



Ethics & the Environment in Business

Business Past Exam Questions

Higher Level

APPLIED BUSINESS QUESTION

GALAXY GAMES LTD

Galaxy Games Ltd is a small indigenous company, operating in the new gaming technology sector. It was founded by two college graduates, David Whelan and Jane Ward. David is a software engineer and a web architect while Jane is a marketing graduate. Their design team recently identified some ideas for new games in action-adventure, music, and e-learning.



After reviewing the various ideas put forward, 'Knights' Domain', a new action-adventure game that involved building a fantasy kingdom, was chosen. The design team decided to use Irish music and cutting-edge graphics to set the game apart. Jane completed a business report, including a detailed break-even analysis, to determine the potential of 'Knights' Domain'. Following on from this report, the design team introduced more challenging levels to the game and added more 3D graphics. The game was introduced to a group of transition year students from a local secondary school, who commented positively on the different levels and on its distinctive graphics. The product 'Knights' Domain' was launched in various games stores with an advertising campaign accompanying the launch.

Social responsibility is a key element in Galaxy Games' corporate business plan. Funding was invested in supporting the development of a highly skilled customer service department. Galaxy Games Ltd attracts and retains high quality, creative employees. A major European venture capital firm has invested €1.5 million in the company to date. Galaxy Games Ltd maintains good relationships with its suppliers, many of whom have continued a business relationship with the company since its establishment. When choosing a suitable business premises, David and Jane prioritised energy efficiency.

As a result of Ireland's growing international reputation in the gaming technology sector and Galaxy Games' successful company presentation at the '2012 Dublin Web Summit', the company became a target for acquisition. In January 2013 it was taken over by BizzBuzz, a US global gaming company and a market leader in the industry. BizzBuzz implements a global approach to marketing its games. All games are available in ten different languages. Prices per game are set taking account of competitor prices and various economies of scale. Recent developments in technology enable BizzBuzz to distribute its games worldwide through download from the internet to laptops, smartphones and tablets. BizzBuzz is a globally recognised brand name and uses the slogan 'A new game every day' on its website.

- (A) Outline the stages involved in the product development process of 'Knights' Domain' for Galaxy Games Ltd. (30 marks)
- (B) Discuss the social responsibilities of Galaxy Games Ltd to its stakeholders. (20 marks)
- (C) Evaluate the global marketing mix of BizzBuzz. (30 marks)

(80 marks)

2012

Section 3 - Question 2 C

- (C) (i) Define the term 'Business Ethics'.
(ii) Outline how ethical behavior in business can be encouraged. (15 marks)

2010

Section 3 - Question 2 A

Customers expect businesses to show regard for the natural environment.

(A) Illustrate the characteristics of an environmentally conscious business.

(20 marks)

2009

Section 3 - Question 2 B

- (B) *“Business is not only about doing things right, it is also about doing the right things.”*
Discuss the social responsibilities that a business has to its various stakeholders.

(20 marks)

2008

Section 3 - Question 2 B

- (B) “As global warming becomes a reality for the world, there is an increasing concern for the protection of the environment”.
Illustrate how businesses in Ireland today could become more environmentally responsible.
(20 marks)

2007

Section 3 - Question 2 C

- (C) (i) Define code of ethics.
(ii) Outline the effects on a firm's costs of meeting its ethical and social responsibilities.
(20 marks)

2006

Section 1 - Question 8

8. Define ethical business practice:

Section 1 - Question 2 C

(C) Discuss the social responsibilities of business.

(20 marks)