

**PGDM (IB) 2016-18**  
**Responsible Business**  
**IB-207**

**Trimester -II, End -Term Examination: December- 2016**

Time Allowed: 2 Hrs 30 Min

Max Marks: 50

Roll No: \_\_\_\_\_

**Instruction:** Students are required to write Roll No on every page of the question paper, writing anything except the Roll No will be treated as **Unfair Means**. All other instructions on the reverse of Admit Card should be followed meticulously.

**Section A (15 Marks)**

Write a short note on any **THREE** of the following:

1. Different models of CSR
2. United Nation's Universal Declaration of Human Rights
3. Sustainable Development
4. CSR Committee
5. Stakeholders Theory vs Shareholders Value Theory

**Section B (20 Marks)**

Attempt any **TWO** of the following questions:

Q1. Briefly explain the term Corporate Social Responsibility. Discuss its importance for business organizations and the main factors motivating them to take up CSR activities.

Q2. What is business-ethics? Explain its relevance and importance with suitable Examples for the business organizations.

Q3. Briefly explain the term Corporate Governance. What are its main objectives? Discuss 5 main factors, which influence quality of governance in any organization.

## Section C (15 Marks)

### **Compulsory Case Study (Answer all 3 Questions)**

'Don't be evil'. These are the opening words of Google's code of conduct. Founded in 1998, the company behind the world's most used internet search engine has revenues of over US \$ 23 billion. It employs nearly 20,000 people, only 250 of whom are at corporate HQ in Mountain View, California.

Google has joined Hoover as one of the few brands that have become a verb. But as a premier citizen in cyberspace, Google faces unique responsibility challenges. First, there is the conventional problem of market dominance: Google has the world's most used search engine that is the backbone of the advertising business that generates most of the firm's revenue. In this sense, Google share the same issues that in previous eras faced Standard Oil, De Beers, and the British East India Company. At the same time, Google rise has been portrayed as way of undermining the dominance of another Information Technology giant, Microsoft, and its public acceptance as a brand is evident in places from the blogosphere to Simpson's cartoons.

Google added to its kudos in some quarters by its stand on information access in China. Since 2005, Google and Chinese government have tussled over the data Google's search engine provides. The government has demanded that links it has censored such as the 1989 Tiananmen Square protest should not appear on Google, and moreover that Google should hand over information about the sites alleged dissidents are visiting. Early on Google seemed to comply, but in 2009 it threatened to pull out of Chinese market after large scale attempts to hack into messages on the company's Gmail service, and to steal proprietary code. The hacking was particularly sensitive because in 2006, Yahoo! had handed over personal data from a Chinese journalist who ended up in serving a prison sentence. The US government was increasingly insistent that US companies needed to think about the human rights aspects of their businesses.

Google's stand in China brought protests from the Chinese government, but was well received in many other parts of the world which saw the company making a stand of freedom of expression despite its business costs. However, some said Google was simply looking for a way out of the Chinese market where it had been second-bested by local competitor, Baidu. Some speculated that it was way of deflecting attention from other Google problems. Its Street View service, photographing entire neighborhoods and making them available on the web, had been criticized as an aid to burglars. The publishing of email accounts on its Buzz social networking service had become the latest in a line concerns about the amount of information Google collects and that gets used. The company was also being criticized for its tax avoidance policies which, for instance, saw earnings shifted from its British to its Irish subsidiary.

A further example of concerns about Google' hold over data is Google Book Search (GBS). At first sight, GBS is another useful innovation: Google has digitized over ten million books, giving it the potential to become the largest library in the world. Some of these are copyrighted and in print, so GBS would make them available in digital formats and act as little more than printer. Some are copyrighted and out of print, often with unidentified rights holders.

Under a proposed settlement, authors would have to opt out rather than opt in deals with GBS. Google's aim is to become the largest player in digital publishing, raising concerns about pricing and also the use of data obtained about book users.

Google has sought an agreement about the ownership and use of data in New York district court. Given that the case has worldwide ramifications for access to information, the fact it is being tried in a minor court has itself raised suspicions. The French and German governments have asked that the settlement Google proposes to be rejected in its entirety, condemning the proposed settlement for sanctioning the 'uncontrolled autocratic concentration of power in a single corporate entity.'

At present, a decision is still pending on GBS, and Google is still negotiating over its position in China.

### Questions

1. What are the special challenges for a Cyberspace-based company compared to a conventional retailer or publishing company.
2. What does the case Google tell us about the role of business in society?
3. What do you think Google is doing that marks it out as a responsible Company?

**End of the Question Paper**