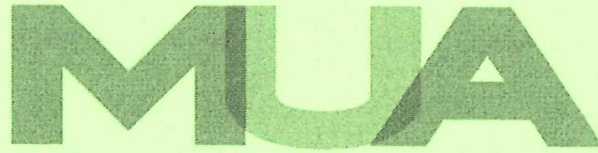


The
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CERTIFICATE UNIVERSITY EXAMINATIONS

SCHOOL OF MANAGEMENT AND LEADERSHIP

**CERTIFICATE IN MANAGEMENT AND LEADERSHIP/SUPPLY
CHAIN MANAGEMENT**

CML 101/CSM 101: FOUNDATIONS OF BUSINESS ETHICS

DATE: 1ST APRIL 2025

DURATION: 2 HOURS

MAXIMUM MARKS: 70

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **SIX (6)** questions.
4. Question **ONE** is compulsory.
5. Answer any other **FOUR** questions.
6. Question **ONE** carries **30 MARKS** and the rest carry **10 MARKS** each.
7. Write all your answers in the Examination answer booklet provided.

QUESTION ONE

Read the Case Study below carefully and answer the questions that follow:

DISCRIMINATION AT XYZ FINANCIAL SERVICES IN KENYA

XYZ Financial Services, a prominent financial institution in Nairobi, Kenya, recently faced significant allegations of workplace discrimination. In January 2023, a group of employees lodged complaints with the company's Human Resources (HR) department, highlighting issues of gender and ethnic discrimination. Female employees reported disparities in pay and career advancement opportunities compared to their male counterparts. Additionally, several employees from minority ethnic groups claimed they were overlooked for promotions and subjected to a hostile work environment, reflecting a pattern of tribal favoritism.

In response to these allegations, XYZ Financial Services launched an internal investigation led by an independent consultancy firm to ensure impartiality. The investigation revealed that female employees were, on average, paid 20% less than their male colleagues for similar roles. It also uncovered that employees from minority ethnic groups were underrepresented in senior management positions, despite having comparable qualifications and experience. The findings confirmed systemic biases in the company's hiring and promotion practices.

Following the investigation, XYZ Financial Services took decisive action to address the issues. The company implemented a new compensation structure to ensure equal pay for equal work and introduced transparent criteria for promotions. Additionally, they established a diversity and inclusion committee tasked with monitoring workplace practices and promoting a culture of inclusivity. Mandatory training programs on unconscious bias and cultural competency were rolled out for all employees, emphasizing the importance of diversity and fairness.

The case of XYZ Financial Services highlights the pervasive nature of workplace discrimination and the need for robust measures to ensure equity and inclusivity. By acknowledging the problem and taking concrete steps to address it, XYZ Financial

Services demonstrated a commitment to ethical business practices and the well-being of its employees. This case serves as a valuable lesson for other organizations on the importance of proactive measures in combating discrimination and fostering a fair workplace environment.

Required:

- a) Identify and explain any two types of discrimination were reported at XYZ Financial Services? (4 Marks)
- b) Illustrate four ways on how the XYZ Financial Services responded to the allegations? (8 Marks)
- c) Discuss four ways XYZ Financial Services used to implement in their company to reduce the discrimination at their workplace? (8 Marks)
- d) Clearly explain the role of the diversity and inclusion committee at XYZ Financial Services (2 Marks)
- e) From the case study explain any five lessons other companies can learn from the experience of XYZ Financial Services? (8 Marks)

QUESTION TWO

- a) Corruption is a Vice that has to be fought tooth and nail to wipe out those soliciting bribes for individual advantage. Discuss five effects of corruption to a countries economy and the business at large. (5 Marks)
- b) Explain in detail the main challenges facing employee privacy in modern organization. (5 Marks)

QUESTION THREE

- a) Explain the term corporate social responsibility (CSR) (2 Marks)
- b) Evaluate 4 reasons why an organization should engage in corporate social responsibility. (8 marks)

QUESTION FOUR

- a) Moral reasoning is the process of understanding human behaviours. list four steps of analyzing moral reasoning? **(4 Marks)**
- b) Discuss the challenges faced by companies or businesses operating internationally. **(6 Marks)**

QUESTION FIVE

- a) Discuss any five merits of ethics to the business. **(5 marks)**
- b) List and explain two types of ethics **(5 Marks)**

QUESTION SIX

- a) Examine five benefits of code of ethics to an organization **(5 Marks)**
- b) Analyze two differences between ethics and morality **(5 Marks)**