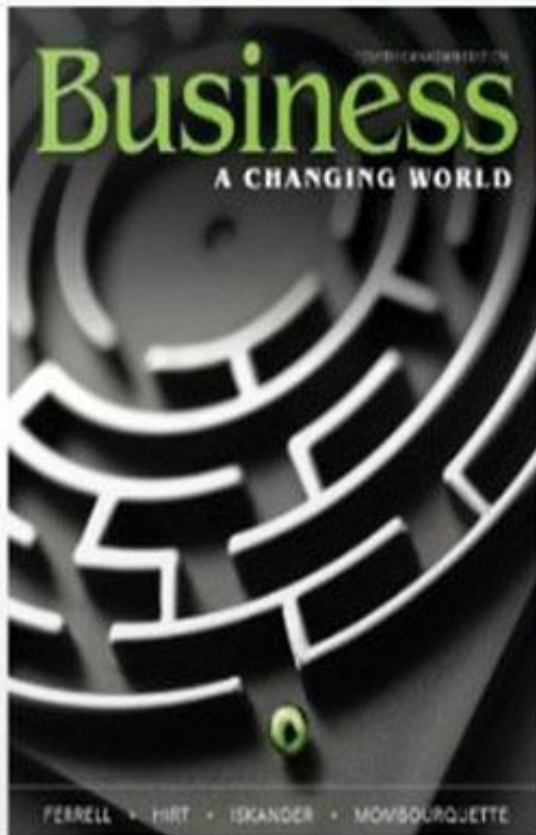


TEST BANK



10th Edition
Business
A CHANGING WORLD



FERRELL • HIRT • ISKANDER • MOMBOURJETTE

Student: _____

1. Business ethics refers to principles and standards that define acceptable conduct in business organizations.
True False
2. Ethics and social responsibility mean the same thing.
True False
3. Nearly all business decisions may be judged as right or wrong, ethical or unethical.
True False
4. The most basic ethical concerns have been formalized through laws and regulations that encourage conformity to society's values and norms.
True False
5. Business ethics are the same as legal issues.
True False
6. Only corporations have to worry about ethics scandals and social responsibility issues
True False
7. An ethical issue is an identifiable problem, situation, or opportunity that requires a person or organization to choose from among several actions that may be evaluated as ethical or unethical.
True False
8. The best way to judge the ethics of a decision is to look at it from a manager's or employee's point of view.
True False
9. Establishing and enforcing ethical standards and policies within business can help reduce unethical behavior by prescribing which activities are acceptable and which are not and by removing the opportunity to act unethically.
True False
10. Without a code of ethics or formal policy on ethics, employees are likely to base their decisions on how their peers and superiors behave.
True False
11. Codes of ethics foster ethical behavior because they expand the opportunity to behave unethically.
True False
12. Ethical decisions in an organization are influenced by three key factors.
True False
13. Codes of ethics are formalized rules and standards that describe what the company expects of its employees.
True False
14. The concept of social responsibility is universally accepted.
True False
15. The dimensions of social responsibility include economic, legal, ethical, and voluntary responsibilities.
True False

16. Increasingly, consumers are choosing not to patronize businesses that receive negative publicity concerning misconduct.
True False
17. Corporate citizenship is the extent to which businesses meet the legal, ethical, economic, and voluntary responsibilities placed on them by their owners.
True False
18. Voluntary responsibilities are optional activities that promote human welfare or goodwill.
True False
19. Managers consider social responsibility on an annual basis.
True False
20. Recycling is a business response to employee issues.
True False
21. The right to safety requires that businesses provide a safe place for consumers to shop.
True False
22. A major social responsibility for business is providing equal opportunities for all employees.
True False
23. One way companies are helping consumers contribute to social causes is through offering some products at higher prices, the extra money going to global charities.
True False
24. The size of the transaction, the history of personal relationships within the particular company, and many other factors may determine whether a customer gift will be judged as ethical.
True False
25. Conflicts of interest are payments, gifts, or special favors intended to influence the outcome of a decision.
True False
26. Ethics is related to the culture in which a business operates.
True False
27. Workplace bullying is an increasing problem.
True False
28. Which of the following statements about business ethics is *false*?
 - A. It concerns the impact of a business's activities on society.
 - B. It refers to principles and standards that define acceptable behavior in business organizations.
 - C. It relates to an individual's values and moral standards and the resulting business decisions he or she makes.
 - D. What is ethical is determined by the public, government regulators, interest groups, competitors, and each individual's personal moral values.
 - E. Studying it can help you recognize ethical issues and understand how others make unethical decisions.
29. Studying business ethics will not necessarily
 - A. help you recognize ethical issues.
 - B. help you understand the importance of ethical decisions.
 - C. inform you concerning the impact of the work group on ethical decisions.
 - D. describe the ethical decision-making process.
 - E. tell you what you ought to do.

30. Ethical violations destroy
- A. nothing.
 - B. jobs.
 - C. confidence/trust.
 - D. profits.
 - E. morale.
31. The Sarbanes-Oxley Act and Ontario's Bill C-198 were both passed to
- A. punish those who committed accounting fraud in the late 1990s.
 - B. improve corporate profits.
 - C. help laid-off employees get their jobs back.
 - D. help investors recoup their losses.
 - E. help restore confidence in Corporate America and Canada.
32. Which of the following have been cited as incidents of unethical business activity recently?
- A. Unfair competitive practices in the computer industry
 - B. Deceptive advertising of medicines and toys
 - C. Accounting fraud
 - D. Deceptive advertising of food products
 - E. All of the answers are correct
33. Which of the following statements is *false*?
- A. Ethical issues are limited to for-profit organizations.
 - B. Business ethics goes beyond legal issues.
 - C. Ethical conduct builds trust among individuals and in business relationships.
 - D. Ethical conflicts may evolve into legal disputes.
- ERegardless of what an individual feels about a particular action, if society judges it to be unethical, that . judgment affects the organization's ability to achieve its objectives.
34. Which of the following is *not* considered unethical behavior in the workplace?
- A. Taking notebooks and pens home for personal use
 - B. Using on the job time to write emails to your friends and family
 - C. Using your cell phone to make a doctor's appointment during your lunch break
 - D. Looking the other way when you notice a superior doing something that is against company policy
 - E. Shopping for clothes online while at work
35. In Canada, if a businessperson brought an elaborately wrapped gift to a prospective client on their first meeting, it might be viewed as
- A. appropriate.
 - B. expected.
 - C. a bribe.
 - D. a gift.
 - E. normal.
36. If a corporate manager makes a decision that results in personal financial benefit while the company's owners lose financially, this is an ethical issue related to
- A. conflicts of interest.
 - B. communication problems.
 - C. illegal actions.
 - D. dishonesty.
 - E. inequality.

37. If the owner of a toy store seeking a price reduction gives the manager of a toy manufacturing company a new personal computer, the toy-store owner is using which approach to influence the manufacturer's decision making?
- A. High technology
 - B. Computer impacting
 - C. Discounting
 - D. Bribery
 - E. Tipping
38. A supplier of a component part has offered Karen's family a free two-week cruise if his firm gets a very large order from Karen's company. The most ethical course of action for Karen to take would be to
- A. politely turn it down and discuss the offer with her boss.
 - B. accept it if the part in question meets quality standards.
 - C. ask around and see how her boss handled such offers previously.
 - D. accept the offer.
 - E. call the police.
39. That businesspeople are expected not to harm customers, clients, and competitors knowingly through deception, misrepresentation, coercion, or discrimination is part of
- A. fairness and honesty.
 - B. communications.
 - C. conflict of interest.
 - D. business relationships.
 - E. consumerism.
40. When Forzani and Suzy Shier ended up on the receiving end of a number of consumer complaints due to overstating regular prices to make the sales look more attractive, this was an ethical issue concerned primarily with
- A. conflict of interest.
 - B. communications.
 - C. fairness and honesty.
 - D. cost control.
 - E. game rules.
41. When CBC Marketplace investigated Herbal Magic for questionable weight loss claims, the primary area of ethical concern in this case was questionable
- A. conflict of interest.
 - B. communications.
 - C. product design.
 - D. business relationships.
 - E. financing.
42. Canadian anti-tobacco legislation and the U.S Surgeon General's warning on cigarette packages about the health implications of smoking is an example of which of the following ethical issues?
- A. Conflict of interest
 - B. Fairness and honesty
 - C. Communications
 - D. Relationships within a business
 - E. Environmental issues
43. The following behavior is an example of ethical consideration within business relationships:
- A. keeping company secrets.
 - B. avoiding obligations.
 - C. shirking responsibilities.
 - D. setting a poor example for others.
 - E. offering a bribe.

44. If a manager pressures a subordinate to engage in activities that he or she may otherwise view as unethical, such as accounting fraud or stealing a competitor's secrets, there exists an ethical issue related to
- plagiarism.
 - business relationships.
 - communications.
 - fairness and honesty.
 - conflicts of interest.
45. If an employee learned of a significant cost-saving idea from a coworker and then informed management of the idea without revealing its true source, then the employee would be involved in
- keeping a secret.
 - career advancement.
 - plagiarism.
 - socialism.
 - egalitarianism.
46. A set of formalized rules and standards that describe what a company expects of its employees is called a(n)
- code of ethics.
 - opportunity.
 - moral philosophy.
 - guideline.
 - law.
47. What occurs when an employee exposes an employer's wrongdoing to outsiders?
- Fraud
 - Whistleblowing
 - Plagiarism
 - Mayhem
 - A criminal lawsuit
48. Codes of ethics foster ethical behavior by
- expanding the opportunity to behave ethically by providing rewards for following the rules.
 - limiting the opportunity to behave unethically by providing punishments for violations of the rules and standards.
 - limiting the opportunity to behave unethically by providing rewards for violations of the rules and standards.
 - expanding the opportunity to behave ethically by providing punishments for following the rules.
 - all of the answers are correct.
49. Unethical behavior in business can be reduced if management does all of the following *except*
- establish clear policies on unethical behavior.
 - limit opportunities for unethical behavior.
 - establish formal rules and procedures.
 - punish unethical behavior firmly.
 - depend totally on employees' personal ethics.
50. According to the text, ethical decisions in an organization are influenced by (1) individual moral standards, (2) the influence of managers and co-workers, and (3)
- religious values.
 - informal ethical policies or rules.
 - opportunity codes and compliance requirements.
 - family influence.
 - the founder's values.

51. Which of the following should help reduce the incidence of unethical behavior in an organization?
A. Understanding that individual moral standards, the influence of managers and coworkers, and . opportunity influence ethical behavior
B. Maximizing ethical conflict in work groups
C. Expanding opportunity by providing punishments for violations of the rules
D. Overlooking violations of codes of ethics
E. All of the answers are correct
52. Being profitable relates to which social responsibility dimension?
A. Economic
B. Voluntary
C. Ethical
D. Legal
E. Corporate citizenship
53. Which of the following is *not* one of the dimensions of social responsibility?
A. Voluntary
B. Economic
C. Legal
D. Ethical
E. Altruistic
54. Philanthropic contributions made by a business to a charitable organization represent which dimension of social responsibility?
A. Corporate citizenship
B. Economic
C. Legal
D. Ethical
E. Voluntary
55. Consumers vote against firms they view as socially irresponsible by not
A. boycotting the company's products.
B. expressing dissatisfaction by protesting.
C. writing their representatives in Congress.
D. buying the company's products.
E. filing complaints with the company.
56. Studies have found a direct link between social responsibility and _____ in business.
A. Profitability
B. Ethics
C. Declining stock prices
D. Happiness of stakeholders
E. Global Warming
57. In addressing social responsibility, managers must consider their firms' relations with
A. employees.
B. owners.
C. customers.
D. the community.
E. all of the answers are correct.
58. Managers consider social responsibility
A. on a weekly basis.
B. on a daily basis.
C. at annual planning meetings.
D. during budget planning sessions.
E. infrequently.

59. All of the following are arguments against social responsibility *except*
- A. it sidetracks managers from their primary objective.
 - B. it gives businesses more power.
 - C. businesses may not have the necessary expertise.
 - D. the government should bear the responsibility.
 - E. businesses have the financial resources to help society.
60. All of the following are arguments in favor of social responsibility *except*
- A. businesses created many of the problems, so they should participate in finding solutions.
 - B. businesses may lose their focus on profit-making.
 - C. businesses that are socially responsible prevent more government regulation.
 - D. the survival of a healthy economy depends on businesses being socially responsible.
 - E. as members of society, businesses should do their fair share.
61. Businesses must first be responsible to
- A. employees.
 - B. customers.
 - C. owners.
 - D. bankers.
 - E. managers.
62. A business's responsibilities to its owners and investors include
- A. protecting the owners' rights and investments.
 - B. maintaining proper accounting procedures.
 - C. providing all relevant information about current and projected performance of the firm.
 - D. maximizing their investment in the firm.
 - E. all of the answers are correct.
63. Many of the laws regulating safety in the workplace are enforced by
- A. the Canadian safety and security association.
 - B. the RCMP.
 - C. NAFTA.
 - D. The Canadian government.
 - E. None of these answers is correct.
64. The activities that independent individuals, groups, and organizations undertake to protect their rights as consumers are known as
- A. social responsibility.
 - B. consumerism.
 - C. ethics.
 - D. welfare.
 - E. morals.
65. Writing letters to companies, making public service announcements, lobbying government agencies, and boycotting irresponsible companies are activities involved with which social responsibility issue?
- A. Employee relations
 - B. Environmental issues
 - C. Community relations
 - D. Consumer relations
 - E. Relations with owners
66. Which right assures the fair treatment of consumers who voice complaints about a purchased product?
- A. The right to choose
 - B. The right to safety
 - C. The right to be heard
 - D. The right to be informed
 - E. The right to complain

67. The assurance of satisfactory quality and service at a fair price is part of a consumer's right to
- choose.
 - be heard.
 - be informed.
 - safety.
 - freedom of speech.
68. Whose role is it to protect consumers against unfair, deceptive or fraudulent practices?
- the Ministry of Law
 - the Department of Marketing
 - Canada's Office of Consumer Affairs
 - all of the answers are correct
 - none of these answers is correct
69. One of the most important things companies can do to curb global warming is reduce greenhouse gas emissions. Of the options below, which is NOT a good way to reduce daily carbon and greenhouse gas output?
- Riding a bike to work
 - Recycling bottles, cans, and paper products
 - Taking measures to streamline operations and reduce waste
 - Keeping the air conditioner running all summer long
 - Buying a more fuel-efficient car
70. Cosmetic and drug testing on animals is a primary concern under which social responsibility issue?
- Consumer relations
 - Environmental issues
 - Community relations
 - Employee relations
 - Relations with stockholders
71. Which of the following is *not* an area of environmental concern in society today?
- Animal rights
 - Land pollution
 - Waste disposal
 - The hard-core unemployed
 - Business practices that harm endangered wildlife
72. What is business ethics?
73. What are some of the general ethical issues in business?

74. How can an organization improve ethical behavior?

75. What are the four dimensions of social responsibility?

76. Discuss the environmental issues managers must confront in dealing with social responsibility issues.

02 Key

1. Business ethics refers to principles and standards that define acceptable conduct in business organizations.

(p. 32)

TRUE

Business ethics are principles and standards that define acceptable behavior for individuals within an organization as well as the organization at large

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #1
Learning Objective: 1*

Topic: Business Ethics and Social Responsibility

2. Ethics and social responsibility mean the same thing.

(p. 33)

FALSE

Social responsibility is a broad concept that considers the impact of an entire business's activities on society and ethics refers to an individual's or work group's decisions that society evaluates as right or wrong

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #2
Learning Objective: 1*

3. Nearly all business decisions may be judged as right or wrong, ethical or unethical.

(p. 33)

TRUE

Business decisions, either by law or by society, will be deemed an acceptable practice or not.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #3
Learning Objective: 1*

Topic: The Role of Ethics in Business

4. The most basic ethical concerns have been formalized through laws and regulations that encourage conformity to society's values and norms.

(p. 34)

TRUE

The Sarbanes-Oxley Act and Ontario's government proclaimed Bill C-198 to criminalize securities fraud as well as stiffen corporate fraud.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #4
Learning Objective: 1*

5. Business ethics are the same as legal issues.

(p. 35) **FALSE**

Business ethics goes beyond legal issues by building trust among individuals and in business relationships which validates and promotes confidence among those relationships.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #5
Learning Objective: 1*

6. Only corporations have to worry about ethics scandals and social responsibility issues

(p. 35-36) **FALSE**

Ethical issues are not limited to for-profit corporations but include government, non-profits such as universities, sports and individuals.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #6
Learning Objective: 2*

7. An ethical issue is an identifiable problem, situation, or opportunity that requires a person or organization to choose from among several actions that may be evaluated as ethical or unethical.

(p. 36)

TRUE

In business, this choice usually involves weighing monetary gain against what a person considers appropriate conduct.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #7
Learning Objective: 2*

8. The best way to judge the ethics of a decision is to look at it from a manager's or employee's point of view.

(p. 36)

FALSE

The best way to judge the ethics of a decision is to look at it from a customer's or competitor's point of view.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #8
Learning Objective: 2*

9. Establishing and enforcing ethical standards and policies within business can help reduce unethical behavior by prescribing which activities are acceptable and which are not and by removing the opportunity to act unethically.

(p. 44)

TRUE

Ethics codes and compliance requirements reduce the opportunity to act unethically and consistently enforcing repercussions for unethical behavior reduces unethical acts by individuals within an organization.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #9
Learning Objective: 3*

10. Without a code of ethics or formal policy on ethics, employees are likely to base their decisions on how their peers and superiors behave. (p. 44-45)

TRUE

A code of ethics ensures all employees, including senior level executives, are clear on what ethical standards are expected of them.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #10
Learning Objective: 3*

11. Codes of ethics foster ethical behavior because they expand the opportunity to behave unethically. (p. 44)

FALSE

Codes of ethics foster ethical behavior because they reduce the opportunity to behave unethically.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #11
Learning Objective: 3*

12. Ethical decisions in an organization are influenced by three key factors. (p. 44)

TRUE

Ethical decisions in an organization are influenced by three key factors: individual moral standards, the influence of managers and co-workers, and the opportunity to engage in misconduct.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #12
Learning Objective: 3*

13. Codes of ethics are formalized rules and standards that describe what the company expects of its employees. (p. 44)

TRUE

Codes of ethics do not take into consideration every situation but it should provide a clear means of appropriate behavior and steps to take in addresses ethical issues and/or concerns.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #13
Learning Objective: 3*

14. The concept of social responsibility is universally accepted. (p. 46)

FALSE

Even though the concept of social responsibility is receiving more and more attention, it is still not universally accepted.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #14
Learning Objective: 4*

15. The dimensions of social responsibility include economic, legal, ethical, and voluntary responsibilities.

(p. 45)

TRUE

The economic responsibilities include earning a profit, the legal responsibilities include abiding by laws, the ethical responsibilities include doing what is right and the voluntary responsibilities include promoting goodwill.

AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #15
Learning Objective: 4

16. Increasingly, consumers are choosing not to patronize businesses that receive negative publicity concerning misconduct.

(p. 46)

TRUE

Some studies have found a direct link to social responsibility and employee commitment and customer loyalty.

AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #16
Learning Objective: 4

17. Corporate citizenship is the extent to which businesses meet the legal, ethical, economic, and voluntary responsibilities placed on them by their owners.

(p. 45-46)

FALSE

Corporate citizenship is the extent to which businesses meet the legal, ethical, economic, and voluntary responsibilities placed on them by various stakeholders.

AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #17
Learning Objective: 4

18. Voluntary responsibilities are optional activities that promote human welfare or goodwill.

(p. 45)

TRUE

Voluntary responsibilities are not required but contribute to the community and quality of life.

AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #18
Learning Objective: 4
Topic: The Nature of Social Responsibility

19. Managers consider social responsibility on an annual basis.

(p. 46)

FALSE

Managers consider social responsibility on a daily basis as with all ethical concerns.

AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #19
Learning Objective: 5

20. Recycling is a business response to employee issues.

(p. 50)

FALSE

Recycling is a business response to environmental issues.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #20
Learning Objective: 5*

21. The right to safety requires that businesses provide a safe place for consumers to shop.

(p. 48)

TRUE

Many large retailers have been under pressure to increase safety in their warehouse type stores such as Home Depot.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #21
Learning Objective: 5*

22. A major social responsibility for business is providing equal opportunities for all employees.

(p. 48)

TRUE

A major legal and social responsibility for business is providing equal opportunities for all employees regardless of their sex, age, race, religion or nationality.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #22
Learning Objective: 5*

23. One way companies are helping consumers contribute to social causes is through offering some products at higher prices, the extra money going to global charities.

(p. 48)

TRUE

Power Corporation, Royal Bank of Canada, Sunlife, Barrick Gold and Magna International Group have joined the Global Business Coalition to help fight the AIDS epidemic.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #23
Learning Objective: 5*

24. The size of the transaction, the history of personal relationships within the particular company, and many other factors may determine whether a customer gift will be judged as ethical.

(p. 36)

TRUE

This explains why a person needs several years experience in identifying what constitutes an ethical and unethical decision due to its complex nature.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #24
Learning Objective: 2*

25. Conflicts of interest are payments, gifts, or special favors intended to influence the outcome of a decision.

(p. 38-39)

FALSE

Conflicts of interest exist when a person must choose between advancing his or her own personal interests or those of others. Bribes are payments, gifts, or special favors intended to influence the outcome of a decision.

AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #25
Learning Objective: 2

26. Ethics is related to the culture in which a business operates.

(p. 36-37)

TRUE

Different cultures adhere to different ethical standards such as in Canada it could be viewed as a bribe to bring a gift to a business meeting but in Japan it is considered impolite to not bring a gift to a business meeting.

AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #26
Learning Objective: 2

27. Workplace bullying is an increasing problem.

(p. 38)

TRUE

Bullying can be a mix of verbal, non-verbal and manipulative threatening expressions to damage workplace productivity.

AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #27
Learning Objective: 2

28. Which of the following statements about business ethics is *false*?

(p. 33)

- A.** It concerns the impact of a business's activities on society.
- B. It refers to principles and standards that define acceptable behavior in business organizations.
- C. It relates to an individual's values and moral standards and the resulting business decisions he or she makes.
- D What is ethical is determined by the public, government regulators, interest groups, competitors, and each individual's personal moral values.
- E. Studying it can help you recognize ethical issues and understand how others make unethical decisions.

Social responsibility concerns the impact of a business's activities on society.

AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #28
Learning Objective: 1

29. Studying business ethics will not necessarily
(p. 36)
- A. help you recognize ethical issues.
 - B. help you understand the importance of ethical decisions.
 - C. inform you concerning the impact of the work group on ethical decisions.
 - D. describe the ethical decision-making process.
 - E.** tell you what you ought to do.

Others such as your peers, family, and co-workers will judge your actions and decisions to be ethical or unethical.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #29
Learning Objective: 1*

30. Ethical violations destroy
(p. 25)
- A. nothing.
 - B. jobs.
 - C.** confidence/trust.
 - D. profits.
 - E. morale.

Ethical conduct builds trust and credibility therefore when ethical violations are committed. It is very difficult to restore trust and confidence.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Hard
Ferrell - Chapter 02 #30
Learning Objective: 1*

31. The Sarbanes-Oxley Act and Ontario's Bill C-198 were both passed to
(p. 24)
- A. punish those who committed accounting fraud in the late 1990s.
 - B. improve corporate profits.
 - C. help laid-off employees get their jobs back.
 - D. help investors recoup their losses.
 - E.** help restore confidence in Corporate America and Canada.

The Sarbanes-Oxley Act and Ontario's Bill C-198 helped to criminalize securities fraud as well as stiffen corporate fraud. This was a response to public outcry regarding accounting scandals in the early 2000s and to restore confidence in Corporate America and Canada.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #31
Learning Objective: 1*

32. Which of the following have been cited as incidents of unethical business activity recently?
(p. 35)
- A. Unfair competitive practices in the computer industry
 - B. Deceptive advertising of medicines and toys
 - C. Accounting fraud
 - D. Deceptive advertising of food products
 - E. All of the answers are correct**

In the National Post or Globe and Mail, there are regular examples of ethical issues in business.

AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #32
Learning Objective: 1
Topic: The Role of Ethics in Business

33. Which of the following statements is *false*?
(p. 35-36)
- A. Ethical issues are limited to for-profit organizations.**
 - B. Business ethics goes beyond legal issues.
 - C. Ethical conduct builds trust among individuals and in business relationships.
 - D. Ethical conflicts may evolve into legal disputes.
 - E. Regardless of what an individual feels about a particular action, if society judges it to be unethical, that judgment affects the organization's ability to achieve its objectives.

Ethical issues are not limited to for-profit corporations but include government, non-profits such as universities, sports and individuals.

AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #33
Learning Objective: 1
Topic: The Role of Ethics in Business

34. Which of the following is *not* considered unethical behavior in the workplace?
(p. 39-40)
- A. Taking notebooks and pens home for personal use
 - B. Using on the job time to write emails to your friends and family
 - C. Using your cell phone to make a doctor's appointment during your lunch break**
 - D. Looking the other way when you notice a superior doing something that is against company policy
 - E. Shopping for clothes online while at work

An employee's lunch break is his or her personal time to take care of personal needs whether it is eating lunch, running errands or using a personal phone to make calls.

AACSB: Ethics
Blooms Taxonomy: Comprehension
Difficulty: Easy
Ferrell - Chapter 02 #34
Learning Objective: 2

35. In Canada, if a businessperson brought an elaborately wrapped gift to a prospective client on their first meeting, it might be viewed as
(p. 36-37)
- A. appropriate.
 - B. expected.
 - C.** a bribe.
 - D. a gift.
 - E. normal.

Different cultures adhere to different ethical standards such as in Canada it could be viewed as a bribe to bring a gift to a business meeting but in Japan it is considered impolite to not bring a gift to a business meeting.

AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #35
Learning Objective: 2

36. If a corporate manager makes a decision that results in personal financial benefit while the company's owners lose financially, this is an ethical issue related to
(p. 38-39)
- A.** conflicts of interest.
 - B. communication problems.
 - C. illegal actions.
 - D. dishonesty.
 - E. inequality.

The manager is acting to benefit him or herself at the expense of the company and he or she is not fulfilling his or her responsibilities to ensure that the company stays profitable which is a conflict of interest.

AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #36
Learning Objective: 2

37. If the owner of a toy store seeking a price reduction gives the manager of a toy manufacturing company a new personal computer, the toy-store owner is using which approach to influence the manufacturer's decision making?
(p. 39)
- A. High technology
 - B. Computer impacting
 - C. Discounting
 - D.** Bribery
 - E. Tipping

Bribery uses payments, gifts or special favors to influence the outcome of a decision.

AACSB: Ethics
Blooms Taxonomy: Comprehension
Difficulty: Easy
Ferrell - Chapter 02 #37
Learning Objective: 2

38. (p. 39) A supplier of a component part has offered Karen's family a free two-week cruise if his firm gets a very large order from Karen's company. The most ethical course of action for Karen to take would be to
- A.** politely turn it down and discuss the offer with her boss.
 - B. accept it if the part in question meets quality standards.
 - C. ask around and see how her boss handled such offers previously.
 - D. accept the offer.
 - E. call the police.

This is an example of bribery that would inhibit competition if Karen opted to accept the offer.

*AACSB: Ethics
Blooms Taxonomy: Comprehension
Difficulty: Hard
Ferrell - Chapter 02 #38
Learning Objective: 2*

39. (p. 39) That businesspeople are expected not to harm customers, clients, and competitors knowingly through deception, misrepresentation, coercion, or discrimination is part of
- A.** fairness and honesty.
 - B. communications.
 - C. conflict of interest.
 - D. business relationships.
 - E. consumerism.

Fairness and honesty are at the heart of ethics and relate to values of decision makers such as not pilfering office supplies or engaging in collusive behavior.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #39
Learning Objective: 2*

40. (p. 39) When Forzani and Suzy Shier ended up on the receiving end of a number of consumer complaints due to overstating regular prices to make the sales look more attractive, this was an ethical issue concerned primarily with
- A. conflict of interest.
 - B. communications.
 - C.** fairness and honesty.
 - D. cost control.
 - E. game rules.

One aspect of fairness related to deceiving consumers to sell more product.

*AACSB: Ethics
Blooms Taxonomy: Comprehension
Difficulty: Hard
Ferrell - Chapter 02 #40
Learning Objective: 2*

41. When CBC Marketplace investigated Herbal Magic for questionable weight loss claims, the primary area of ethical concern in this case was questionable
(p. 41)
- A. conflict of interest.
 - B.** communications.
 - C. product design.
 - D. business relationships.
 - E. financing.

Truthfulness about product quality is important to consumers therefore if the capsules did not do what they said it did, after the airing, Herbal Magic decided to change the formulations.

*AACSB: Ethics
Blooms Taxonomy: Comprehension
Difficulty: Hard
Ferrell - Chapter 02 #41
Learning Objective: 2*

42. Canadian anti-tobacco legislation and the U.S Surgeon General's warning on cigarette packages about the health implications of smoking is an example of which of the following ethical issues?
(p. 42)
- A. Conflict of interest
 - B. Fairness and honesty
 - C.** Communications
 - D. Relationships within a business
 - E. Environmental issues

An important aspect of communications regarding an ethical issue is product labeling such as Canada's graphic pictures and the U.S. Surgeon General's warning on cigarette packages.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Hard
Ferrell - Chapter 02 #42
Learning Objective: 2*

43. The following behavior is an example of ethical consideration within business relationships:
(p. 42)
- A.** keeping company secrets.
 - B. avoiding obligations.
 - C. shirking responsibilities.
 - D. setting a poor example for others.
 - E. offering a bribe.

Ethical behavior within in a business involves keeping company secrets, meeting obligations and responsibilities, and avoiding undue pressure that may force others to act unethically.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #43
Learning Objective: 2*

44. (p. 42-43) If a manager pressures a subordinate to engage in activities that he or she may otherwise view as unethical, such as accounting fraud or stealing a competitor's secrets, there exists an ethical issue related to
- A. plagiarism.
 - B.** business relationships.
 - C. communications.
 - D. fairness and honesty.
 - E. conflicts of interest.

Ethical issues related to business relationships include the responsibility of managers to help an organization achieve its goals without compromising employee rights.

AACSB: Ethics
Blooms Taxonomy: Comprehension
Difficulty: Easy
Ferrell - Chapter 02 #44
Learning Objective: 2

45. (p. 43) If an employee learned of a significant cost-saving idea from a coworker and then informed management of the idea without revealing its true source, then the employee would be involved in
- A. keeping a secret.
 - B. career advancement.
 - C.** plagiarism.
 - D. socialism.
 - E. egalitarianism.

Plagiarism is taking someone else's work or idea and presenting it as your own without mentioning its source.

AACSB: Ethics
Blooms Taxonomy: Comprehension
Difficulty: Easy
Ferrell - Chapter 02 #45
Learning Objective: 2

46. (p. 44) A set of formalized rules and standards that describe what a company expects of its employees is called a(n)
- A.** code of ethics.
 - B. opportunity.
 - C. moral philosophy.
 - D. guideline.
 - E. law.

Codes of ethics are formalized rules and standards that describe what the company expects of its employees.

AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #46
Learning Objective: 3

47. What occurs when an employee exposes an employer's wrongdoing to outsiders?
(p. 45)
- A. Fraud
 - B. Whistleblowing**
 - C. Plagiarism
 - D. Mayhem
 - E. A criminal lawsuit

Whistleblowing occurs when a lack of anonymous reporting mechanisms exists in a company and therefore an employee may expose an employer's wrongdoing to the government or media.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #47
Learning Objective: 3*

48. Codes of ethics foster ethical behavior by
(p. 44)
- A. expanding the opportunity to behave ethically by providing rewards for following the rules.
 - B. limiting the opportunity to behave unethically by providing punishments for violations of the rules and standards.**
 - C. limiting the opportunity to behave unethically by providing rewards for violations of the rules and standards.
 - D. expanding the opportunity to behave ethically by providing punishments for following the rules.
 - E. all of the answers are correct.

Codes of ethics sets clear guidelines for employees regarding what ethical behavior is expected of them. It also creates a formal procedure for infractions committed by employees related to ethical issues.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #48
Learning Objective: 3*

49. Unethical behavior in business can be reduced if management does all of the following *except*
(p. 44)
- A. establish clear policies on unethical behavior.
 - B. limit opportunities for unethical behavior.
 - C. establish formal rules and procedures.
 - D. punish unethical behavior firmly.
 - E. depend totally on employees' personal ethics.**

A company should never rely on an employees' personal ethics to guide ethical standards due to the wide array or lack thereof moral standards that an individual maintains.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #49
Learning Objective: 3*

50. According to the text, ethical decisions in an organization are influenced by (1) individual moral standards, (2) the influence of managers and co-workers, and (3)
- A. religious values.
 - B. informal ethical policies or rules.
 - C.** opportunity codes and compliance requirements.
 - D. family influence.
 - E. the founder's values.

Three factors that influence business ethics are individual moral standards, the influence of managers and co-workers and the opportunity to engage in misconduct which is determined by ethics codes and compliance requirements.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #50
Learning Objective: 3*

51. Which of the following should help reduce the incidence of unethical behavior in an organization?
- A.** Understanding that individual moral standards, the influence of managers and coworkers, and opportunity influence ethical behavior
 - B. Maximizing ethical conflict in work groups
 - C. Expanding opportunity by providing punishments for violations of the rules
 - D. Overlooking violations of codes of ethics
 - E. All of the answers are correct

Understanding the influences of business ethics leads to establishing codes of ethics and compliance requirements that reduce unethical behavior in an organization.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Hard
Ferrell - Chapter 02 #51
Learning Objective: 3*

52. Being profitable relates to which social responsibility dimension?
- A.** Economic
 - B. Voluntary
 - C. Ethical
 - D. Legal
 - E. Corporate citizenship

Economic responsibility refers to earning a profit which is the foundation of a company.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #52
Learning Objective: 4*

53. Which of the following is *not* one of the dimensions of social responsibility?

(p. 45)

- A. Voluntary
- B. Economic
- C. Legal
- D. Ethical
- E. Altruistic**

Although altruism may be a part of voluntary responsibility, it is not a dimension of social responsibility by itself.

AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #53
Learning Objective: 4

54. Philanthropic contributions made by a business to a charitable organization represent which dimension of social responsibility?

(p. 46)

- A. Corporate citizenship
- B. Economic
- C. Legal
- D. Ethical
- E. Voluntary**

Voluntary responsibilities include philanthropic contributions.

AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #54
Learning Objective: 4

55. Consumers vote against firms they view as socially irresponsible by not

(p. 46)

- A. boycotting the company's products.
- B. expressing dissatisfaction by protesting.
- C. writing their representatives in Congress.
- D. buying the company's products.**
- E. filing complaints with the company.

Consumerism is the act of protecting consumer rights and boycotting companies based on socially irresponsible behavior is one way to protect consumer rights.

AACSB: Ethics
Blooms Taxonomy: Comprehension
Difficulty: Medium
Ferrell - Chapter 02 #55
Learning Objective: 4

56. Studies have found a direct link between social responsibility and _____ in business.

(p. 46)

- A. Profitability**
- B. Ethics
- C. Declining stock prices
- D. Happiness of stakeholders
- E. Global Warming

Studies have found a direct link between social responsibility and profitability in business as well as employee commitment and consumer loyalty.

AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #56
Learning Objective: 4

57. In addressing social responsibility, managers must consider their firms' relations with
(p. 46)
- A. employees.
 - B. owners.
 - C. customers.
 - D. the community.
 - E.** all of the answers are correct.

Among the many social issues that managers must consider are the firms' relations with owners and stockholders, employees, consumers, the environment and the community.

AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #57
Learning Objective: 5

58. Managers consider social responsibility
(p. 46)
- A. on a weekly basis.
 - B.** on a daily basis.
 - C. at annual planning meetings.
 - D. during budget planning sessions.
 - E. infrequently.

As with ethics, managers must consider social responsibility on a daily basis.

AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #58
Learning Objective: 5

59. All of the following are arguments against social responsibility *except*
(p. 47)
- A. it sidetracks managers from their primary objective.
 - B. it gives businesses more power.
 - C. businesses may not have the necessary expertise.
 - D. the government should bear the responsibility.
 - E.** businesses have the financial resources to help society.

See Table 2.7 for a comprehensive list of arguments for and against social responsibility.

AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #59
Learning Objective: 5

60. All of the following are arguments in favor of social responsibility *except*
(p. 47)
- A. businesses created many of the problems, so they should participate in finding solutions.
 - B.** businesses may lose their focus on profit-making.
 - C. businesses that are socially responsible prevent more government regulation.
 - D. the survival of a healthy economy depends on businesses being socially responsible.
 - E. as members of society, businesses should do their fair share.

See Table 2.7 for a comprehensive list of arguments for and against social responsibility.

AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #60
Learning Objective: 5

61. Businesses must first be responsible to
(p. 46)
A. employees.
B. customers.
C. owners.
D. bankers.
E. managers.

Businesses must first be responsible to their owners, who are primarily concern with a return on their investment in a company.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #61
Learning Objective: 5*

62. A business's responsibilities to its owners and investors include
(p. 46)
A. protecting the owners' rights and investments.
B. maintaining proper accounting procedures.
C. providing all relevant information about current and projected performance of the firm.
D. maximizing their investment in the firm.
E. all of the answers are correct.

A business' responsibilities to its owners and investors, including the financial community at large, include maintaining proper accounting procedures, providing all relevant information to investors about the current and projected performance of the firm, and protecting the owner's rights and investments.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #62
Learning Objective: 5*

63. Many of the laws regulating safety in the workplace are enforced by
(p. 48)
A. the Canadian safety and security association.
B. the RCMP.
C. NAFTA.
D. The Canadian government.
E. None of these answers is correct.

The Canadian government has passed several laws regulating safety in the workplace.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #63
Learning Objective: 5*

64. The activities that independent individuals, groups, and organizations undertake to protect their rights as consumers are known as
- (p. 48)
- A. social responsibility.
 - B.** consumerism.
 - C. ethics.
 - D. welfare.
 - E. morals.

Consumerism is the promotion of consumer rights and protection.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #64
Learning Objective: 5*

65. Writing letters to companies, making public service announcements, lobbying government agencies, and boycotting irresponsible companies are activities involved with which social responsibility issue?
- (p. 48)
- A. Employee relations
 - B. Environmental issues
 - C. Community relations
 - D.** Consumer relations
 - E. Relations with owners

Consumerism is the activities that individuals and organizations take to ensure consumer rights and protection which is a consumer relations issue.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #65
Learning Objective: 5*

66. Which right assures the fair treatment of consumers who voice complaints about a purchased product?
- (p. 48)
- A. The right to choose
 - B. The right to safety
 - C.** The right to be heard
 - D. The right to be informed
 - E. The right to complain

The right to be heard assures consumers that their interests will receive full and sympathetic consideration when the government formulates policy.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Hard
Ferrell - Chapter 02 #66
Learning Objective: 5*

67. The assurance of satisfactory quality and service at a fair price is part of a consumer's right to
(p. 48) **A.** choose.
B. be heard.
C. be informed.
D. safety.
E. freedom of speech.

The right to choose ensures that consumers have access to a variety of services and products at competitive prices.

AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #67
Learning Objective: 5

68. Whose role is it to protect consumers against unfair, deceptive or fraudulent practices?
(p. 48) A. the Ministry of Law
B. the Department of Marketing
C. Canada's Office of Consumer Affairs
D. all of the answers are correct
E. none of these answers is correct

Canada's Office of Consumer Affairs works with both public and private sectors, using information, research and policy to complement and support consumer protection regulation.

AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #68
Learning Objective: 5

69. One of the most important things companies can do to curb global warming is reduce greenhouse gas
(p. 49) emissions. Of the options below, which is NOT a good way to reduce daily carbon and greenhouse gas output?
A. Riding a bike to work
B. Recycling bottles, cans, and paper products
C. Taking measures to streamline operations and reduce waste
D. Keeping the air conditioner running all summer long
E. Buying a more fuel-efficient car

Keeping the air conditioner running twenty-four hours a day, seven days a week for three months would increase daily carbon and greenhouse gas output.

AACSB: Ethics
Blooms Taxonomy: Comprehension
Difficulty: Easy
Ferrell - Chapter 02 #69
Learning Objective: 5

70. Cosmetic and drug testing on animals is a primary concern under which social responsibility issue?
(p. 48-49)
- A. Consumer relations
 - B. Environmental issues**
 - C. Community relations
 - D. Employee relations
 - E. Relations with stockholders

One area of environmental concern is animal rights.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #70
Learning Objective: 5*

71. Which of the following is *not* an area of environmental concern in society today?
(p. 48-50)
- A. Animal rights
 - B. Land pollution
 - C. Waste disposal
 - D. The hard-core unemployed**
 - E. Business practices that harm endangered wildlife

The hard-core unemployed is an area of community relations in society today.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #71
Learning Objective: 5*

72. What is business ethics?
(p. 32)

Answers will vary

Feedback: Business ethics refers to principles and standards that define acceptable behavior in business organizations. Within the context of an organization, ethics relates to an individual's or work group's decisions that society evaluates as right or wrong.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #72
Learning Objective: 1*

73. What are some of the general ethical issues in business?
(p. 38-43)

Answers will vary

Feedback: General ethical issues include conflicts of interest that exist when people must choose whether to advance their own interest or those of others. Fairness and honesty relate to the general values of decision makers. Communication is another area in which ethical concerns may arise. Businesspeople's behavior toward customers, suppliers, and others in their workplaces may also generate ethical concerns.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #73
Learning Objective: 2*

74. How can an organization improve ethical behavior?
(p. 44-45)

Answers will vary

Feedback: Understanding how people choose their ethical standards and what prompts them to engage in unethical behavior may reverse the current trend toward unethical behavior in business. Establishing and enforcing ethical standards and policies within a business can reduce unethical behavior by describing which activities are acceptable and which are not and removing the opportunity to act unethically. Codes of ethics and training programs can help the business create a corporate culture that encourages ethical behavior.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Medium
Ferrell - Chapter 02 #74
Learning Objective: 3*

75. What are the four dimensions of social responsibility?
(p. 45-46)

Answers will vary

Feedback: Economic, legal, ethical, and voluntary concerns represent the four dimensions of social responsibility. Earning profits is the foundation of these dimensions and complying with the law is the next step. A business whose sole objective is to maximize profits is not likely to consider its social responsibility, although its activities will probably be legal. Voluntary responsibilities are additional activities that may not be required, but they promote human welfare or goodwill.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Easy
Ferrell - Chapter 02 #75
Learning Objective: 4*

76. Discuss the environmental issues managers must confront in dealing with social responsibility issues.
(p. 48-51)

Answers will vary

Feedback: Managers today must consider the consequences of their actions on the environment as a part of their social responsibility. One area of concern is the controversial business practice of animal testing for cosmetics and drugs. Business practices that harm endangered wildlife and their habitats are another environmental issue. Businesses must also be concerned with their contributions to air, water, and land pollution as a result of their operations. In response to these concerns, many firms are trying to eliminate wasteful practices, the emission of pollutants, and/or the use of harmful chemicals from their manufacturing processes.

*AACSB: Ethics
Blooms Taxonomy: Knowledge
Difficulty: Hard
Ferrell - Chapter 02 #76
Learning Objective: 5*

02 Summary

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