FEEDBACK TUTORIAL LETTER

2nd SEMESTER 2019

Assignment 2

Business Ethics

(BBE612S)
Assignment 2 – Feedback Tutorial

Dear Student

Herewith is the Memo to your Assignment 2 together with some general comments that are inserted for your guidance.

ASSIGNMENT 2

SECTION A

Question 1

Answer the questions in this section by writing the correct letter in your answer book.

1.1 The following is not a form of discrimination:
   a. isolated and intentional discrimination
   b. isolated and unintentional discrimination
   c. institutional and unintentional discrimination
   d. isolated and institutional discrimination

1.2 Risks are sometimes unavoidable and acceptable as long as:
   a. Employees are not coerced
   b. Employees are fully compensated for assuming them and they do so freely and knowingly
   c. No one else has the expertise to do the work
   d. All the above

1.3 An employer can be guilty of sexual harassment:
   a. only when it intentionally allows particular acts of harassment.
   b. only when it intentionally creates an intimidating, hostile, or offensive working environment.
   c. whenever a woman is offended in the workplace.
   d. even if the employer had expressly forbidden the act of sexual harassment

1.4 In the Namibian economy, the problem of “what to produce” is solved primarily by:
   a. the National Planning Commission.
   b. the Bank of Namibia
   c. people advertising their wants.
   d. the pattern of consumers’ spending.

1.5 According to Locke, the power of government should be:
   a. Expanded to meet the needs of all citizens
b. Limited, extending only far enough to protect the basic rights of all citizens.
c. Expanded to meet the needs of corporations
d. Limited, extending only far enough to protect the basic rights of corporations

1.6 A firm’s main moral duty to its employees is to provide them with:
   a. clean working environment
   b. friendly supervisors
   c. medical and dental insurance
   d. fair wage and fair working conditions

1.7 Ethical violations destroy:
   a. nothing.
   b. jobs.
   c. trust.
   d. Profits

1.8 Immorality of sexual harassment:
   a. inflicts psychological harm on the harassed individual.
   b. Is an unjust use of the unequal power that an employer or supervisor wields over an employee.
   c. None of the above.
   d. A and B

1.9 Kate, the owner of a small telecommunications firm gives gifts of share in her company to telephone company managers who purchase her equipment. Kate is giving in to the ethical temptation of:
   a. misuse of corporate resources
   b. sexual harassment
   c. bribes
   d. treating people unfairly

1.10 In making a moral decision, one should be more concerned with arriving at good consequences than worrying about having good motives.
   a. Theory of justice
   b. Virtue Ethics
   c. The Ethics of Care
   d. Utilitarianism
SECTION B

Question 2  [40 Marks]

2.1 Whilst there are seven features defining perfectly competitive markets, its moral benefits can only be reaped where three additional conditions are present. What are these conditions?

- an enforceable private property system so buyers and sellers have ownership rights to exchange
- a system of contracts to facilitate & control transfers of ownership
- an underlying system of production so there’s goods to be exchanged

2.2 A dishwasher knows that the restaurant’s chef typically reheats three to four days old food and serves it as fresh to customers. Since she believes that the serving of old food is injurious to the society, she reported the matter to the manager and the manager told her to ignore it and focus on her job only. As an employee with a sense of moral responsibility, what should she do?

Since management refused to do something, she can blow a whistle externally by reporting the matter to the media or health authorities or even to the government.

Comment

Whistle blowing (external) was supposed to be key in your answer and you could also have talked about the employer’s right to punish who ever informs against the employer as employer’s secrets to have to be kept as such. However, it is important that a student bring out whistle blowing in his or her discussion. Give two marks for whistle blowing.

2.3 A person is using a lawnmower. The grass gets plugged up in the discharge chute. The person reaches into the discharge chute to clear the grass, the blade is still spinning, and cuts off several fingers.

(a) Using the case above, explain three areas to which the manufacturers’ responsibility to exercise due care extend to. (12)

- Design: Machine switching off automatically when opened while being operated.
  
  Features preventing grass from plugging up in the machine

  Sensing of foreign materials

- Production: Appropriate materials that prevent grass from plugging up,
  
  Materials that can sense, testing of the machine at each production stage
• Information: labels such as: immediately switch the machine off once grass is plugged in the discharge chute, warn that the blades are sharp and can cause serious injury. The warnings should be accurate and clear, and they should be illustrated by means of pictures.

Comment
Although many of you correctly identified the three areas to which the manufacturers’ responsibility to exercise due care extend to, most failed to apply them to the case given. Your answer was supposed to centre around the points highlighted above.

(b) In which of the three theories of consumer protection would the price of lawnmowers be the highest? Motivate your answer.

Social Cost View due to the strict liability principle and internalisation of external cost of injury.

Comment
This was a give away question. The above was just supposed to be explained.

2.4 Advertising is communication, and just like any other form of communication, it involves three elements.
(a) What are those elements?

• the author,
• medium and
• the audience.

(b) By means of a practical example, illustrate the three ways in which an author can make an advert deceptive.

The author must intent to have the audience believe something false, The author must know it is false, and The author must knowingly do something that will lead the audience to believe the falsehood.

Comments
The above three ways were to be applied to one practical example of your choice.

2.5 Distributive justice requires that benefits and burdens be fairly distributed fairly in the society. Explain two different types of distributive justice.

Egalitarian: distribute society’s benefits and burdens equally to everyone

Capitalist: distribute society’s benefits and burdens by the value of contributions

Socialist: distribute society’s benefits by need and burdens by ability

Libertarian: distribute society’s benefits and burdens by free choices
Rawls: distribute society’s benefits and burdens by equal liberty, equal opportunity, and needs of disadvantaged

Comments
You could have explained any two types of distributive justice from above.