



# INDIAN INSTITUTE OF MATERIALS MANAGEMENT

**June 2023**

**Post Graduate Diploma in Logistics & SCM  
Post Graduate Diploma in Materials Management - 2 years**

**PAPER No.4 (enrollment code –CPM, CPS)**

**PAPER No. 5, (enrollment code- PMM,PSM, CMM,CSM)**

**Business Ethics and Corporate Social Responsibility**

**Date : 15.06.2023  
Time : 2.00 p.m. to 5.00 p.m.**

**Max. Marks : 70  
Duration : 3 Hrs.**

**Instructions:**

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|---|-------------------------|
| 1. From Part A – answer all questions (compulsory). Each sub questions carries 1 mark.                        | <b>Total : 20 Marks</b> |
| 2. From Part B – Answer any 3 questions outof 5 questions. Each question carries 10 marks.                    | <b>Total :30 Marks</b>  |
| 3. Part C is a case study (compulsory) with questions. Read the case study carefully and answer the questions | <b>Total: 20 Marks</b>  |

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**Part – A**

**20 Marks**

**(Attempt all questions. Each sub question carries 1 mark.)**

**Q.1 Select the right answers from the given choices [5 marks]**

- 1) All the inhabitants of a country are \_\_\_\_\_ of the public procurement process  
a. Beneficiaries                      b. actors                      c. Shareholders
- 2) \_\_\_\_\_ helps to find out the slippages from the proposed CSR activities and determines the need for any corrective action  
a. Measuring & monitoring                      b. Planning                      c. .Implementing
- 3) Indian companies are required to invest into CSR activities at least \_\_\_\_\_ of average net profit derived in the previous 3 years  
a. 2%                      b. 4%                      c. 5%
- 4) To overcome the situation of ethical dilemma, suggestions should be taken from the \_\_\_\_\_  
a. Customer                      b. Shareholders& employees,                      c. All of these
- 5) Which of the following refers to an individual's ability to understand a situation to be take place in future instinctively \_\_\_\_\_.  
a. Intuition                      b. creativity                      c. knowledge

**Q.2. State True or False [5 marks]**

- 1) In India Corporate governance model is a mixture of German and Anglo -American model
- 2) The joint Hindu family business is a unique and oldest type of Business in India
- 3) Niskam karma constitutes the central theme of Karma Yoga, the path of selfless action
- 4)The Organisation that has a work culture based on moral values is not respected in society
- 5)According to Andrew crane, business ethics is the study of business situation, activities, and decisions where issues of right or wrong are addressed

**Q.3 Abbreviations – expand it [5 marks]**

- 1) HUF      2) SDG      3) MDG      4)ILO      5) LEED

**Q.4 Fill in the blanks [5 marks]**

- 1) Ethics is concerned with human -----
- 2) It is the duty of any person to -----the rights of other people
- 3) The main points of 4V model are Value, -----, Voice , Virtue
- 4)In a clan culture, employees share strong bonds and are -----towards their organization
- 5)Sustainable development takes care of the needs of present and -----generations

**PART B**  
**(Attempt any 3 . Each question carries 10 marks )**

**30 marks**

- Q.5 a)** Describe the situation of ethical dilemma in Human resource Management? **[5 marks]**  
**b)** What are the ethical dilemmas in international business? **[5 marks]**
- Q. 6. a)** Explain the 4 V model of ethical leadership? **[5 marks]**  
**b)** Explain the statement “Ethical leadership is guided by ethical values and beliefs” **[5 marks]**
- Q.7.a)** Explain spiritual values/non material aspects in the lives of individuals? **[5 marks]**  
**b)** Explain business ethics and values in business environment **[5 marks]**
- Q.8. a)** Describe the ways to manage ethical dilemma **[5 marks]**  
**b)** Describe the ethical dilemma related to marketing **[5 marks]**
- Q.9 Write short notes on any Two [ 2 x 5 = 10 marks]**
- a) CARRO's CSR pyramid
  - b) Management lessons from the Indian Epics.
  - c) Role of UN in framing guidelines for sustainable development.
  - d) Types of values.

**PART C**

**20 marks**

**Q. 10. Case study – Compulsory**

Frank became the Chief Financial officer and member of the executive committee of medium sized family owned company six months ago. The first non family member to hold such a position and to be included in the Executive committee. He took up job despite “lunch time remark” by the company’s CEO that some of the members of the family concerned about Frank’s fit in the company’s culture. But CEO ( is also family member) said he was willing to take a chance.

Soon after Frank started, the company decided for the first time to “right size” to respond to the rapid changes in its business. Frank, who had been through this before in his previous company, agreed this is good for the long term health of the company. He decided not to worry that the family members seemed more concerned about their short term financial interest

CEO had more trust in Frank than the Head personnel and CEO insisted that Frank should downsize in an ethical manner

On Frank’s suggestion, company decided to make its lay off decision based on annual performance appraisal scores of the employees. Each Department Manager would submit a list of employees ranked by the average score of their past three years appraisal. Frank and Executive committee would decide to draw a line to lay off.

As Frank was reviewing the list, he was puzzled to see three persons were not rated anything instead it is mentioned N/A. On enquiry he found that these employees are with the company and they never had a formal performance appraisal and no feed back on their performance was shared till this time, which the CEO also confirmed. CEO responded further saying that they are due for retirement and serving a notice will not have any legal implication. Frank was worried about the situation as the company has to take an ethical decision on performance

- 1. Does frank have ethical dilemma ?
- 2. What is the right thing to do
- 3. If Frank disagrees with CEO, how does he protect his own career
- 4. Suggest any alternate arrangement to reduce manpower

