

K J SOMAIYA INSTITUTE OF MANAGEMENT STUDIES AND RESEARCH

Program: PGDM (Batch 17-19) / PGDM – FS (Batch 17-19), Trimester-VI End Term Exam
Subject: Business & Personal Ethics

Maximum Marks: 25

Duration: 2 Hours

Date: 12. 04. 2019

Instructions:

- Question No. 1 is compulsory
- Attempt any three from Question No. 2 – Question No. 6

1. Case Study

Cynthia Martinez was thrilled when she first received the job offer from David Newhoff at Crytex Systems. She had long admired Crytex, both as an industry leader and as an ideal employer, and the position the company was offering her

was perfect. "It's just what I've always wanted," she told her husband, Tom, as they uncorked a bottle of champagne. But as she and Tom talked, he raised a few questions that began to trouble her.

"What about the big project you're working on at Altrue right now? It'll take three months to see that through," Tom had reminded her. "The company has a lot riding on it, and you've always said that you're the driving force behind the project. If you bolt, Altrue is going to be in a real jam."

Cynthia explained that she had mentioned the project to David Newhoff. "He said he could understand I'd like to see it through, but Crytex needs someone right now. He gave me a couple of days to think it over, but it's my big chance."

Tom looked at her thoughtfully and responded, "But Newhoff doesn't quite get it. It's not just that you'd like to see it through. It's that you'd be letting your whole project team down. They probably couldn't do it without you, at least not the way it needs to be done. Besides, Cyn, remember what you said about that guy who quit the Altrue branch in Baltimore."

"That was different," Cynthia responded. "He took an existing account with him when he went to another firm. It was like ripping Altrue off. I'm not going to rip them off, but I don't figure I owe them anything extra. It's just business. You know perfectly well that if Altrue could save some money by laying me off, the company wouldn't hesitate."

"I think you're rationalizing," Tom said. "You've done well at Altrue, and the company has always treated you fairly. Anyway, the issue is what's right for you to do, not what the company would or wouldn't do. Crytex is Altrue's big competitor. It's like you're switching sides. Besides, it's not just a matter of loyalty to the company, but to the people you work with. I know we could use the extra money, and it would be a great step for you, but still . . ."

They continued to mull things over together, but the champagne no longer tasted quite as good. Fortunately, she and Tom never really argued about things they didn't see eye-to-eye on, and Tom wasn't the kind of guy who would try to tell her what she should or shouldn't do. But their conversation had started her wondering whether she really should accept that Crytex job she wanted so much.

Questions:

- a. What should Cynthia do? Would it be unprofessional of Cynthia to drop everything and move to Crytex? Would it show lack of integrity? Could moving abruptly to Crytex have negative career consequences for her. **(05)**
 - b. Is it morally wrong, morally permissible, or morally required for Cynthia to take the new job? Examine Cynthia's choice from a utilitarian point of view. How would Kant and Ross look at her situation? **(05)**
 - c. What does loyalty to the company mean, and how important is it, morally? Under what circumstances, if any, do employees owe loyalty to their employers? When, if ever, do they owe loyalty to their co-workers. **(05)**
2. Why is the subject of ethics seen negatively in the context of business? Discuss. **(05)**
 3. You have interviewed candidates for the post of a senior position in management. This job requires emotional and physical strength. The job is at least for two years and cannot have a vacation. The candidate selected has an extraordinary experience for more than ten years in a similar job. But you are told that she is pregnant. Can you select her for the job? Discuss the ethical issues in the case. **(05)**
 4. 'Law is sufficient and ethics is not required.' Explain your view. **(05)**
 5. Discuss the importance of whistle-blowing in the Indian context. **(05)**
 6. Write short notes on (any one) **(05)**
 - (a) Virtue Ethics
 - (b) Utilitarianism
