

Final Term Assignment (Spring 2020)

Program: MBA-90

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Course: Business Ethics

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Case study 1: Returning back unspent money from the grant (25 marks)

Q No. 1. Should Aslam return back the unspent money to government from the grant or not? Justify?

Answer: Aslam is running an NGO that helps street children. He receives government grant of Rs.5 lacs for a project to teach the "out of school" children, who work at tea-stalls, washing cars, do boot polishing etc. After a year, Aslam managed to utilize only 3 Lacs rupees from the grant. Despite his best efforts, he couldn't convince many poor children or their families to join his NGO's program.

As per the grant rules, Aslam has to return all the unspent money back to government by the end of the year.

In my opinion, according to terms and conditions on the agreement paper, Aslam should honestly return the remaining unspent amount back to the government, which will make the government officials think that he is a mature and honest person and utilized the grant in refined way, if he doesn't return all the unspent money back to government then his NGO will become in-effective as well as the reputation of Aslam's NGO will be at stake and government will put his name in the category of in-effective NGO's. Since he was only able to utilize Rs.3 lacs for his NGO.

According to government rules, for In-effective NGOs, government substantially reduces their grants for next year or even worse- and also government will not give them any project next time.

Secondly, Ethically Aslam should not utilize a single penny on his personal needs; the remaining amount should only spend on street children. Because, if he not returning unspent money it would be unethical and unjustified act.

In any case, If Aslam keeps the unspent grant; government will continue impelling more money- other NGOs and will keep accretion wealth. Therefore, Aslam should return the unspent grant back to the government.

Q No. 2. Do you see any ethical issues in Nadir's suggestions? Explain your opinion?

Answer: In this case Nadir's suggestions are un-ethical and un-justified

According to Nadir's first 3 suggestions, which as below

1. *If we return back the unspent amount then government may not grant us for any project next year.*
2. *Our reputation will be at stake and government will put our name in the category of in-effective NGOs.*
3. *Most of the NGOs are having the same practice, no objection will be raised.*

Keeping in view the above first three suggestions of Nadir, So in my opinion "Since others are also doing it", is definitely not the valid justification of Nadir's to commit an unethical or illegal act.

According to Nadir's 4 & 5 suggestions, which as below

4. *We should consult a Chartered Accountant to manipulate our Accounts Book showing no amount left from the grant for project.*
5. *Even, official in charge of this project will not come to us for an audit if a little percentage from the grant is given to him.*

The above both suggestions are unethical and don't make a right. For example

- a. Manipulating account books is to keep the grant money.
- b. Corrupting official in charge of the project to keep the grant money.

According to Nadir's 6 & 7 suggestions, which as below

6. *We will not utilize a single penny on our personal needs; the remaining amount will be spent on street children only.*
7. *In brief, not returning unspent money is ethical and justified.*

So in my opinion, the life of a lie and dishonesty is very low, especially when manipulating the account books, even if Aslam spends even a single penny on his personal needs by manipulation the account books the lie wouldn't be hidden for long. Aslam was unable to use 40% of the grant money; it implies that not returning unspent money is unethical and unjustified.

Case study 2: Sincerity with the workplace (25marks)

Q No. 1. What should the manager say to the employer who calls him for Shakeela?

Answer: In this case the former manager of shakeel should give good recommendation and feedback because shakeel need the job for survival and keep his kitchen operating and also she is a single parent with two children.

To preserve the formality and appearance of his company positive and transparent, former Manager should personally inform the weaknesses of Shakeela to the employer who calls him for Shakeela. Instead of, he personally knowing her and also having a soft corner for her.

Q No. 2. What if the employer was manager's friend?

Answer: In my opinion, It would be better for manager to handle the situation safely because as a friend and personal reference, he can request employer to take her for a job and also can easily keep him aware of the past weakness of shakeela and can clearly tell him to check/keeps eyes on her regarding her irresponsibility, irregularity and lateness in future due to which she was fired from a company.

Q No. 3. If Shakeela asks her manager to be a reference before applying somewhere else, what should be manager's response?

Answer: In my point of view, shakeela ethically will do well, if she ask her manager to be a reference before applying somewhere else, in response manager should clearly informed shakeela that if his reference is required on personally basis, so he will give good recommendation about her and will full support her for getting job, but if the employer required as a officially reference, so he will have to say the fact and accordingly also bring her notice that if he give importance to her then every employee in his company required same favor which will be unbearable for him to keep the superiority and image of his company confident.

Q No. 4. What should be manager's role in resolving Shakeela's issue keeping the dignity and image of his company positive and transparent?

Answer: Being as a good manager he should clearly update shakeela that if his reference is required on individual basis, so he will give good recommendation and feedback and not stating her flaws to another company about her because he is personally knows her and has a soft corner for her.

But, if the future company consist as a formally reference, so he will be helpless in this regard because he will have to maintain dignity and image of his company positive and transparent and can't drive against company rule and regulations.