

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA SEMESTER- IV - EXAMINATION-SUMMER-2024

Subject Code: 2549306

Date: 25/04/2024

Subject Name: Business Ethics and Corporate Governance

Time: 10:30 AM TO 01:30 PM

Total Marks: 70

Instructions:

- 1. Attempt all questions.**
- 2. Make suitable assumptions wherever necessary.**
- 3. Figures to the right indicate full marks.**
- 4. Use of simple calculators and non-programmable scientific calculators are permitted.**

Q.1 Explain the following terms: **14**
a) Ethical Dilemma
b) Corporate Social Responsibility
c) Work Ethics
d) Whistleblowing
e) Transparency
f) Ethical issues in Advertising
g) Gandhian Approach in Management

Q.2 (a) Explain what business ethics is, and what it is not? **07**

Q.2 (b) What is Corporate governance? How can ethics make corporate governance more meaningful? **07**

OR

Q.2 (b) Discuss the need purpose, and relevance of Indian ethos in the context of contemporary business environments. Also, highlight the salient features of Indian ethos with reference to real-life examples. **07**

Q.3 (a) Compare and contrast the utilitarian and deontological ethical models. How do these models approach ethical decision-making differently, and what are the strengths and weaknesses of each in resolving complex moral dilemmas? **07**

Q.3 (b) Explain Kohlberg's Model of Moral Development and its relevance to ethical decision-making in business contexts. **07**

OR

Q.3 (a) Discuss the ethical responsibilities of businesses towards stakeholders, including employees, customers, shareholders, suppliers, and the broader community. How can businesses balance competing interests and values while upholding their ethical obligations? **07**

Q.3 (b) Analyze Carrol Gilligan's Model of moral development and its implications for gender differences in ethical decision-making. **07**

Q.4 (a) Discuss the fundamental principles and objectives of corporate governance. How does effective corporate governance contribute to organizational performance, stakeholder trust, and sustainable value creation? **07**

Q-4 (b) Analyze the theoretical foundations of corporate governance including agency theory, stewardship theory, and stakeholder theory. **07**

OR

Q.4 (a) Reflect on the historical evolution of corporate governance. What are the key milestones, events, and regulatory reforms that have shaped the development of corporate governance frameworks and best practices over time? **07**

Q.4 (b) Explore the role and responsibilities of the board of directors in corporate governance and what are the characteristics of effective board leadership? **07**

Q.5 Ethical Dilemma in Technology:

In today's digital age, technology plays a pivotal role in various aspects of our lives, including security and surveillance. One such technology, facial recognition, has gained widespread adoption in law enforcement, border control, and commercial applications. However, the ethical implications of facial recognition technology have sparked debates surrounding privacy, civil liberties, and social justice. This case study explores an ethical dilemma faced by a fictional technology company, SecureTech, in the development and deployment of facial recognition systems.

SecureTech is a leading provider of security solutions, specializing in biometric authentication and surveillance technologies. The company has developed a state-of-the-art facial recognition system designed to enhance security measures in public spaces, airports, and corporate facilities. The system utilizes advanced algorithms to identify individuals based on their facial features, enabling real-time monitoring and threat detection.

While SecureTech's facial recognition technology offers significant benefits in terms of security and crime prevention, it also raises ethical concerns related to privacy, data protection, and potential misuse. The company faces a dilemma regarding the responsible use and deployment of the technology in various contexts, including law enforcement, public surveillance, and commercial applications.

On one hand, SecureTech acknowledges the importance of safeguarding individual privacy rights and upholding ethical standards in the development and deployment of its technology. The company is committed to ensuring transparency, accountability, and respect for human rights in all its business practices. However, it also recognizes the growing demand for enhanced security measures and the potential benefits of facial recognition technology in deterring crime and protecting public safety.

Key Stakeholders:

- The technology company itself responsible for developing and commercializing facial recognition systems.
- Law enforcement agencies and government entities responsible for public security and border control.
- Non-governmental organizations and advocacy groups advocating for privacy rights and civil liberties protection.
- Citizens and consumers who may be impacted by the deployment of facial recognition technology in public spaces and commercial settings.
- Government bodies responsible for enacting and enforcing regulations governing the use of biometric technologies and data protection.

SecureTech faces several ethical considerations in the development and deployment of facial recognition technology:

- The collection and storage of biometric data raise concerns about the potential for privacy breaches and unauthorized surveillance.
- Facial recognition algorithms may exhibit biases against certain demographic groups, leading to unfair treatment and discrimination.
- The widespread deployment of facial recognition systems could contribute to the erosion of civil liberties and the normalization of mass surveillance.
- The vulnerability of facial recognition systems to hacking and misuse poses risks to individual security and data integrity.

- (a) Identify various ethical concerns surrounding the collection and storage of biometric data in its facial recognition technology that the company should address. Also highlight, what measures does it take to ensure privacy protection and data security? **07**
- (b) Discuss the potential biases and discrimination that may arise from facial recognition algorithms, and what steps should the company take to manage these risks to ensure fairness and inclusivity in its technology. **07**

OR

- (a) Evaluate the ethical implications of the widespread deployment of facial recognition systems on civil liberties and individual rights. **07**
- (b) Propose ethical guidelines and safeguards that the company could implement to protect against security risks such as hacking and misuse and ensure responsible technology deployment. **07**
