



Dr.G.R.Damodaran College of Science

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III BCOM(IB)

(2015-2018)

V SEMESTER

CORE:BUSINESS ETHICS AND CORPORATE SOCIAL RESPONSIBILITY-517D

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. Ethics Focuses on _____

- A. Differences between cultures
- B. Principles of right and wrong
- C. Values and norms of behavior in different cultures
- D. Universal standards of behavior

ANSWER: C

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 individual's 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 employer's 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's work and presenting it as one's 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 one's 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

Staff Name
Vidhya.R.