

UK RQF LEVEL 7 • MSC / MBA

# Postgraduate Business Ethics

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Real-World Tactical Dilemmas in Corporate Governance & Sustainability

Please read each case carefully. Prepare to defend your choices in the upcoming seminar.

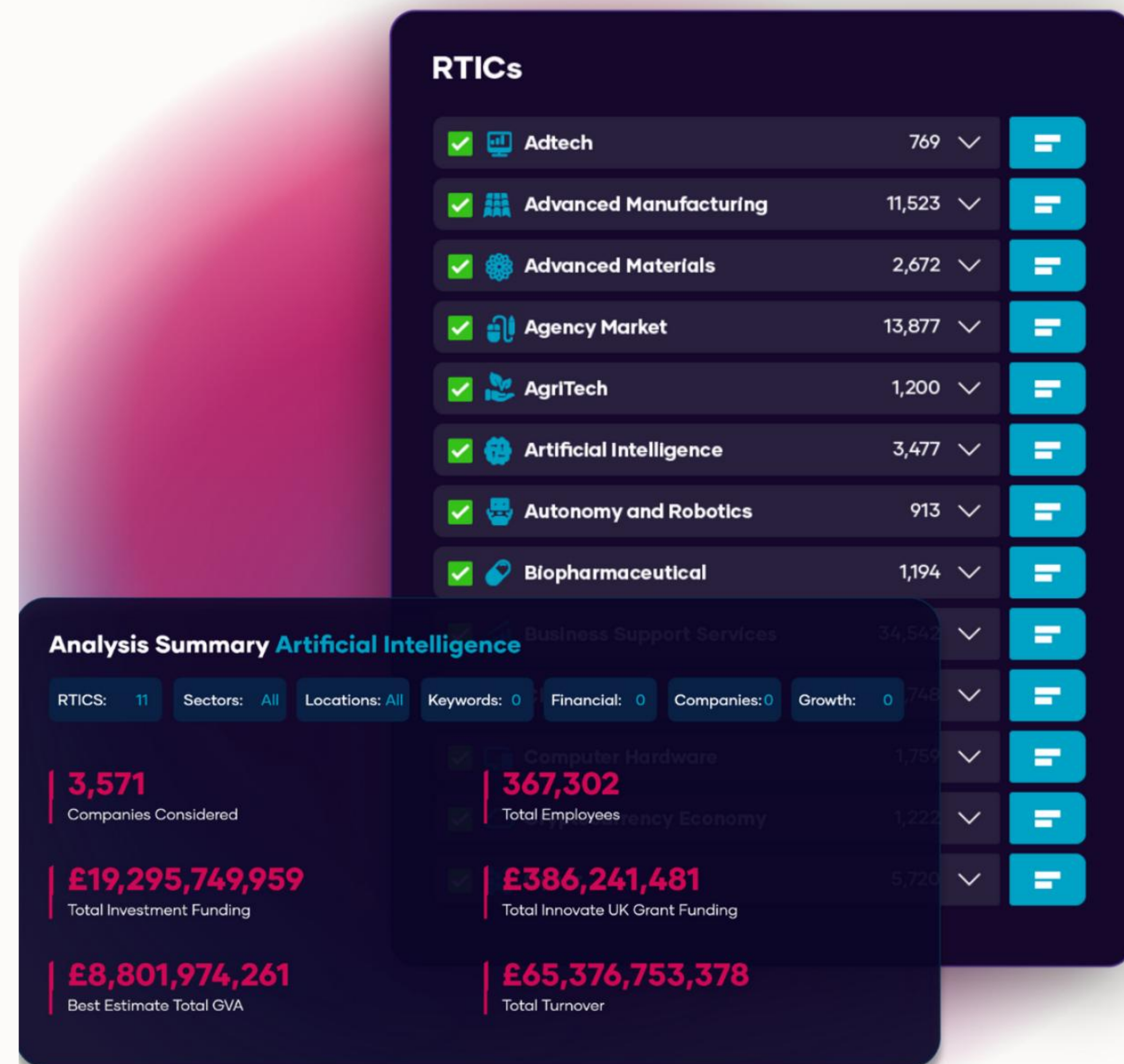
## CASE STUDY 1

# The "Gardening Leave" Data Dilemma

## The Corporate Scenario

You are a Senior Data Analyst at a FTSE 100 London consultancy. You have accepted a Director role and a 40% salary hike at a direct rival, with a 3-month gardening leave starting next week.

Your previous code belongs to your firm, but your new team requires six months to replicate the algorithms you authored. How do you manage your transition?



# Case Study 1: Strategic Options

## Option A & B

- **Option A (Unauthorised Copy):** Download the core scripts onto a personal cloud drive. It ensures you hit critical performance targets immediately.
- **Option B (Memory Rebuild):** Leave the physical code behind, but use your gardening leave to write a highly detailed "methodology blueprint" from memory.

## Option C (The Deontological Choice)

- **Option C (Flawless Handover):** Delete any personal backups. Hand over all documentation cleanly to your old firm.

*"Where does personal intellectual contribution end and corporate asset ownership begin under UK law?"*

## CASE STUDY 2

# The "Optimistic" ESG Valuation

## The Corporate Scenario

You are the Chief Sustainability Officer for a major UK logistics firm preparing for an IPO on the London Stock Exchange.

The CEO demands you sign off on a prospectus stating: *"Our new electric fleet will reduce UK emissions by 35% by 2028."* Your audit data shows the realistic baseline is 12%.



## Case Study 2: Strategic Options

### Option A & B

- **Option A (Sign Off):** Treat it as marketing "puffery" for the IPO roadshow, aiming to work flat-out post-flotation to make the unrealistic targets happen.
- **Option B (The Compliance Shield):** Amend the wording: *"Targeting up to 35% subject to external grid upgrades"*, protecting yourself legally but keeping the headline high.

### Option C (The Transparency Route)

- **Option C (Strict Disclosure):** Refuse to sign unless the 12% baseline is published, risking a lower opening share price and potential regional redundancies.

*"At what point does optimistic strategic positioning become greenwashing under Financial Conduct Authority guidelines?"*

# Case Study 3: Algorithmic Bias

## CASE STUDY 3

### Bias vs. Shareholder Value

You are the Product Director for a London fintech lending app. A compliance audit reveals that the credit scoring algorithm penalises postcodes with higher historic deprivation, disproportionately rejecting ethnic minority business applicants.

Rewriting the scoring parameters resolves the bias, but increases defaults, hitting annual net profit margins by **8%**.

**Warning:** Indirect geographic discrimination may violate the Equality Act 2010.



## Case 3: Actionable Pathways



### A: Market Neutrality

Retain the algorithm. It is neutral mathematics processing cold data. Fulfill your fiduciary duty to maximise immediate returns.



### B: Phased Remediation

Deploy a gradual, quiet patch over two financial years. This prevents credit rating drops and avoids triggering investor panic.



### C: Absolute Justice

Correct the bias immediately, accept the 8% hit, and issue a transparent public statement highlighting corporate accountability.

#### CASE STUDY 4

# The Whistleblower's Dilemma

## The Cambridge Biotech Scenario

You are Head of Internal Audit at a scaling diagnostics startup. You discover falsified quality control logs used to bypass regulatory device validation.

The CFO warns: *"A halt bankrupts us immediately. 150 staff lose their jobs, and your options are worthless. The devices are fundamentally safe."*



# Case Study 4: Strategic Options

## Corporate Silence (A & B)

- **Option A (Internal Record Only):** Quietly document the meeting but let production proceed. Protect the greater good of 150 livelihoods from a clinical technicality.
- **Option B (Quiet Resignation):** Resign immediate post with an NDA payout. Cleanse your personal liability without bringing the startup to collapse.

## The Regulatory Report (Option C)

- **Option C (MHRA Disclosure):** Make a protected whistleblowing report directly to the MHRA. Accept the immediate corporate bankruptcy.

*"Under the UK Public Interest Disclosure Act (PIDA), standard NDAs cannot legally gag protected regulatory disclosures."*

# Governance & Ethical Framework Matrix

| Scenario           | Utilitarian Analysis                               | Deontological (Duty) Analysis                          | Statutory / Regulatory Frame                             |
|--------------------|----------------------------------------------------|--------------------------------------------------------|----------------------------------------------------------|
| 1. Gardening Leave | Maximises short-term speed of market output.       | Absolute breach of corporate IP rights.                | UK common law on trade secrets & breach of confidence.   |
| 2. ESG Prospectus  | Protects initial valuation & regional livelihoods. | Deliberate misstatement to secure trust.               | Financial Services and Markets Act 2000 (Market Abuse).  |
| 3. Fintech Bias    | Tries to avoid financial rating downgrade.         | Systemic discrimination violates fundamental equality. | UK Equality Act 2010 (Indirect postcode discrimination). |
| 4. Whistleblowing  | Prevents immediate structural redundancies.        | Upholds absolute regulatory honesty & safety.          | Public Interest Disclosure Act 1998 (PIDA protections).  |

# Open Seminar Discussion

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How does Section 172 of the Companies Act 2006 reshape corporate decision-making?

## Utilitarian Corner

Greatest happiness / minimal jobs lost

## Deontology Corner

Uncompromising compliance & duty

## Virtue Corner

Intent, transparency & moral courage

# Image Sources



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