

WOMEN'S UNIVERSITY IN AFRICA



Addressing gender disparity and fostering equity in University Education

FACULTY OF MANAGEMENT AND ENTREPRENEURIAL SCIENCES

**BSc HONOURS DEGREE IN MANAGEMENT AND ENTREPRENEURIAL
DEVELOPMENT STUDIES SPECIALISING IN MANAGEMENT & MARKETING**

MAIN PAPER

BM 215

BUSINESS ETHICS

INTAKE 26:

SECOND YEAR FIRST SEMESTER

TIME:

2 HOURS

INSTRUCTIONS TO CANDIDATES

Answer question **1** and any other **two**

Question 1

Volkswagen: Emissions Scandal Due To Fraudulent Software (2014)

Over the past two years, Volkswagen has been dealing with the aftermath of an internal scandal that has deeply dented the integrity of the company. In May of 2014, a small research team from West Virginia University, led by Dan Carder, was conducting emissions tests on small passenger cars from BMW, Mercedes Benz and Volkswagen (ABC). When the team tested two different Volkswagen car models fitted with the 2-liter turbocharged 4-cylinder diesel engine, the information they uncovered prompted the California Air Resources Board to launch an investigation into Volkswagen (Gates, Ewing, Russell & Watkins).

Volkswagen had apparently been equipping a wide variety of their diesel vehicles with a “defeat device”. In order to comply with U.S emissions standards, every diesel car manufacturer is required to have software installed in the car to clean the diesel exhaust. In Volkswagen’s case, the software they were using became enabled when the car was undergoing emissions testing, but shut off during normal driving conditions in order to improve fuel economy and performance (Young). This caused the affected diesel cars to release almost 40 times the legal amount of nitrogen oxide into the air, which can wreak havoc on the environment (Gates, et al.).

After further testing, it was discovered that fourteen specific car makes and models were equipped with this duping software. With all said and done, Volkswagen had to recall over 11 million of their vehicles due to their faulty engine software. Around 580,000 cars were recalled in the United States, while 10 million were recalled in Europe. The remainder include cars that are scattered throughout Asia, South America and Africa where the number of diesel cars is relatively small (Smith and Parloff).

Since this scandal went public, Volkswagen has been taking appropriate steps and actions to correct their mistakes to the best of their ability, while coping with the damage done to their overall image.

Source: <http://businessethicscases.blogspot.com/2016/11/volkswagen-emissions-scandal-due-to.html>

Apply any 5 ethical theories to justify ethics evaluation of behaviour in the case. [40]

Question 2

Compose the reasons why the Zimbabwe's state owned corporate governance framework is failing efficiency in these organisations. [20]

Question 3

Use the managerial mischief and moral maze to characterise the level of corruption in Zimbabwe. [20]

Question 4

'Economic challenges and unemployment has normalised unethical human resource management'. Discuss. [20]

Question 5

Assess how globalisation has transformed marketing and environment ethics. [20]

Question 6

Synthesise and report how any two market structures of your choice affects business ethics. [20]

END