

EE 2066 Test #2 Grading Scheme

This examination assesses ethical reasoning and professional judgment. Students may provide "Grey Area" answers that demonstrate critical thinking. Award marks for logical justification even if the conclusion differs from the standard key.

Question 1 (40 Marks)

a) Reporting vs. Whistleblowing (10 Marks)

- **Definition of Reporting (Internal) (2 marks)**
 - Student must identify this as raising concerns *within* the organization (e.g., to a manager, compliance officer, or hotline) to fix the issue internally.
- **Definition of Whistleblowing (External) (2 marks)**
 - Student must identify this as disclosing information to an *outside* party (e.g., media, regulators, police) because internal channels failed.
- **Difference in Audience (2 marks)**
 - Internal Management vs. Public/Regulators.
- **Difference in Personal Risk (2 marks)**
 - Reporting is generally lower risk/protected by company policy; Whistleblowing carries high risk of retaliation, firing, or legal action.
- **Difference in Ethical Motivation (2 marks)**
 - Reporting assumes the company wants to correct errors; Whistleblowing assumes the company is corrupt or complicit in harm.

b) Threatening the VP (10 Marks)

- Identification that threatening is unethical (2 marks).
- (2 marks) Threat (acting out of personal power) intends of inflicting loss directly by the person
 - Manipulative, e.g. Fix it or go to press (2 marks)
- (2 marks) Professional acceptable tactics is warning (acting out of professional obligation) as a statement of duty and consequence is external (regulations, physics, laws)
 - Motive is duty, e.g. Professional code requires to whistleblowing to the authorities if not corrected (2 marks)

c) Social Media & Anonymity (10 Marks)

- **Critique of Approach (Benefits vs. Risks) (5 marks)**
 - **Benefits e.g.** speed, immediate public awareness, or bypassing censorship (2 marks).
 - **Risks e.g.** lack of credibility (fake news), sensationalism, or lack of formal investigation/verification (3 marks).
- **IT Perspective on Anonymity (5 marks)**
 - Acknowledgment that "True Anonymity" is nearly impossible (2 marks).
 - List at least ONE specific risk such as IP logging, browser fingerprinting, metadata in files, or linguistic analysis (3 marks).

d) Ethical Course of Action (10 Marks)

- **Selection of Option (2 marks)**
 - **Option (iv)** (Whistleblow to regulator).
 - *Note: Award 1 mark if they choose Option (ii) (Resign) but fail to report, as it avoids personal participation in unethical acts but fails to protect the public.*
- **Ethical Justification (4 marks)**
 - Argument that the harm to millions of users (privacy breach) outweighs the duty of loyalty/confidentiality to the employer (2 marks).
 - Since the Director shut him down, he believes external action is the only remaining ethical path (2 marks).
- **Action Plan, e.g. (4 marks, Any 4 steps)**
 - Secure the evidence off-site
 - Contact a lawyer
 - Contact the regulator securely
 - Request confidentiality

NOTE The best ethical action is **not** listed in the initial options. Students should be awarded full marks (10) if they identify that Peter should bypass the Director and consult the Legal Department or Compliance Officer first.

- If the Director is mistaken or lying, Legal will stop the release (protecting the public and the company).
 - If Legal confirms the unethical stance, Peter has confirmed institutional unethical behaviour and then has the moral standing to whistleblowing to regulators (Option iv).
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Question 2: Kennis & Smart City (40 Marks)

a) Central Ethical Conflict (10 Marks)

- **(2 marks)** Duty of Confidentiality to the client (Quantum Dynamics) / NDA obligations.
- **(2 marks)** Duty to Public Welfare / Safety of the Smart City infrastructure / Reporting Corruption.
- **Precedence (2 marks)**
 - Clear statement that **Public Welfare/Safety** takes precedence over the NDA.
- **Justification (Ethical Framework) (4 marks)**
 - Application of a framework (e.g., Utilitarianism): "The potential harm to the entire population of Hong Kong (data theft) is greater than the harm to the consulting firm (breach of contract)."

b) Evaluating Evidence & NDA (10 Marks)

- **Evaluation of Evidence (4 marks)**
 - Acknowledgment that the evidence is **circumstantial** (timing/relations) and not definitive proof of bribery (2 marks).
 - No risk if report to ICAC ; Inaction risks public safety (2 marks).

- **NDA Analysis (6 marks)**
 - Acknowledging the legal tension (she signed a contract) (2 marks).
 - An NDA is ethically (and often legally) void if it is used to conceal a crime or a threat to public safety. It is ethical to breach it in this specific context (4 marks).

c) Role of ICAC (10 Marks)

- **Description of ICAC (3 marks)**
 - Identify ICAC as the statutory body in HK responsible for investigating corruption/bribery.
- **Difference vs. Media (4 marks)**
 - ICAC has legal powers (arrest, seizure, witness protection) vs. Media which relies on public opinion.
 - ICAC investigation is confidential (protects Kennis) vs. Media which is public (confidentiality not guaranteed).
- **Difference vs. Internal (3 marks, any e.g.)**
 - ICAC is independently carried externally.

d) Action Plan (10 Marks)

- **Selection of Action (2 marks)**
 - *Option iii, v, or ii*
 - **Justification of Choice (4 marks, e.g.)**
 - It is the legal channel, it offers confidentiality, and they have the power to investigate the circumstantial evidence (2 marks).
 - Why not others: Media is too risky/reckless; Doing nothing is unethical (2 marks).
 - **First Step Detail (4 marks, e.g.)**
 - Compile the evidence carefully
 - Make a formal, confidential report
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Question 3: Sarah & Smart Lighting (20 Marks)

a) Types of Conflict of Interest (10 Marks)

- **Company A (Father): (5 marks)**
 - **Personal / Family / Indirect Interest** (2 marks).
 - The bias arises from emotional ties and the benefit to a close relative, not Sarah directly (3 marks).
- **Company B (Shares): (5 marks)**
 - **Pecuniary / Financial / Direct Interest** (2 marks).
 - The bias arises because Sarah stands to make a direct financial profit if the company wins (3 marks).

b) Declaration & Steps (10 Marks)

- **Parties to Declare to (4 marks)**

- The Government Committee / Client (2 marks).
 - Her Employer ("Innovate Engineering Consultants") (2 marks).
- **Essential Steps/Content: (6 marks)**
 - **Formal Declaration:** Must be in writing/recorded in minutes (2 marks).
 - Must detail the nature of the conflict (Father's role, ownership of shares) (2 marks).
 - She must offer to **withdraw/abstain** from voting or discussing these specific companies (2 marks). *This is the most critical part for full marks.*