

**UNIVERSITY COLLEGE TATI (UC TATI)****FINAL EXAMINATION QUESTION BOOKLET**

COURSE CODE	: BBM 2023
COURSE	: BUSINESS ETHICS
SEMESTER/SESSION	: 1-2023/2024
DURATION	: 3 HOURS

**Instructions:**

1. This booklet contains 5 questions. Answer **ALL** questions.
2. All answers should be written in answer booklet.
3. Write legibly and draw sketches wherever required.
4. If in doubt, raise your hand and ask the invigilator.

**DO NOT OPEN THIS BOOKLET UNTIL YOU ARE TOLD TO DO SO**

**THIS BOOKLET CONTAINS 6 PRINTED PAGES INCLUDING COVER PAGE**

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**QUESTION 1**

- (a) Describe the importance of transparency in good corporate governance. Provide an example of how a company can demonstrate transparency in its operations and decision-making processes. (2 marks)
- (b) Define the meaning of **stakeholder** and **shareholder** in organization. (4 marks)
- (c) List **FOUR (4)** types of internal stakeholder and external stakeholder. (8 marks)

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**QUESTION 2**

- (a) Companies use ethically-focused corporate plans that enable them to follow a set of well-defined values and avoid common issues in corporate governance, including mismanagement, non-compliance, and fraud. In table, employ **THREE (3)** models of management to encounter the ethical issues in corporate governance. (6 marks)
- (b) Determine **THREE (3)** classification of stakeholder in good corporate governance. (6 marks)
- (c) As Teraju Group employees develop and implement strategies for re-engineering agency programs and operations, they should design management structures that help ensure accountability for results, and include appropriate, cost-effective controls.
- Discuss the guidance to Teraju Group managers on improving the accountability and effectiveness of Teraju Group programs and operations. (8 marks)

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**QUESTION 3**

- (a) Define the meaning of executive remuneration. (2 marks)
- (b) Senior management and executive level employees play a crucial role in the company as they are the ones making the strategies, taking importance decisions, etc. In order to keep them motivated and satisfied, it is important to set the right benefits package. Demonstrate **FIVE (5)** features of executive remuneration. (10 marks)
- (c) Explain **FOUR (4)** components of executive remuneration for employees in the company. (8 marks)

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**QUESTION 4**

- (a) Define the meaning of insider trading with a situational example. (4 marks)
- (b) Compare **FIVE (5)** differences between mergers and acquisitions in table. (10 marks)
- (c) Mergers and acquisitions involve more than just financial transactions; they entail combining cultures, values, operations, and responsibilities. Ethical considerations come to the forefront as two or more entities join forces, often impacting employees, customers, suppliers, and stakeholders. Explain ethical aspects of each issue in merger and acquisitions:
- i. Transparency and communication
  - ii. Conflict of Interest
  - iii. Employee welfare
  - iv. Customer and Supplier Relationship
  - v. Cultural Integration

(10 marks)

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**QUESTION 5**

(a) Provide **THREE (3)** types of each merger and acquisition in an organization. (6 marks)

(b) An accountant in public practice will want to act in the best interests of their clients or employer. However, they also have a responsibility to act in the public interest, which will require objectivity to be exercised at all times. The duties of the accountant in public practice who faces an ethical dilemma cannot always be easily reconciled.

Discuss **THREE (3)** ethical issues in accounting that might be faced by an accountant. (6 marks)

(c) Elaborate the impacts for each threat in accounting.

- i. Self-interest threats
- ii. Self-review threats
- iii. Advocacy threats
- iv. Familiarity threats
- v. Intimidation threats

(10 marks)

-----End of question-----