PAN AFRICA CHRISTIAN UNIVERSITY

BCM210/ BIT409/ BUS3123: BUSINESS ETHICS

DATE: WEDNESDAY AUGUST 2026 TIME: 11.00 A.M.– 2.00 P.M.

ANSWER QUESTION ONE AND ANY OTHER THREE QUESTIONS

QUESTION 1 COMPULSORY (30 MARKS)

(a) Read the passage below and answer the questions that follow.

Study on supermarket pricing due soon

A study commissioned by the Competition Authority of Kenya (CAK) into supermarkets' pricing strategies is expected to be unveiled by the end of next month. CAK launched a probe on supermarkets over rising customer complaints of price manipulation, where customers are misled to overpay for goods.

The competition watchdog announced the retailers would face scrutiny following mounting claims they were posting different prices on the shelf from what they charge at the tills. A consumer lobby, which a year ago threatened to sue a major retailer for possible dodgy pricing, welcomed the study but added that its findings must immediately transform into regulatory steps.

Some of the large retailers have in the past claimed the time lag between changes in shelf price and the till are responsible for the problem.

Apart from the price cheating, CAK said supermarkets that sell defective stock would be in focus.

Task:

(i) Describe any **TWO** nature of operations in some supermarkets as illustrated in the case study above.
(4 Marks)

(ii) Explain **TWO** moral choices that employees in this sector are faced with. **(4 Marks)**

(iii) Suggest **TWO** punitive measures that supermarkets which flout the rules of operations should be subjected to. **(4 Marks)**

(b) The nature of Business Ethics is manifested in many ways. Explain any **TWO** of these ways. **(4 Marks)**

(c) Daniel was known to be a whistle blower in the organization that he worked for. Explain **THREE** challenges that he may experience in such a role. **(6 Marks)**

(d) A business has moral responsibilities that they are entrusted with towards their consumers. Discuss any **FOUR** of these responsibilities. **(8 Marks)**

QUESTION 2 (10 MARKS)

(a) Explain the importance of Business Ethics to an organization. **(4 Marks)**

(b) Qoroga Company Limited is developing a code of ethics for the organization. Discuss any **THREE** key issues that should be in the document.
(6 Marks)

QUESTION 3 (10 MARKS)

(a) Explain Robert Nozick's Theory of Justice with relevant examples as it applies to an organization.

(4 Marks)

(b) Discuss **THREE** components of the Aristotle's virtue ethics with reference to an organization. **(6 Marks)**

QUESTION 4 (10 MARKS)

Discuss, with relevant examples, the following in relation to moral choices facing employees in organizations.

(i) Obligations to the firm; **(3 Marks)**

(ii) Loyalty to the company; **(3 Marks)**

(iii) Conflicts of interest. **(4 Marks)**

QUESTION 5 (10 MARKS)

(a) Describe the Mill's utilitarian Theory of Justice with reference to an organization of your choice. **(4 Marks)**

(b) The staff at PAC University were taken through a training on the factors that promote ethical workplace behavior in an organization. As one of the attendees, discuss any **THREE** of these factors.
(6 Marks)

End of Exam