FACULTY OF BUSINESS SCIENCES AND MANAGEMENT

DEPARTMENT OF MARKETING

BACHELOR OF COMMERCE HONOURS DEGREE IN MARKETING

BUSINESS ETHICS AND CORPORATE GOVERNANCE [BMA4208]

FINAL EXAMINATION

JUNE 2026

DURATION: 3 HOURS

INSTRUCTIONS

1. Answer **ALL** questions in Section A and any **THREE QUESTIONS** from Section B.
2. Marks per question are as indicated.
3. Questions may be attempted in any order.
4. Begin each question on a new page.
5. This paper consists of Three printed pages including the cover page

Section A

Question 1

An ethical leader is most likely to:
A. Prioritize profits over community welfare
B. Communicate decisions transparently and model ethical behaviour
C. Avoid stakeholder engagement to reduce conflict
D. Delegate all ethical decisions to compliance officers

Question 2

The OECD Principles of Corporate Governance are best described as:
A. Binding international law
B. Voluntary guidelines promoting transparency and accountability
C. National legislation applicable only in Europe
D. A code of conduct for financial auditors

Question 3

Which governance mechanism most directly promotes transparency?
A. Independent board committees
B. Whistleblower protection policies
C. External audits
D. All of the above

Question 4

Which principle is most directly associated with fairness and equal treatment in corporate governance?
A. Transparency
B. Justice
C. Accountability
D. Integrity

Question 5

Which of the following best illustrates CSR in practice?
A. Increasing executive bonuses
B. Reducing environmental impact through sustainable packaging
C. Outsourcing labour to reduce costs
D. Avoiding compliance with international standards

Question 6

Identify three stakeholders in a corporate merger and describe the ethical concerns for each. (15)

[25 marks]

Section B

Question 7

(a)
A tech company is criticized for using customer data without consent. Evaluate the ethical principles applicable, and how the company can respond to restore stakeholder trust? (15)

(b)
A CEO decides to invest in renewable energy despite higher short-term costs. Discuss how this reflects CSR and ethical leadership. (10)

[25 marks]

Question 8

Critically evaluate the tension between profit maximisation and ethical responsibility, analysing how corporate governance structures and leadership practices can reconcile these competing interests.

[25 marks]

Question 9

Critically assess the role of corporate social responsibility (CSR) in promoting sustainability within multinational corporations. Discuss how CSR initiatives can address environmental, social, and governance (ESG) challenges across diverse cultural and regulatory contexts. Use case studies to illustrate both successes and failures.

[25 marks]

Question 10

Critically evaluate how legal frameworks and industry codes of conduct shape corporate governance, examining their effectiveness in ensuring accountability and compliance.

[25 marks]

Question 11

Critically analyse how leadership competencies shape ethical decision-making in organisational settings, evaluating the extent to which integrity, accountability and transparency can be embedded into management practices.

[25 marks]

END OF EXAM