



Dr.G.R.Damodaran College of Science

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III B.com(CS) [2015-2018]

Semester - V Core: Business Ethics And Corporate Social Responsibility - 505C
Multiple Choice Questions.

1. Business ethics deals primarily with _____
- A. Social responsibility.
 - B. The pricing of products and services.
 - C. Moral obligation.
 - D. Being unfair to the competition.

ANSWER: C

2. Ethics are important because _____
- A. Suppliers prefer to deal with ethical companies.
 - B. Customers prefer to deal with ethical companies
 - C. Employees prefer to deal with ethical companies.
 - D. All of the choices.

ANSWER: D

3. According to the concept of moral intensity, a worker is most likely to behave ethically and legally when _____
- A. A manager observes his or her behavior closely.
 - B. The worker has intense morals
 - C. The consequences of the act are minor.
 - D. The consequences of the act are substantial.

ANSWER: D

4. Benefits derived from social responsibility include _____
- A. Enhanced organizational efficiency
 - B. Producing better products
 - C. Attracting people who want to work for the firm
 - D. both a & c

ANSWER: D

5. According to concept of moral laxity, workers will often behave unethically because _____
- A. They have planned to be unethical.
 - B. They come from dysfunctional families.
 - C. Other issues seem more important at the time.
 - D. Management pressures them into unethical behavior.

ANSWER: C

6. Unethical behavior is often triggered by _____
- A. Pressure from higher management to achieve goals.

- B. An organizational atmosphere that condones such behavior.
- C. Both a & b
- D. A system of checks and balances.

ANSWER: C

7. Building a sustainable environment includes _____

- A. Developing a green supply chain
- B. Omitting hazardous emissions
- C. Both a & b
- D. Writing a code of ethics

ANSWER: C

8. Fairness in employment practices centers on _____

- A. Hiring no family members or friends.
- B. Giving people equal rewards for accomplishing the same tasks.
- C. Obeying equal employment opportunity legislation.
- D. Avoiding conflicts of interest.

ANSWER: B

9. The stakeholder view of social responsibility states that organizations must respond to the needs of _____

- A. Employees and customers.
- B. Shareholders and owners.
- C. All interested parties.
- D. All those who might sue the organization.

ANSWER: C

10. A firm is said to have good corporate social performance when _____

- A. Stockholders invest in socially responsible causes.
- B. Charitable deductions are automatically deducted from pay without the consent of employees.
- C. The company has not been convicted of ethical violations for five consecutive years.
- D. Stakeholders are satisfied with its level of social responsibility.

ANSWER: D

11. A socially responsible mutual fund will only purchase stocks in companies that _____

- A. Have a no-smoking policy in place.
- B. Have a culturally diverse management team.
- C. Hire some job candidates who are HIV positive.
- D. Have good social performance.

ANSWER: D

12. A whistle blower is an employee who _____

- A. Exposes organizational wrongdoing.
- B. Complains a lot to company management.
- C. Engages in unethical behavior.
- D. Referees disputes with other employees.

ANSWER: A

13. Which one of the following approaches to creating an ethical and socially responsible workplace is likely to be the most powerful?

- A. Passing out buttons with the statement "Just Say No to Bad Ethics"

- B. Placing posters about ethics throughout the organization
 - C. Top management acting as models of the right behavior
 - D. Including a statement about ethics and social responsibility in the employee handbook
- ANSWER: C

14. A recommended way of minimizing unethical behavior is for employees to _____
- A. Write anonymous notes to ethical violators.
 - B. Immediately report all suspicious behavior to top management.
 - C. Spend part of their vacation preparing a personal philosophy of ethics.
 - D. Confront fellow employees about ethical deviations.
- ANSWER: D

15. Circumstances that stymie or confuse the counselor because there are conflicting or competing ethical standards; there is a conflict between what is ethical and what is moral; the situation is such that complexities make the application of ethical standards unclear; or some circumstance prevents clear application of standards are considered to be
- A. Ethical standards
 - B. Ethical dilemmas
 - C. Morality
 - D. Virtue ethics
- ANSWER: B

16. The application of ethical principles rather than actual specified actions would refer to
- A. Ethical standards
 - B. Ethical dilemmas
 - C. Morality
 - D. Virtue ethics
- ANSWER: C

17. In the United States professionals such as counselors or psychologists are directed and bound by ethical standards by
- A. The clients they serve
 - B. Conscience
 - C. Conscience
 - D. Professional organizations to which they belong
- ANSWER: D

18. The most basic level of ethical functioning is guided by _____. This focus is on compliance with the law and dictates professional codes that apply to practice.
- A. Mandatory ethics
 - B. Accreditation
 - C. Licensure
 - D. Portability
- ANSWER: A

19. Professional codes of ethics are binding _____
- A. To all individuals within the profession
 - B. To individuals who hold that particular credential or membership
 - C. Only to only individuals who hold a specialty certification
 - D. To all professionals except students
- ANSWER: B

20. What is meant by the phrase CSR?

- A. Corporate Social Responsibility
- B. Company Social Responsibility
- C. Corporate Society Responsibility
- D. Company Society Responsibility

ANSWER: A

21. 2. Why, according to stakeholder theory, is it in companies' best interests to pay attention to their stakeholders?

- A. If firms only act in their own self-interest employees may feel exploited.
- B. If firms only act in their own self-interest government might put more regulation on them.
- C. If firms only act in their own self-interest customers might not like the image that the company portray.
- D. If firms only act in their own self-interest and inflict harm on stakeholders then society might withdraw its support.

ANSWER: D

22. Business ethics deals primarily with

- A. Social responsibility
- B. The pricing of products and services.
- C. Moral obligation.
- D. Being unfair to the competition.

ANSWER: C

23. Ethics are important because

- A. Suppliers prefer to deal with ethical companies
- B. Customers prefer to deal with ethical companies
- C. Employees prefer to deal with ethical companies
- D. All of the choices

ANSWER: D

24. Benefits derived from social responsibility include _____

- A. Enhanced organizational efficiency
- B. Producing better products
- C. Attracting people who want to work for the firm
- D. Both a & c

ANSWER: D

25. Ethical issues in business typically arise because of conflicts between an individuals personal moral philosophies and values and

- A. The values and attitudes of the organization in which he or she works.
- B. The values and attitudes of the society in which he or she lives.
- C. The values and attitudes of the organization in which he or she works and the society in which he or she lives.
- D. The laws and regulations of the country in which he or she lives.

ANSWER: A

26. An employee for Acme, Inc., has been asked to carry out an assignment that she believes is wrong. This situation can be classified as _____

- A. Ethical.

- B. Unethical.
- C. An ethical issue.
- D. A dilemma.

ANSWER: D

27. A person uncomfortable with his employers hiring only white men is experiencing _____
- A. A conflict of interest.
 - B. An ethical issue.
 - C. A feeling of guilt.
 - D. Intraorganizational conflict.

ANSWER: C

28. The principal cause of ethical compromises within business is _____
- A. Helping the company survive.
 - B. Meeting overly aggressive financial or business objectives.
 - C. Meeting schedule pressures.
 - D. Saving jobs.

ANSWER: B

29. Opportunities for and encouragement of unethical behaviour result when _____
- A. It is easy to engage in unethical behaviour.
 - B. Others engage in unethical behaviour.
 - C. There is a lack of rules or a lack of enforcement of the rules that do exist.
 - D. There are too many rules.

ANSWER: C

30. Taking someone else work and presenting it as ones own without providing adequate credit or compensation to the source is an ethical issue in
- A. The game of business.
 - B. Conflict of interest.
 - C. Fairness and honesty.
 - D. Communications.

ANSWER: D

31. Relationships that involve the behaviour of organization members toward customers, suppliers, subordinates, superiors, peers, and others are defined as _____
- A. Industrial relationships.
 - B. Business relationships.
 - C. Organizational relationships.
 - D. Ethical relationships.

ANSWER: B

32. It is most likely, during a takeover attempt, for a firms managers to face an ethical issue because _____
- A. Their duties to the firms owners may conflict with their personal interests.
 - B. The takeover might not be in the shareholders best interests.
 - C. Their duties to the firms owners may conflict with the best interests of society.
 - D. Their duties to the firms owners may be illegal.

ANSWER: A

33. An activity is probably ethical if _____

- A. It is approved of by most individuals in the organization and is customary in the industry.
- B. It is approved of by most individuals in the organization.
- C. It is customary in the industry.
- D. It is legal.

ANSWER: D

34. Kathy was being interviewed by CNN about the factors she considered to be the strongest say that _____ is/are the strongest influence on me relative to my work.

- A. Customer opinions
- B. The companys values
- C. The companys code of ethics
- D. Personal religious beliefs

ANSWER: B

35. In general when people discover unethical behaviour in their own company they usually _____

- A. Try to right the ethical wrong.
- B. Report it to the authorities outside the company.
- C. Mind their own business.
- D. Report it to authorities in the company.

ANSWER: C

36. Individuals personal ethics play a major role in the evaluation of business decisions only when their preferences or values

- A. Differ from those of their employer.
- B. Influence their performance in the workplace.
- C. Are unethical.
- D. Are ethical.

ANSWER: B

37. Businesses seem most concerned with ethical issues that could _____

- A. Offend their union employees.
- B. Eliminate competition.
- C. Affect employees.
- D. Damage the firm.

ANSWER: D

38. An employees response to a moral or ethical issue depends in part on _____

- A. What competitors are doing.
- B. How dumb consumers are.
- C. What shift he or she is working.
- D. The structure and culture of the organization.

ANSWER: D

39. Business ethics comprises _____

- A. Laws and regulations that guide behaviour in the world of business.
- B. Mores, values, and customs that guide behaviour in general.
- C. Moral principles and standards that guide behaviour in the world of business.
- D. The obligations businesses assume to maximize their positive impact and minimize their negative impact on society.

ANSWER: C

40. The ability of a business organization to achieve its business goals is affected by whether its behaviour is judged to be right or wrong by _____

- A. Society.
- B. Its union members.
- C. Its employees.
- D. Parliament.

ANSWER: A

41. An ethical issue is a problem, situation, or opportunity _____

- A. That harms consumers.
- B. That harms the environment.
- C. Requiring society to choose among several actions that must be evaluated as right or wrong.
- D. Requiring an individual or organization to choose among several actions that must be evaluated as right or wrong, ethical or unethical.

ANSWER: D

42. A person who is punished (or not rewarded) for unethical behaviour _____

- A. Will be a model employee.
- B. Will quit the firm.
- C. Will be angry.
- D. Is less likely to repeat the behaviour.

ANSWER: D

43. Honesty and fairness relate to the general _____ of decision makers.

- A. Unethicalness
- B. Trustworthiness
- C. Ethicalness
- D. Employability

ANSWER: C

44. Which of the following is an example of an area of business where use of questionable ethics is considered a necessity?

- A. Attracting and sustaining new customers.
- B. Aggressive accounting practices that stretch the intent of accounting standards.
- C. Suppressing information that may negatively affect a firm's reputation.
- D. None of the statements above is correct.

ANSWER: D

45. The most important reason for having a code is that _____

- A. It provides a formal frame of reference for values
- B. It is required by the board
- C. It helps establish a good reputation
- D. It gives employment to HR staff

ANSWER: A

46. Despite cultural diversity it is important that we consider _____

- A. Various principles of value
- B. Always follow the UN principles
- C. Give salience to the dominant national culture
- D. Follow only your own religious laws

ANSWER: D

47. Cultural relativism means _____
- A. One culture is quite as good as any other nominated culture
 - B. Culture is the only reference point for a values system
 - C. Activities should be interpreted in terms of ones own culture
 - D. One culture should be compared to another

ANSWER: C

48. It is the function of an ethics code to _____
- A. Set standards
 - B. Apply sanctions
 - C. neither
 - D. both

ANSWER: D

49. Ethics is about _____
- A. Improvement in standards
 - B. Rewards and sanctions
 - C. Reputation
 - D. All of the above

ANSWER: D

50. Ethics is about _____
- A. Tangible and intangible benefits
 - B. Only tangible benefits
 - C. Only intangible benefits
 - D. Something other than the above

ANSWER: A

51. Ethics is the same as _____
- A. Legality
 - B. Strict compliance
 - C. Conformance to agreed values
 - D. Following black letter law

ANSWER: C

52. Where does ethical loyalty primarily lie?
- A. Towards family
 - B. Towards agreed principles
 - C. Towards the company
 - D. Towards professional Standards

ANSWER: B

53. Ethics is concerned about _____
- A. The means of achieving something
 - B. The ends to be achieved
 - C. Neither of those
 - D. Both of those

ANSWER: D

54. Time frames are _____

- A. Crucial part of ethics
- B. Irrelevant to ethics
- C. Of marginal interest to ethics
- D. An explanation of spatiality

ANSWER: A

55. The basic justification for ethics is _____

- A. To maximum profitability
- B. To behave according to agreed rules
- C. To build a commercial reputation
- D. To satisfy malcontents at AGMs

ANSWER: B

56. A conflict of interest may be defined as _____

- A. Where a disparity of wealth upsets balance
- B. Where one party is a bit vulnerable
- C. Where there is a breach of the equity of relationships rule
- D. The doctrine of the separation of powers does apply

ANSWER: C

57. Bankruptcy is _____

- A. Where the organisation is insolvent
- B. Where the organisation is corrupt
- C. Where the organisation is delisted on the stock exchange
- D. Where the organisation has a cash flow problem

ANSWER: A

58. The late payment of accounts necessarily involves _____

- A. Incomplete accounts clerks
- B. A cash flow problem for the business
- C. A policy of withholding payments
- D. Incompetent banking practices

ANSWER: B

59. Bribery and secret commissions are:

- A. Culturally acceptable
- B. Unaccepted as business practice
- C. Alright under certain circumstances
- D. Are OK if they are called something else

ANSWER: B

60. Tipping is _____

- A. A form of tithing
- B. An Arbitrary custom
- C. A means of Profiteering by business
- D. Something to be fostered for goodwill

ANSWER: B

61. Corporate philanthropy is _____

- A. The donation of cash to worthy causes
- B. The donation of time to worthy causes

- C. Some other donation to worthy causes
- D. All of the above

ANSWER: D

62. Self regulation of ethics is

- A. The best system available
- B. One that requires legal backing
- C. A good way to Start
- D. The worst possible way to start

ANSWER: C

63. Ethical investment

- A. Is an investment of time
- B. An investment of money
- C. An investment according to value principles
- D. An investment that avoids shares in tobacco

ANSWER: C

64. Stakeholders

- A. Are the same as shareholders
- B. May be the same as shareholders
- C. Are not employees
- D. Are members of the Stock exchange

ANSWER: B

65. UN charter of Human Rights

- A. Is a basic reference documents
- B. Not relevant to India
- C. Has been repealed
- D. Is a national political statement

ANSWER: A

66. The commercial value of ethics

- A. Lies in its capacity to increase turnover
- B. Has a consequence of improving the bottom line
- C. Lies purely in reputational advantage
- D. Increases market share

ANSWER: B

67. Time frames for ethics involve

- A. Short time frames
- B. Long time frames
- C. No time frames
- D. Fluctuations in time frames

ANSWER: B

68. Equity

- A. Is a principle about equal relationships
- B. Is the same as honesty
- C. Is the same as prudence
- D. is a principle that emphasises privacy

ANSWER: A

69. Product liability

- A. Means that users must be responsible for bad products
- B. implies product recall
- C. Giving a misuse defence
- D. Means that manufacturers are responsible for bad products

ANSWER: D

70. Professional ethics is

- A. monopolistic
- B. Designed to protect a profession
- C. A necessary attribute of a profession
- D. Not directly relevant to practice

ANSWER: C

71. Guanxi

- A. Is a concept similar to the old boy network
- B. A term relevant only to China
- C. Must be familial only
- D. Has no relevance to Indian business

ANSWER: A

72. Periodic ethics audits

- A. Are required by the Indian stock exchange
- B. A method of fostering ethics
- C. A method of quantitative assessment
- D. Always use external consultants

ANSWER: B

73. Political intrusion into business

- A. May be desirable in some circumstances
- B. Is anathema
- C. Politics should have no say in how business is conducted
- D. state legislation over-rides Federal Legislation

ANSWER: A

74. The reach of codes is

- A. Restricted to those obliged to conform by virtue of membership
- B. Applicable to all
- C. Applicable to the public only
- D. the same as the reach of the law

ANSWER: A

75. East India Company

- A. Was always a management agency for the British government
- B. had a continuous trade monopoly until 1873
- C. Went out of existence at the time of Indian independence
- D. Largely set commercial and management practices for India

ANSWER: D

76. An example of etiquette is
- A. Passing the port from left to right
 - B. Complying with the Law
 - C. Lighting a cigar in a crowded train
 - D. Wearing socks

ANSWER: A

77. Consequentialism
- A. Is a deontological approach
 - B. views ethics by outcomes
 - C. Is the same as virtue ethics
 - D. is a variant of hedonism

ANSWER: B

78. Hedonism
- A. Is the greatest happiness of the greatest number
 - B. Is the opposite of utilitarianism
 - C. Is the same as deontology
 - D. None of the above

ANSWER: A

79. Compliance
- A. Is an aspect of an aspirational code
 - B. Gives us the option of compliance
 - C. Requires conformance to a formal requirement
 - D. Imposes no formal obligations

ANSWER: C

80. Action Vs thought
- A. Action is more important than thought
 - B. Thought is more important than action
 - C. Neither action nor thought are important in ethics
 - D. Action and thought are based on professional ethics

ANSWER: A

81. Moral development
- A. Kohlberg's theory is about moral development
 - B. Kohlberg's theory is about childhood behaviour
 - C. Moral development is irrelevant to adulthood
 - D. Takes place only in the workplace

ANSWER: A

82. Quantification in ethics may be done by
- A. Putting monetary value on prospective actions
 - B. Comparing the value of one action with another
 - C. Both A and B
 - D. Neither A or B

ANSWER: C

83. Excellence is
- A. An aspirational goals

- B. unachievable
- C. A Chimera
- D. a fundumbulator

ANSWER: A

84. Which of the following is false?

- A. The ethics officer is typically a middle-level manager.
- B. The ethics officer typically reports directly to the CEO.
- C. The ethics officer can be hired from inside or outside of the firm.
- D. The ethics officer can also be called the director of ethics or director of internal audit

ANSWER: A

85. Research has shown that between _____ of the information that passes through the grapevine is accurate

- A. 10 to 30%
- B. 30 to 50%
- C. 50 to 70%
- D. 70 to 90%

ANSWER: D

86. _____ understand and follow the rules and policies of the organization. They also have the judgment to discern the difference between right and wrong.

- A. Grenades
- B. Loose cannons
- C. Good cannons
- D. Good soldiers

ANSWER: D

87. _____ have their own agenda and lack any company or professional loyalty

- A. Deserters
- B. Misguided cannons
- C. Grenades
- D. Toxic ammo

ANSWER: C

88. Which of the following is false?

- A. A mission statement describes how we do business.
- B. Mission statements should be short and memorable
- C. Mission statements should be written by outsiders who are unbiased.
- D. For some companies, mission statements are a mainstay of the corporate culture.

ANSWER: C

89. When designing a policy manual

- A. It is important to use legalese to demonstrate the formality of the document
- B. Important policies should be communicated in short brochures.
- C. Policies should be alphabetized to communicate that all policies are important.
- D. Include policies from all departments so the manual is standardized.

ANSWER: D

90. When communicating a code of conduct

- A. Focus on values that should guide decision making

- B. Provide the same code of conduct to all departments regardless of its length.
- C. Refrain from changing the code of conduct regularly
- D. Fewer employees will read the code if it is short

ANSWER: A

91. The _____ approach to formal corporate ethics initiatives is proactive and inspirational.

- A. Rules
- B. Compliance
- C. Principles
- D. Values

ANSWER: D

92. The _____ approach to formal corporate ethics initiatives focuses on meeting required behavior norms or obeying the letter of the law

- A. Rules
- B. Compliance
- C. Principles
- D. Values

ANSWER: B

93. Under the U. S. Sentencing Guidelines, the same crime can be subject to a wide range of penalties. In determining the penalty, the following will be considered

- A. Prior violations
- B. Whether management reports itself
- C. Whether management cooperates with authorities
- D. All of the above

ANSWER: D

94. _____ is a term frequently used to describe ethics initiatives that begin at the top of the organization and work their way down, level by level.

- A. Surveying
- B. Globalizing
- C. Auditing
- D. Cascading

ANSWER: D

95. Which of the following is false?

- A. An effective approach to managing ethics has a compliance-only focus.
- B. Abstract value statements can appear hypocritical to employees
- C. Strictly compliance oriented programs are often viewed by employees with cynicism
- D. With a compliance-only focus, employees believe anything goes as long as there isnt a rule against it.

ANSWER: A

96. Under the 2004 sentencing guidelines, the _____ are expected to oversee the compliance and ethics program while _____ is/are charged with ensuring its effectiveness within the company.

- A. Board of directors top management
- B. Board of directors the CEO
- C. The CEO general managers
- D. The company ethics officer top management

ANSWER: A

97. Employee relations, philanthropy, pricing, resource conservation, product quality and safety, and doing business in countries that violate human rights are some obvious examples of _____.

- A. social responsibility ethics that managers must decide on a daily basis
- B. social responsibility issues that employees must confront while at work
- C. areas of social responsibility that influence managers, not employees
- D. decisions that managers face that have a social responsibility dimension

ANSWER: D

98. The classical view of social responsibility holds that management only social responsibility is to _____.

- A. maximize organizational profits for stockholders
- B. maximize adherence to the laws for stockholders
- C. maximize organizational profits for stakeholders
- D. minimize adherence to the laws for stockholders

ANSWER: A

99. The most outspoken advocate of the classical view of social responsibility is economist and Nobel laureate, _____.

- A. Carnegie Milton
- B. Charles Darwin
- C. Milton Freeman
- D. Milton Friedman

ANSWER: D

100. A leading proponent of the classical view argues that anytime managers decide on their own to spend their organization resources for the social good, they are _____.

- A. contributing social benefits in the name of goodwill
- B. following governmental regulations
- C. helping make society a better place for everyone to live
- D. adding to the costs of doing business

ANSWER: D

101. Which of the following is associated with the classical view of social responsibility?

- A. economist Robert Reich
- B. concern for social welfare
- C. stockholder financial return
- D. voluntary activities

ANSWER: C

102. How many stages are in the model of an organization social responsibility progression?

- A. 3
- B. 4
- C. 5
- D. 6

ANSWER: B

103. According to the model of the expansion of an organization social responsibility, Stage 2 adds an interest in _____.

- A. stockholders
- B. human resource concerns
- C. safe products

D. fair prices

ANSWER: B

104. According to the model of the expansion of an organization social responsibility, Stage 3 is noted by an added interest in _____.

- A. stockholders
- B. human resource concerns
- C. owners
- D. customers/suppliers

ANSWER: D

105. The belief that businesses should be responsible because such actions are right for their own sake is known as which argument for social responsibility?

- A. public expectation
- B. ethical obligation
- C. public image
- D. discouragement of further government regulation

ANSWER: B

106. The belief that businesses that help solve difficult social problems create a desirable community and attract and keep skilled employees is known as which argument for social responsibility?

- A. ethical obligation
- B. public image
- C. better environment
- D. possession of resources

ANSWER: C

107. Which argument for social responsibility puts forth the belief that by becoming socially responsible, businesses can expect to have less government regulation?

- A. discouragement of further government regulation
- B. stockholder interests
- C. public expectations
- D. public image

ANSWER: A

108. Which argument for social responsibility puts forth the belief that an imbalance between the large amount of power held by firms and their responsibility is harmful to the public good?

- A. public expectation
- B. ethical obligation
- C. public image
- D. balance of responsibility and power

ANSWER: D

109. The belief that businesses have the financial, technical, and managerial resources to support needed public and charitable projects is known as which argument?

- A. public expectations .
- B. possession of resources
- C. public image
- D. ethical obligations

ANSWER: B

110. The belief that the costs of social activity are passed on as higher prices to consumers is known as which argument against a firm being socially responsible?

- A. violation of profit maximization
- B. dilution of purpose
- C. costs
- D. lack of skills

ANSWER: C

111. The belief that a firm pursuit of social goals would give them too much power is known as what argument in opposition to a firm being socially responsible?

- A. costs
- B. lack of skills
- C. lack of broad public support
- D. too much power

ANSWER: D

112. The belief that business leaders should not direct social policy because there is no direct line of social accountability to the public is known as what argument against a firm being socially responsible?

- A. dilution of purpose
- B. costs
- C. too much power
- D. lack of accountability

ANSWER: D

113. Social obligation is the obligation of a business to meet its _____.

- A. social and technological responsibilities
- B. economic and legal responsibilities
- C. technological and economic responsibilities
- D. economic and social responsibilities

ANSWER: B

114. Under the concept of social obligation, the organization _____.

- A. does what it can to meet the law, and a little bit more for stakeholders
- B. fulfills its obligation to the stakeholders, which makes it fulfill the law, too
- C. does the minimum required by law
- D. fulfills its obligation to the law and its stakeholders

ANSWER: C

115. Social responsiveness refers to the capacity of a firm to adapt to changing _____.

- A. societal conditions
- B. organizational conditions
- C. societal leaders
- D. organizational managers

ANSWER: A

116. _____ is defined as a business firm obligation, beyond that required by law and economics, to pursue long-term goals that are good for society

- A. Social obligation
- B. Social responsibility
- C. Social screening
- D. Values-based management

ANSWER: B

117. When a firm advertises that it only uses recycled paper products, it is _____.

- A. meeting its social obligation
- B. being socially responsive
- C. meeting social responsibilities
- D. paying attention to the bottom line

ANSWER: B

118. Applying social criteria to an investment decision refers to _____.

- A. socioeconomic view
- B. social responsiveness
- C. social responsibility
- D. social screening

ANSWER: D

119. There is _____ to say that a company socially responsible actions significantly hurt its long-term economic performance.

- A. not any evidence
- B. little evidence
- C. a lot of evidence
- D. mounting evidence

ANSWER: B

120. Which of the following is a basic definition of ethics?

- A. moral guidelines for behavior
- B. rules for acknowledging the spirit of the law
- C. rules or principles that define right and wrong conduct
- D. principles for legal and moral development

ANSWER: C

121. Reasoning at the _____ level of moral development indicates that moral values reside in maintaining the conventional order and the expectations of others.

- A. preconventional
- B. conventional
- C. principled
- D. arrival

ANSWER: B

122. A personality measure of a persons convictions is _____.

- A. moral development
- B. ego strength
- C. locus of control
- D. social desirability

ANSWER: B

123. _____ is a personality attribute that measures the degree to which people believe they control their own fate.

- A. Ego strength
- B. Social responsibility
- C. Locus of control

D. Social obligation

ANSWER: C

124. Which of the following organizational structural characteristics would most likely result in managerial ethical behavior?

- A. few job descriptions
- B. formal rules
- C. mixed messages from authority figures
- D. performance appraisal systems focused on outcomes

ANSWER: B

125. Which of the following is true concerning the impact of organizational culture on ethical behavior?

- A. Low conflict tolerance leads to ethical behavior
- B. A strong culture will support high ethical standards
- C. Conflict tolerance is related to unethical behavior
- D. A culture that is high in control tends to encourage unethical behavior

ANSWER: B

126. Issue intensity, as an issue that affects ethical behavior, is described as _____.

- A. the characteristics of the ethical issue itself
- B. the level of control and influence one has over the event
- C. the cultural strength of the organization
- D. the organizational structure

ANSWER: A

127. Global organizations must _____ their ethical guidelines so that employees know what is expected of them while working in a foreign location

- A. clarify
- B. provide
- C. establish
- D. broaden

ANSWER: A

128. _____ is a document that outlines principles for doing business globally in the areas of human rights, labor, the environment, and anticorruption.

- A. A code of ethics
- B. The Global Compact
- C. The Foreign Corrupt Practices Act
- D. Global Ethics

ANSWER: B

129. Freedom of association and the effective recognition of the right to collective bargaining are principles for doing business globally in the area of _____.

- A. anticorruption
- B. human rights
- C. labor
- D. the environment

ANSWER: C

130. The Global Compact principle that businesses should work against corruption in all its forms, including extortion and bribery, is a principle for doing business globally in the area of _____.

- A. anticorruption
- B. human rights
- C. labor
- D. the environment

ANSWER: D

131. Which of the following is not a way for management to reduce unethical behavior?

- A. select individuals with high ethical standards
- B. establish codes of conduct
- C. provide ethics training
- D. monitor employee telephone calls

ANSWER: D

132. A _____ is a formal statement of an organization primary values and the ethical rules it expects its employees to follow

- A. mission statement
- B. statement of purpose
- C. code of ethics
- D. vision statement

ANSWER: C

133. The primary debate about ethics training programs is whether _____.

- A. ethics can be taught
- B. ethics is what causes misconduct
- C. the programs cover misconduct outside the workplace
- D. the programs give unethical individuals more ammunition

ANSWER: A

134. Ethics training sessions can provide what benefit?

- A. They clarify acceptable and unacceptable practices.
- B. They create ego strength in employees.
- C. They evaluate decisions and management practices in terms of the code of ethics.
- D. They strengthen the employees locus of control.

ANSWER: A

135. More than any other quality of leadership, employees crave _____.

- A. ethics .
- B. honesty
- C. integrity
- D. morals

ANSWER: B

136. Why should managers communicate to employees what they believe about ethics and values?

- A. to provide ethical leadership
- B. to be good whistleblowers
- C. to offer social impact management
- D. to provide formal mechanisms to protect employees who face ethical dilemmas

ANSWER: A

137. Why should managers assure whistleblowers that they will face no personal or career risks?

- A. Using the rewards system is often not enough

- B. Many may be reluctant to raise ethical concerns
- C. some may not wish to push their values on to other employees.
- D. Most do not want to lead by example

ANSWER: B

138. A _____ is an individual or organization who seeks out opportunities to improve society by using practical, innovative, and sustainable approaches.

- A. business entrepreneur
- B. social entrepreneur
- C. social impact manager
- D. whistleblower

ANSWER: B

139. Social impact management is an approach to managing in which managers examine the social impacts of their _____.

- A. decisions and actions
- B. ethics and values
- C. profits and earnings
- D. social responsibility

ANSWER: A

140. Which of the following is not a reason why it makes sense for your university to continue to be socially responsive?

- A. positive consumer image
- B. lower cost
- C. more dedicated workforce
- D. more motivated workforce

ANSWER: B

141. Under what approach do organizations exhibit little environmental sensitivity, obey rules and regulations willingly without legal challenge, and even try to use these rules to their own advantage?

- A. stakeholder approach
- B. market approach
- C. legal approach
- D. activist approach

ANSWER: C

142. What approach deals with an organization responding to the environment because of the preferences of their customers?

- A. stakeholder approach
- B. market approach
- C. legal approach
- D. activist approach

ANSWER: B

143. Under what approach does the organization work to meet the environmental demands of multiple groups of people including employees, suppliers, or the community?

- A. stakeholder approach
- B. market approach
- C. legal approach
- D. activist approach

ANSWER: A

144. Under what approach does the organization look for ways to respect and preserve the earth and its natural resources?

- A. stakeholder approach
- B. market approach
- C. legal approach
- D. activist approach

ANSWER: A

145. At what level does ethical reasoning indicate that moral values reside in maintaining expected standards and living up to the expectations of others?

- A. principled level
- B. preconventional level
- C. conventional level
- D. value level

ANSWER: C

146. At what level do individuals make a clear effort to define moral principles apart from authority of the groups to which they belong or society in general?

- A. principled level
- B. preconventional level
- C. conventional level
- D. value level

ANSWER: A

147. Taken individually, specific instances of ethics training to reduce or eliminate unethical behaviors in an organization will _____.

- A. definitely have some impact
- B. probably not have much impact
- C. significantly improve an organization ethical climate
- D. work to completely eliminate the problems

ANSWER: B

148. How might managers have identified the ethically questionable applicants even before they became part of the workforce?

- A. by giving favored treatment to friends who apply
- B. by putting pressure on employees to complete more work in less time
- C. through communication
- D. through interviews, tests, and background checks

ANSWER: D

149. The company brings in help from outside to evaluate the situation. The routine evaluations that are performed regularly are called _____.

- A. ethical training sessions
- B. independent social audits
- C. formal protective mechanisms
- D. informal behavior modification

ANSWER: B

150. An alternative for the organization to provide formal means that protect employees who face ethical

dilemmas so that they can do what is right without fear of reprimand would be _____.

- A. ethical training sessions .
- B. informal behavior modification
- C. formal protective mechanisms
- D. independent social audits

ANSWER: C

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