



**KOLEJ YAYASAN PELAJARAN JOHOR
ONLINE FINAL EXAMINATION**

COURSE NAME : BUSINESS ETHICS
COURSE CODE : DSM1073
EXAMINATION : DECEMBER 2021
DURATION : 3 HOURS

INSTRUCTION TO CANDIDATES

1. This question paper consists of **TWO (2)** parts :
PART A (20 Marks)
PART B (80 Marks)
2. Please refer to the detailed instructions in this question paper.
3. Answer ALL questions in the answer sheet which is A4 size paper (or other paper with the consent of the relevant lecturer).
4. Write your details as follows in the upper left corner for each answer sheet:
 - i. Student Full Name
 - ii. Identification Card (I/C) No.
 - iii. Class Section
 - iv. Course Code
 - v. Course Name
 - vi. Lecturer Name
5. Each answer sheet must have a page number written at the bottom right corner.
6. Answers should be neat and clear in handwritten form.

DO NOT TURN THIS PAGE UNTIL YOU ARE TOLD TO DO SO

This examination paper consists of 5 printed pages including front page

PART A

This part consists of **ONE (1)** question.

Answer **all** questions in Answer Sheet.

Danish was a Senior Vice President in the Customer Credit Department at Neos International Broadcast Network (Neos), a leading integrated consumer media entertainment group in Malaysia and Southeast Asia. Neos operates in four areas of business, namely Pay-TV, Radio, Publications and Digital Media. Danish was responsible for customer payments, credits and reconciliations of accounts. The top management gave him challenging monthly revenue growth targets. He felt pressured to achieve the targets. He knew that not meeting the targets would put his job on the line.

In Neos , it was common for upper level management to 'massage' the company's financial records. Danish knew this. They were willing to do whatever was necessary to achieve revenue growth without fail. The board of directors did not know about this activity. They were happy to see performance growth and did not bother to ask any questions. They put their complete trust in the top management team to deliver results. One evening, a week before the end of the month, Danish was under tremendous stress. He had yet to meet the current month's target. He did not have much time left. He certainly did not want to be humiliated during the departmental heads' meeting for not meeting the target. He went through it a few times last year. It was not a good experience. He lost a hefty portion of his annual bonus last year. He had also watched other heads of department go through a hellish time on numerous occasions. All of them were very fearful of the CEO.

Danish knew his bosses manipulated financial records and said to himself, "I should do the same in this desperate time. Why not? My bosses never get caught. There is a slim chance that I will be discovered, but I control all the records." Soon, it became a habit for Danish to manipulate the financial records. Later, his subordinates would also do the same fraudulent activity under his watch. In fact, they worked together to 'brainstorm' creative ideas to cook the company's books. The intention was to fraudulently state as if they were meeting revenue growth projections albeit artificially. Danish wanted to make his bosses happy, and more

importantly, he could save himself from further humiliation. He had enough. It was during the brainstorming sessions that Danish learned how to hide bad debt, which caused the assets and profit to be inflated.

One fine day in December, a team of internal auditors paid a visit to the Customer Credit Department. They were straight to see Danish and demanded to examine the accounting records of the department. They did not take long to find unusual journal entries made and approved by Danish. They confronted him about the entries. Danish panicked and could not think of any plausible explanation. It was then that he confessed to his fraudulent practices.

QUESTION

a. Describe **three (3)** ethical issues in the case.

(9 marks)

b. Do you consider Danish's action to be appropriate? Relate any **five (5)** importance's of ethics in business?

(11 marks)

[20 MARKS]

PART B

This part contains of **SIX (6)** questions.

Answer **all** questions in Answer Sheet.

QUESTION 1

“Other than business managers and owners, they are other constituencies that might have a stake in business decisions.”

Relate the above statement by giving an explanation for **five (5)** stakeholders of a company.

(15 marks)

QUESTION 2

a. What is the meaning of affirmative?

(2 marks)

b. Explain **four (4)** advantages of affirmative action.

(10 marks)

QUESTION 3

Trade Unions in Malaysia are defined in the Trade Unions Act 1959 as a union or union of employers or employees working in Malaysia. The union not only cares about the lives of its members while at work but also encourages the government to extend legislation and introduce policies that will benefit its employees.

Discuss **four (4)** roles of the Trade Unions on workers in Malaysia.

(12 marks)

QUESTION 4

a. Identify **four (4)** ethical issues that occur at workplace.

(6 marks)

b. A person who does not manage to have a good work ethic in an organization can have a negative impact on the job satisfaction and will harm the employee himself. Describe **five (5)** workers' negative behaviors as an impact of the organizational dissatisfaction.

(15 marks)

QUESTION 5

Describe **five (5)** features of good ethical management that every person can practice in managing their lives.

(10 marks)

QUESTION 6

Lulu Ltd is a company based on food product. They plan to diversify their Corporate Social Responsibility (CSR) activities. Ascertain **five (5)** activities which are suitable for this company.

(10 marks)

[80 MARKS]

END OF QUESTION PAPER