Exploring Management 5th edition Schermerhorn Test Bank

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Test File: Chapter 02: Ethics and Social Responsibility

Multiple Choice

1. Joanne follows a set of standards for what is right and wrong in her conduct. This set of standards refers to
a) laws.
b) policies.
c) ethics.
d) practices.

Ans: c
Bloom's: Application
Level: Medium
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
Section Reference: Ethical behavior is values driven.
AACSB: Ethics

2. In the context of a governing moral code, which of the following primarily concerns what is "right" or "good"?
a) Legal behavior
b) Individual behavior
c) Management behavior
d) Ethical behavior

Ans: d
Bloom's: Knowledge
Level: Easy
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
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AACSB: Ethics

3. Broad beliefs about what is appropriate behavior are called _____.
a) values
b) judgments
c) ethics
d) laws

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Ans: a
Bloom's: Knowledge
Level: Easy
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
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4. Clarissa, an employee at a news corporation, copies some parts of an article by a local author and publishes it as her own work. Later, she tells Lara, her colleague, about her act. Lara believes that she should honor Clarissa's trust and not reveal the matter but is also disturbed by her dishonesty. This incident is most likely to cause _____ for Lara.
a) management issues
b) ethical issues
c) utilitarian issues
d) spiritual issues

Ans: b
Bloom's: Application
Level: Hard
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
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AACSB: Reflective Thinking

5. Which of the following best describes personal beliefs such as honesty and integrity?
a) Norms
b) Values
c) Ethics
d) Ideas

Ans: b
Bloom's: Knowledge
Level: Medium
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
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AACSB: Ethics

6. Susan has certain preferences about desired end states. These preferences are referred to as ____ values.
a) ethical
b) instrumental

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c) terminal
d) righteous

Ans: c
Bloom's: Application
Level: Medium
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
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AACSB: Reflective Thinking

7. _____ values are preferences regarding the means to a desired end.
a) Ethical
b) Instrumental
c) Terminal
d) Righteous

Ans: b
Bloom's: Knowledge
Level: Easy
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
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AACSB: Ethics

8. Amanda, a high school student, wants to be the president of a company someday, but she also wants to raise a family and enjoy recreational activities. Amanda is primarily focusing on
a) terminal values.
b) future values.
c) instrumental values.
d) short-term values.

Ans: a
Bloom's: Application
Level: Hard
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9. In an interview for the post of software developer, Cory mentions that she hopes to manage her own team in the future. Cory's aspiration best reflects:
a) moral values.

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b) terminal values.
c) instrumental values.
d) short-term values.

Ans: b
Bloom's: Application
Level: Medium
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10. Cody, a management graduate, is looking for a position as a first-line manager and would like to become the president of a company someday. He knows what he wants to do in the future, but he wants to achieve his goal by working for a firm with a culture that matches his personal values. The route that Cody wants to follow to achieve her goals best reflects _____ values.
a) terminal
b) fixed
c) instrumental
d) utilitarian

Ans: c
Bloom's: Application
Level: Hard
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
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11. Some students believe that good grades are obtained through good study habits and some others believe that it can be achieved by getting the "right" test questions. These beliefs are examples of:
a) good ethics.
b) instrumental values.
c) moral rights.
d) terminal values.

Ans: b
Bloom's: Comprehension
Level: Medium
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12. The _____ view holds that behaviors that deliver the greatest good to the greatest number of people are ethical.
a) best
b) utilitarian
c) justice
d) moral rights

Ans: b
Bloom's: Knowledge
Level: Easy
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
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AACSB: Ethics

13. Jermaine, a member of a student organization, supports the move to increase the membership fees for their organization in order to keep the club solvent, even though some of the members might not be able to afford the increase. He is taking the _____ approach to moral reasoning.
a) moral rights
b) justice
c) utilitarian
d) individualistic

Ans: c
Bloom's: Application
Level: Hard
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
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AACSB: Reflective Thinking

14. The _____ view focuses the ethics analysis on long-term advancement of self-interests.
a) moral rights
b) justice
c) individualism
d) utilitarian

Ans: c
Bloom's: Knowledge
Level: Easy

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15. Susan is a manager at Garden Tools Inc. She has inadvertently come across a competitor's business plan. Susan's first thought is to keep it and use it against the competitor. However, she returns it without looking at it because she feels that in the run, it is not in her best interest. Which of the following views of moral reasoning is Susan exhibiting in this scenario?
a) Moral rights
b) Religious
c) Utilitarian
d) Individualism

Ans: d
Bloom's: Application
Level: Hard
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16. Pet Products Inc. has been hit hard by the latest recession. The president has ordered a 10% reduction in the workforce across the board. This decision might be justified as ethical on the basis of the _____ approach to moral reasoning.
a) utilitarian
b) individual
c) moral rights
d) justice

Ans: a
Bloom's: Application
Level: Hard
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17. The belief that ethical behavior treats all people impartially and fairly is called the _____ view.
a) individual
b) fair
c) justice

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d) moral rights

Ans: c
Bloom's: Knowledge
Level: Easy
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18. Lewis is the manager of the marketing department at his company. Some of his colleagues are also his friends. Lewis often lets his friends violate department policies while insisting that others follow them. Lewis is guilty of not adhering to the _____ view of moral reasoning.
a) moral rights
b) protective
c) utilitarian
d) justice

Ans: d
Bloom's: Application
Level: Hard
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19. Which justice focuses on the fair application of policies and rules?
a) Interactional
b) Procedural
c) Fair
d) Distributive

Ans: b
Bloom's: Knowledge
Level: Easy
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
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20. _____ justice focuses on treating people fairly regardless of personal characteristics.
a) Instrumental
b) Procedural

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c) Interactional
d) Distributive

Ans: d
Bloom's: Knowledge
Level: Easy
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21. _____ justice focuses on treating everyone with dignity and respect.
a) Utilitarian
b) Distributive
c) Interactional
d) Moral rights

Ans: c
Bloom's: Knowledge
Level: Easy
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22. Dandelion Inc., an apparel manufacturing company, and Longinus Inc., a raw material supplier, willingly sign a contract and agree to be fair in their dealings with each other. Which of the following forms of justices is reflected in this scenario?
a) Utilitarian
b) Distributive
c) Commutative
d) Moral rights

Ans: c
Bloom's: Application
Level: Hard
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23. The belief that ethical behavior respects and protects fundamental rights is called the _____ view.

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a) moral rights
b) protective
c) utilitarian
d) justice

Ans: a
Bloom's: Knowledge
Level: Easy
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24. Article _____ of the Universal Declaration of Human Rights, United Nations, states that everyone has the right to freedom of thought, conscience, and religion.
a) 1
b) 18
c) 23
d) 26

Ans: b
Bloom's: Knowledge
Level: Easy
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
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25. Article _____ of the Universal Declaration of Human Rights, United Nations, states that everyone has the right to education.
a) 1
b) 18
c) 23
d) 26

Ans: d
Bloom's: Knowledge
Level: Easy
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26. Which of the following concepts suggests that there is no one right way to behave and ethical behavior is always is always dependent on cultural context?
a) Procedural rights
b) Universalism
c) Ethical imperialism
d) Cultural relativism

Ans: d
Bloom's: Knowledge
Level: Easy
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
Section Reference: What is considered ethical can vary across cultures.
AACSB: Ethics

27. Reena has always believed that there is no single right way to behave and that ethical behavior is dependent on the specific cultural context. Which of the following ethical positions is Reena most likely to support?
a) Cultural relativism
b) Universalism
c) Ethical imperialism
d) Procedural rights

Ans: a
Bloom's: Application
Level: Medium
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28. The phrase "when in Rome, do as the Romans do" reflects the ethical position of _____.
a) individualism
b) moral absolutism
c) distributive justice
d) cultural relativism

Ans: d
Bloom's: Knowledge
Level: Easy
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29. Which of the following terms best describes an attempt by one culture to impose its values on another culture?
a) Moral rights
b) Moral absolutism
c) Ethical imperialism
d) Cultural relativism

Ans: c
Bloom's: Knowledge
Level: Easy
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
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AACSB: Ethics

30. Rajesh has recently migrated from India to Germany. He argues that bribery is an acceptable practice for getting things done in his country and that it works. Hence, he argues that such cultural values must be adopted by all countries to get things done. Which of the following ethical practices is exhibited by Rajesh's behavior?
a) Moral rights
b) Moral absolutism
c) Ethical imperialism
d) Cultural relativism

Ans: c
Bloom's: Application
Level: Hard
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
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AACSB: Reflective Thinking

31. If you are going on an international trip and your parents tell you "Don't do anything that you would not do at home," you are being told to practice _____.
a) moral rights
b) moral absolutism
c) ethical imperialism
d) cultural relativism

Ans: b
Bloom's: Knowledge

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32. Common situations for unethical behavior at work include all of the following **EXCEPT**:
a) discrimination.
b) sexual harassment.
c) moral absolutism.
d) conflicts of interest.
.

Ans: c
Bloom's: Knowledge
Level: Hard
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
Section Reference: Ethical dilemmas are tests of personal ethics and values.
AACSB: Ethics

33. The term _____ refers to a situation that might be unethical but offers potential benefits.
a) ethical dilemma
b) imperial relativism
c) moral rights
d) interactional justice

Ans: a
Bloom's: Knowledge
Level: Easy
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
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AACSB: Ethics

34. Abby's manager has asked her to do something that strongly violates her personal values. Abby is most likely facing an:
a) impossible situation.
b) immoral judgment.
c) instant crisis.
d) ethical dilemma.

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Ans: d
Bloom's: Application
Level: Medium
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35. The _____ ethical position is most closely associated with ethical imperialism.
a) social universalist
b) moral absolutism
c) moral right
d) distributive justice

Ans: b
Bloom's: Comprehension
Level: Medium
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36. Which of the following is an example of the unethical practice of discrimination at work?
a) Denying people a promotion because of their race or religion
b) Taking bribes in return for making decisions favorable to another person
c) Misusing privileged information about customers
d) Using official stationery to send requests to community organizations

Ans: a
Bloom's: Comprehension
Level: Medium
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37. The view "No one will ever know about it" is a way of _____ unethical behavior.
a) eliminating
b) dismissing
c) acknowledging
d) rationalizing

Ans: d
Bloom's: Comprehension

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Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
Section Reference: People tend to rationalize unethical behaviors.
AACSB: Ethics

38. Which of the following refer to well-thought-out personal rules and strategies for ethical behavior?
a) Ethical dilemmas
b) Ethical decisions
c) Ethical frameworks
d) Unethical behaviors

Ans: c
Bloom's: Knowledge
Level: Easy
Learning Objective 2: Describe how to maintain high standards of ethical conduct.
Section Reference: Personal character and moral development influence ethical decision making.
AACSB: Ethics

39. In Kohlberg's three levels of moral development, the preconventional stage is based on _____ behavior.
a) social-centered
b) self-centered
c) non-centered
d) principle

Ans: b
Bloom's: Knowledge
Level: Easy
Learning Objective 2: Describe how to maintain high standards of ethical conduct.
Section Reference: Personal character and moral development influence ethical decision making.
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40. The conventional stage in Kohlberg's three levels of moral development is based on _____ behavior.
a) social-centered
b) self-centered
c) non-centered
d) principle

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Ans: a
Bloom's: Knowledge
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41. The postconventional stage in Kohlberg's three levels of moral development is based on _____ behavior.
a) social-centered
b) self-centered
c) non-centered
d) principle-centered

Ans: d
Bloom's: Knowledge
Level: Easy
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AACSB: Ethics

42. Someone in the _____ stage of moral development is likely to make decisions based on social norms, meeting the expectations of others, and living up to agreed-upon obligations.
a) preconventional
b) conventional
c) postconventional
d) nonconventional

Ans: b
Bloom's: Comprehension
Level: Medium
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Section Reference: Personal character and moral development influence ethical decision making.
AACSB: Ethics

43. What is the second step in dealing with ethical dilemmas?
a) Decide which option to follow.
b) Recognize the ethical dilemma.
c) Get the facts.
d) Identify your options.

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Ans: c
Bloom's: Comprehension
Level: Medium
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Section Reference: Training in ethical decision making can improve ethical conduct.
AACSB: Ethics

44. Someone who exposes unethical behaviors of other people, often that of senior management, is a _____.
a) tattle tail
b) whistleblower
c) disloyal person
d) bad employee

Ans: b
Bloom's: Comprehension
Level: Medium
Learning Objective 2: Describe how to maintain high standards of ethical conduct.
Section Reference: Protection of whistleblowers can encourage ethical conduct.
AACSB: Ethics

45. Sherron Watkins, an employee at Enron, exposed the corporate financial scandal at company. Sherron is a _____.
a) government accountant
b) whistleblower
c) person of poor ethical judgment
d) bad employee

Ans: b
Bloom's: Application
Level: Medium
Learning Objective 2: Describe how to maintain high standards of ethical conduct.
Section Reference: Protection of whistleblowers can encourage ethical conduct.
AACSB: Ethics

46. Which of the following statements is true of whistleblowers?
a) Unfortunately, whistleblowers are never successful in making a difference.
b) Whistleblowers are subjected to harassment, but fortunately, the law always protects them.
c) Whistleblowers are eager to act.

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d) Whistleblowers often face dire consequences in the context of their careers.

Ans: d
Bloom's: Comprehension
Level: Medium
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Section Reference: Protection of whistleblowers can encourage ethical conduct.
AACSB: Ethics

47. A(n) _____ manager fails to consider ethics.
a) moral
b) amoral
c) immoral
d) Theory X

Ans: b
Bloom's: Knowledge
Level: Easy
Learning Objective 2: Describe how to maintain high standards of ethical conduct.
Section Reference: Managers as positive role models can inspire ethical conduct.
AACSB: Ethics

48. Jason, a manager, chooses to behave unethically. Jason can be described as a(n) ____ manager.
a) moral
b) amoral
c) immoral
d) Theory X

Ans: c
Bloom's: Application
Level: Medium
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Section Reference: Managers as positive role models can inspire ethical conduct.
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49. John is a middle manager. He chooses to stay out of ethical issues because "they are too messy." John is a(n) _____ manager.
a) moral
b) amoral

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c) immoral
d) Theory X

Ans: b
Bloom's: Application
Level: Easy
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AACSB: Reflective Thinking

50. Many companies are developing a formal statement of values and standards called a _____.
a) statement of values
b) corporate beliefs statement
c) corporate values statement
d) code of ethics

Ans: d
Bloom's: Knowledge
Level: Easy
Learning Objective 2: Describe how to maintain high standards of ethical conduct.
Section Reference: Formal codes of ethics set standards for ethical conduct.
AACSB: Ethics

51. All the people and institutions directly affected by a firm are collectively called its _____.
a) stock holders
b) general partners
c) interested parties
d) stakeholders

Ans: d
Bloom's: Knowledge
Level: Easy
Learning Objective 3: Identify when organizations are and are not acting in socially responsible ways.
Section Reference: What should we know about the social responsibilities of organizations?
AACSB: Ethics

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52. Which of the following refers to the obligation of an organization to its stakeholders as well as its own interests?
a) Altruism
b) Corporate social responsibility
c) Philanthropy
d) Corporate interest

Ans: b
Bloom's: Knowledge
Level: Easy
Learning Objective 3: Identify when organizations are and are not acting in socially responsible ways.
Section Reference: Social responsibility is an organization's obligation to best serve society.
AACSB: Ethics

53. Your roommate argues that businesses should focus on the pursuit of profits. Your roommate is prescribing to the _____ view of corporate social responsibility.
a) socioeconomic
b) legal
c) classical
d) entrepreneurial

Ans: c
Bloom's: Comprehension
Level: Medium
Learning Objective 3: Identify when organizations are and are not acting in socially responsible ways.
Section Reference: Perspectives differ on the importance of corporate social responsibility.
AACSB: Ethics

54. Graham, the CEO of Fleur Inc., a paper manufacturing company, prescribes to the classical view of corporate social responsibility. He is most likely to state that:
a) the sole purpose of the management should be to improve the quality of the company's products.
b) the management should be responsible for the development of the society where the company operates.
c). the management should be accountable for protecting the environment.
d) the sole purpose of the management should be to maximize profits.

Ans: d
Bloom's: Application
Level: Hard

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AACSB: Reflective Thinking

55. The _____ view of corporate social responsibility is that business should focus on making valuable contributions to society, not just making profits.
a) socioeconomic
b) legal
c) classical
d) entrepreneurial

Ans: a
Bloom's: Knowledge
Level: Medium
Learning Objective 3: Identify when organizations are and are not acting in socially responsible ways.
Section Reference: Perspectives differ on the importance of corporate social responsibility.
AACSB: Ethics

56. _____ responsibility is fulfilled when an organization earns a profit through the provision of goods and services desired by customers.
a) Economic
b) Legal
c) Ethical
d) Discretionary

Ans: a
Bloom's: Knowledge
Level: Easy
Learning Objective 3: Identify when organizations are and are not acting in socially responsible ways.
Section Reference: Social responsibility audits measure the social performance of organizations.
AACSB: Ethics

57. An organization meets its _____ responsibility when its actions voluntarily conform not only to legal expectations but also to the broader values and moral expectations of society.
a) economic
b) religious
c) ethical

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d) discretionary

Ans: c
Bloom's: Knowledge
Level: Easy
Learning Objective 3: Identify when organizations are and are not acting in socially responsible ways.
Section Reference: Social responsibility audits measure the social performance of organizations.
AACSB: Ethics

58. The highest level of social performance comes through the satisfaction of _____ responsibility.
a) economic
b) legal
c) ethical
d) discretionary

Ans: d
Bloom's: Knowledge
Level: Easy
Learning Objective 3: Identify when organizations are and are not acting in socially responsible ways.
Section Reference: Social responsibility audits measure the social performance of organizations.
AACSB: Ethics

59. _____ is a form of progress which makes use of natural resources to meet today's needs while also preserving and protecting the environment for future generations.
a) Abundant consumerism
b) Protectionist business
c) Sustainable development
d) Environmental capitalization

Ans: c
Bloom's: Knowledge
Level: Easy
Learning Objective 3: Identify when organizations are and are not acting in socially responsible ways.
Section Reference: Sustainability is an important social responsibility goal.
AACSB: Ethics

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True/False

60. Values tend to be quite flexible within individuals; therefore, employees can be trained to hold certain values.

Ans: False
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Level: Easy
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Section Reference: Ethical behavior is values driven.
AACSB: Ethics

61. Article 19 of the Universal Declaration of Human Rights, United Nations, states that everyone has the right to freedom of opinion and expression.

Ans: True
Bloom's: Knowledge
Level: Easy
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AACSB: Ethics

62. Ethical dilemmas often arise out of the conflicting desires of managers, employees, and customers.

Ans: True
Bloom's: Knowledge
Level: Easy
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
Section Reference: Ethical dilemmas are tests of personal ethics and values.
AACSB: Ethics

63. The reason managers have such a large share of the responsibility for maintaining ethical behavior is due to their power and ability to set the tone for the organization.

Ans: True
Bloom's: Comprehension
Level: Medium

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AACSB: Ethics

64. Moral managers consider the ethical implications of their actions as a part of their normal approach to work.

Ans: True
Bloom's: Knowledge
Level: Easy
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AACSB: Ethics

65. The main reason for the actions of whistleblowers is the praise and recognition that they receive from the companies in which they uncover unethical practices.

Ans: False
Bloom's: Comprehension
Level: Medium
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AACSB: Ethics

66. To increase the power and visibility of ethics codes, some companies have new employees sign an agreement to follow the code as a condition of employment.

Ans: True
Bloom's: Knowledge
Level: Easy
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67. The idea that the role of business is solely to maximize profits and shareholder value represents the classical view of corporate social responsibility.

Ans: True

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Bloom's: Knowledge
Level: Easy
Learning Objective 3: Identify when organizations are and are not acting in socially responsible ways.
Section Reference: Perspectives differ on the importance of corporate social responsibility.
AACSB: Ethics

68. The highest level of social performance comes through the satisfaction of economic responsibility.

Ans: False
Bloom's: Comprehension
Level: Medium
Learning Objective 3: Identify when organizations are and are not acting in socially responsible ways.
Section Reference: Social responsibility audits measure the social performance of organizations.
AACSB: Ethics

Fill-in-the-Blank

69. _____ is defined as the code of moral principles that sets standards of conduct.

Ans: Ethics
Bloom's: Knowledge
Level: Easy
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
Section Reference: Ethical behavior is values driven.
AACSB: Ethics

70. _____ is what we accept to be "right" or "good" in the context of a governing moral code.

Ans: Ethical behavior
Bloom's: Knowledge
Level: Easy
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
Section Reference: Ethical behavior is values driven.
AACSB: Ethics

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71. The underlying beliefs and attitudes that help to determine individual behavior are known as _____.

Ans: values
Bloom's: Knowledge
Level: Easy
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
Section Reference: Ethical behavior is values driven.
AACSB: Ethics

72. The _____ view of moral reasoning considers whether people are treated impartially and fairly according to legal rules and standards.

Ans: justice
Bloom's: Knowledge
Level: Easy
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
Section Reference: Views differ on what constitutes moral behavior.
AACSB: Ethics

73. _____ justice focuses on fair application of policies and rules.

Ans: Procedural
Bloom's: Knowledge
Level: Easy
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
Section Reference: Views differ on what constitutes moral behavior.
AACSB: Ethics

74. _____ justice focuses on treating people the same regardless of personal characteristics.

Ans: Distributive
Bloom's: Knowledge
Level: Easy
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
Section Reference: Views differ on what constitutes moral behavior.

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AACSB: Ethics

75. _____ justice is the degree to which others are treated with dignity and respect.

Ans: Interactional
Bloom's: Knowledge
Level: Easy
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
Section Reference: Views differ on what constitutes moral behavior.
AACSB: Ethics

76. _____ justice focuses on the fairness of exchanges or transactions.

Ans: Commutative
Bloom's: Knowledge
Level: Easy
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
Section Reference: Views differ on what constitutes moral behavior.
AACSB: Ethics

77. _____ is the belief that there are universal values that apply to all people.

Ans: Moral absolutism
Bloom's: Knowledge
Level: Easy
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
Section Reference: What is considered ethical can vary across cultures.
AACSB: Ethics

78. _____ are well-thought-out personal rules and strategies that serve to anchor our ethical decisions and actions.

Ans: Ethical frameworks
Bloom's: Knowledge
Level: Easy
Learning Objective 2: Describe how to maintain high standards of ethical conduct.
Section Reference: Personal character and moral development influence ethical decision making.
AACSB: Ethics

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79. _____ highlight the risk from public disclosure of one's actions.

Ans: Spotlight questions
Bloom's: Knowledge
Level: Easy
Learning Objective 2: Describe how to maintain high standards of ethical conduct.
Section Reference: Training in ethical decision making can improve ethical conduct.
AACSB: Ethics

80. A(n) _____ is a formal statement of values and ethical standards.

Ans: code of ethics
Bloom's: Knowledge
Level: Easy
Learning Objective 2: Describe how to maintain high standards of ethical conduct.
Section Reference: Formal codes of ethics set standards for ethical conduct.
AACSB: Ethics

81. _____ include all the people and institutions most directly affected by an organization's performance.

Ans: Stakeholders
Bloom's: Knowledge
Level: Easy
Learning Objective 3: Identify when organizations are and are not acting in socially responsible ways.
Section Reference: What should we know about the social responsibilities of organizations?
AACSB: Ethics

82. _____ is the obligation of an organization to act in ways that serve both its own interests and the interests of its stakeholders.

Ans: Corporate social responsibility
Bloom's: Knowledge
Level: Easy
Learning Objective 3: Identify when organizations are and are not acting in socially responsible ways.

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Section Reference: Social responsibility is an organization's obligation to best serve society.
AACSB: Ethics

83. A(n) _____ exists when corporate social responsibility leads to improved financial performance that leads to more socially responsible actions in the future.

Ans: virtuous circle
Bloom's: Comprehension
Level: Medium
Learning Objective 3: Identify when organizations are and are not acting in socially responsible ways.
Section Reference: Perspectives differ on the importance of corporate social responsibility.
AACSB: Ethics

84. _____ is a goal that addresses the rights of present and future generations as co-stakeholders of present-day natural resources.

Ans: Sustainability
Bloom's: Knowledge
Level: Medium
Learning Objective 3: Identify when organizations are and are not acting in socially responsible ways.
Section Reference: Sustainability is an important social responsibility goal.
AACSB: Ethics

85. _____ involves entrepreneurs who take the risk to solve pressing social problems.

Ans: Social entrepreneurship
Bloom's: Comprehension
Level: Medium
Learning Objective 3: Identify when organizations are and are not acting in socially responsible ways.
Section Reference: Social businesses and social entrepreneurs are driven by social responsibility.
AACSB: Ethics

Essay

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86. What does the statement "Something may be legal but unethical" mean?

Ans: The "letter of the law" does not always translate into what others would consider as ethical actions. For example, U.S. laws once allowed slavery, permitted only men to vote, and allowed young children to work full-time jobs. Today, we consider such actions unethical.
Bloom's: Comprehension
Level: Medium
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
Section Reference: Ethical behavior is values driven.
AACSB: Ethics

87. What is the relationship between ethics, values, terminal values, and instrumental values?

Ans: Ethics is a code of moral principles that defines right from wrong. Values, in a personal sense, are broad beliefs about what is ethical. Terminal values and instrumental values are subsets of personal values. Terminal values have to do with desired end states (what a person wants the results of their actions to be) such as happiness, security, and self-respect. Instrumental values determine how a person goes about achieving his/her desired end state.
Bloom's: Synthesis
Level: Hard
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
Section Reference: Ethical behavior is values driven.
AACSB: Reflective Thinking

88. Different people have different views of what is ethical. Discuss each of the four different philosophical views as alternative approaches to moral reasoning.

Ans: The four different views are utilitarian, individual, justice, and moral rights. They are defined as:

1. The utilitarian view is that ethical behavior delivers the greatest good to most people.
2. The individual view is that ethical behavior is in the best long term interest of the individual who is making the decision.
3. The justice view is that ethical behavior which treats people impartially and fairly.
4. The moral rights view is that ethical behavior which respects and protects a person's fundamental rights.

Bloom's: Comprehension
Level: Hard
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
Section Reference: Views differ on what constitutes moral behavior.
AACSB: Ethics

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89. Define cultural relativism and moral absolutism. How do they influence international business ethics?

Ans: Cultural relativism is the belief that the values and practices of the local area determine what is ethical. Moral absolutism is the belief that there are absolute truths that apply universally and that these truths are more important than local values. Sometimes, one society tries to impose their ethics on another society. This is particularly true in the international business arena. When this occurs, it is called ethical imperialism.
Bloom's: Evaluation
Level: Medium
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
Section Reference: What is considered ethical can vary across cultures.
AACSB: Reflective Thinking

90. What is the most critical factor for maintaining ethical behavior in organizations? Explain.

Ans: Ethical behavior on the part of senior management is the most critical factor for maintaining ethical behavior in organizations because senior managers have the position and the power to affect employee behavior.
Bloom's: Evaluation
Level: Hard
Learning Objective 2: Describe how to maintain high standards of ethical conduct.
Section Reference: Managers as positive role models can inspire ethical conduct.
AACSB: Reflective Thinking

91. Assume that one of your colleagues who is also your friend is responsible for mismanaging company funds. If you are in a situation where you can either save your friend from being fired or save your company from a huge loss that might lead to a massive layoffs, what would you choose? Give reasons.

Ans: Student answers will vary. If they choose to save the company, they can explain their choice on the basis of the utilitarian view.
Bloom's: Evaluation
Level: Hard
Learning Objective 1: Explain how ethics and ethical behavior play out in the workplace.
Section Reference: Views differ on what constitutes moral behavior.
AACSB: Reflective Thinking

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92. As a manager of a firm, how would you ensure that your employees are ethical?

Ans: Student answers will vary.
Bloom's: Evaluation
Level: Hard
Learning Objective 2: Describe how to maintain high standards of ethical conduct.
Section Reference: Managers as positive role models can inspire ethical conduct.
AACSB: Reflective Thinking

93. Do you support the classical view of corporate social responsibility? Give reasons.

Ans: Student answers will vary.
Bloom's: Evaluation
Level: Hard
Learning Objective 3: Identify when organizations are and are not acting in socially responsible ways.
Section Reference: Perspectives differ on the importance of corporate social responsibility.
AACSB: Reflective Thinking

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