenever you:

- ✓ use another person's ideas, opinions or theory
- ✓ include any statistics, graphs or images that have been compiled or created by another person or organization
- ✓ Paraphrase another's written or spoken word.

What are the penalties?

The penalties for plagiarism are:

- ✓ Deduction of marks,
- ✓ A mark of zero for the assignment or the unit, or
- ✓ Exclusion from the program.

Plagiarism is dealt with on a case-by-case basis and the penalties will reflect the seriousness of the breach.

Please note: claiming that you were not aware of need to reference is no excuse.

Answer any 5 from the below.

Each question carries equal marks

Case Scenario I

You are running with a business since last many years. Over a period of time you have very good corporate image in market. But unfortunately since last two years your firm is passing through crisis. Your business is suffering from heavy losses. You are planning to wind up your business. Meanwhile one big corporate house has announced a big corporate deal through auction. You have also decided to take part in that deal as it will be a last option for you to save your business. On the day of auction, so many companies have participated for this bid. Committee would declare the result after lunch break. You found the closed envelope of your competitor's bid during lunch break.

- a) Will you be ethical in this situation? If yes how? And if no! Why?
- b) If you be ethical, how you will survive your business.

Case Scenario II: Discrimination in the Workplace

Marian, a top graduate from Loyola in Humanities, was hired by a major corporation into a management position. Marian finished the corporation's management training program top in her group, and is performing above the norm in her position. She is really enjoying her work.

As a woman she feels isolated, as there are no other women managers and few women in her area. One night at a company party she heard a conversation between two of her male co-workers and their supervisor. They were complaining to him about Marian's lack of qualifications and her unpleasant personality. They cursed affirmative action regulations for making the hiring of Marian necessary.

Marian is very upset and wants to quit.

Questions:

- a) Should Marian quit?
- b) Are her co-workers correct in their evaluation?
- c) Should Marian confront the co-workers?
- d) Should Marian file a discrimination suit?
- e) Should Marian go to the supervisor?
- f) What else could Marian do?

Case Scenario III: Employee Absence

Joan, an employee of Great American Market, was warned about her excessive absenteeism several times, both verbally and in writing. The written warning included notice that "further violations will result in disciplinary actions," including suspension or discharge.

A short time after the written warning was issued, Joan called work to say she was not going to be in because her babysitter had called in sick and she had to stay home and care for her young child. Joan's supervisor, Sylvia, told her that she had already exceeded the allowed number of absences and warned that if she did not report to work, she could be suspended. When Joan did not report for her shift, Sylvia suspended her for fifteen days.

In a subsequent hearing, Joan argued that it was not her fault that the babysitter had canceled, and protested that she had no other choice but to stay home. Sylvia pointed out that Joan had not made a good faith effort to find an alternate babysitter, nor had she tried to swap shifts with a co-worker. Furthermore, Sylvia said that the lack of a babysitter was not a justifiable excuse for being absent.

Questions:

- a) Was the suspension fair?
- b) Did Sylvia act responsibly?
- c) Should Joan be fired?
- d) Should the babysitter be fired?
- e) Was Sylvia fair in her actions?
- f) Is there ever a solution for working mothers?
- g) Should working fathers take turns staying home?

Case Scenario IV

Sandoz Nutrition Corporation is a subsidiary of the Swiss pharmaceutical giant, Sandoz Ltd. Sandoz, based in Minneapolis, Minnesota, began manufacturing Optifast 70, a liquid meal-replacement weight loss program in 1976. The six month program is designed for people who are at least 30 percent or 50 pounds over their ideal weight. Health problems often accompany excessive weight. Optifast provides an opportunity to get rid of the weight fast.

The Optifast program is only available through doctors, hospitals, and medical clinics; a prescription is required to purchase the products. The Optifast program typically begins with the patient being placed on 420 to 800 calorie diet per day of liquid protein for 12 to 16 weeks. Calorie intake is then increased to 1000 or 1200 calories per day for the remainder of the program. The total cost is between \$1400 and \$2800. Optifast sales grew slowly following its introduction as the medical community and consumers became aware of the program. Sales continued to build slowly until mid November 1988. Then Oprah Winfrey announced on her TV talk show that she had lost 67 pounds using Optifast. She appeared on the program in size 10 jeans to prove her point. Here was a celebrity endorsing Optifast without being asked for or paid! Within hours Sandoz received more than 200,000 phone inquiries about the Optifast diet program.

The firm does not publish sales figures, but they forecasted a sales increase of from 25 to 30 percent during the six weeks following Oprah's announcement. In 1989 Sandoz launched a print advertisement program, mostly in professional journals. Its promotional brochure and ad claims included: (1) "The one that's clinically proven safe and effective" and (2) "You can call the Optifast program today, and have all you need to control your weight for the rest of your life." Unfortunately for Oprah, she regained 17 pounds during the first year after she completed the Optifast program. Studies at the University of Pennsylvania suggested that people who undertake quick weight loss programs such as liquid diets are likely to experience weight rebounds. Studies at the University of Michigan indicated that as many as 90 percent of dieters regain weight within five years after losing it. Liquid diets have also been linked with dizziness, headaches, nausea, gallbladder problems, and irregular heartbeat. Thus, there appears to be some difference between claims and use experience.

Questions:

- a) Were any ethical norms or principles violated by Sandoz?
- b) Are liquid diet products ethical products? Justify your answer
- c) What moral responsibility might Sandoz have considered when developing its promotion messages for the customers?

Case Scenario V

Arthur Edward Anderson (1885-1947), the founder of Arthur Anderson & Co. must have turned in his grave in 2001, as the auditor firm founded by him became a synonym for scandal in the accounting profession. On 15th August 2001, Sherron Watkins, an employee of Enron, questioned the company's accounting practices, in a single-page letter to its CEO. Enron, the energy giant that ruled the world, and its auditor Arthur Anderson & Co., became the ridicule of the world. In early 2002, the US Justice Department began criminal investigations into Enron's bankruptcy. In 2002, Arthur Anderson was convicted by the lower and appellate courts for obstruction of justice. The firm had worked hand in glove with Enron and cooked its account books. The audit firm that once had an 85,000 strong workforce, now had closed offices and business interests around the globe. The firm's name is so tarnished that there is no other business going on in it, other than attending to over a hundred civil suits.

Questions:

- (a) What do you think can be the outcomes of an accounting fraud to the society and business at large?
- (b) Why do you think that the history of accounting fraud repeats itself, such as so many frauds which we have heard after Enron scandal?

Case Scenario – VI: Purchasing Ethics

J.R. accepted a position at Cripple Creek Vocational University and he and his family made a permanent move. Soon, J.R. was promoted to Administrative Vice President, overseeing the purchasing department of the University. His oldest son, Jim, got a good job in educational equipment sales at Tiddley Computer Corporation in Fort Worth.

As Vice President, J.R. quickly saw the need for 4 to 5 computers in his office. Although CCVU had a bidding policy, J.R. purchased Tiddley Corporation's computers direct from Tiddley for about \$3500 each, when IBM clones were selling for around \$2000 and the clone had more promising features than the Tiddley. Jim handled the sale and received a healthy commission on the sale. If the purchase had gone through the normal bidding process, the TC model would not have been selected. Tiddley's local Cripple Creek franchise dealer objected to Tiddley Corporation that his protected franchise had been bypassed in the deal.

Questions:

- (a) Since J.R. was over the purchasing department and had final decision authority, should purchasing have gone through the normal bidding routine?
- (b) Is it acceptable for a V.P. to bypass the normal routine to do business with a family member?
- (c) Was J.R.'s decision not to request bids an ethical choice?
- (d) What should the college purchasing agent do?
- (e) Should anyone else at CCVU have any interest in this activity?
- (f) Has Tiddley's Cripple Creek franchise owner been wronged?
- (g) Should Jim have made the sale? Received a commission?