**Business Ethics PHIN 225**

Text: **Understanding Business Ethics**By: Peter A. Stanwick and Sarah Stanwick

Homework: 1

This homework covers Chapters 1-3 of the text, as noted. There are 33 multiple choice questions total, each worth 3 points. Indicate the answer you think most correct.

**Chapter 1: The Foundation of Ethical Thought**

1. The values an individual uses to interpret whether any action is acceptable and appropriate is called:

a. Ethics

b. Business Ethics

c. Group Ethics

d. Integrity

2. Ethics can be defined as:

a. the ability to determine right from wrong

b. the identification of the value used by an individual to interpret whether any action is acceptable and appropriate

c. the ability to calculate whether the action is legal or illegal

d. the ability to understand how human actions need to be accountable

3. The collective values of a business organization that are used to evaluate the collective behavior of members of an organization is called:

a. Ethics

b. Business Ethics

c. Group Ethics

d. Integrity

4. The presentation of the facts related to specific actions of an individual or organization is called:

a. Analytical Ethics

b. Descriptive Ethics

c. Normative Ethics

d. Narrative Ethics

5. Descriptive Ethics can be defined as:

a. the ability to determine the facts of the ethical issue

b. the ability to verify the facts of an ethical issue

c. the presentation of the facts related to specific actions of an individual

d. the presentation of opposing viewpoints related to an ethical issue

6. The process in order to understand the rationale of the actions made by the decision maker is called:

a. Analytical Ethics

b. Descriptive Ethics

c. Normative Ethics

d. Narrative Ethics

7. Analytical Ethics can be defined as:

a. the ability to use facts in order to analyze the ethical issue

b. the ability to have others analyze the facts of the ethical issue

c. the ability to analyze how to obtain facts pertaining to an ethical issue

d. the ability to understand the rationale of the action made by an individual

8. Teleological frameworks focus on:

a. the communication of ethical beliefs

b. the ability to rationalize unethical behavior

c. the results of the conduct of the individual

d. the ability to focus on the means instead of the ends of unethical conduct

9. Teleological comes from the Greek word “telos” which means:

a. Truth

b. Values

c. Duty

d. Fulfillment

10. Which of the following is not a Teleological framework?

a Utilitarianism

b. Sidgwick’s Dualism

c. Ethical Egoism

d. Kant’s Ethics

11. In Ethical Egoism, “ego” is Latin for:

a. one’s self

b. one’s fulfillment

c. one’s beliefs

d. one’s goals

**Chapter 2: *Contemporary Issue in Business Ethics***

1. “A firm adherence to a code of especially moral or artistic values” is the definition of:

a. ethics

b. scruples

c. integrity

d. creditability

2. Integrity can be defined as:

a. the ability to ensure that the decision maker considers what is best for the firm’s stakeholders

b. the ability to ensure a firm adherence to specific moral values

c. the ability to ensure that everyone who is impacted by a decision is satisfied with the final result

d. the ability to ensure that a person’s individual ethical values are consistent with the firm’s ethical values.

3. Which of the following is not a test that can be used to validate the integrity of a decision maker’s actions?

a. publicity

b. stakeholder

c. universality

d. reciprocity

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4. Which of the following is not a specific behavior of high integrity?

a. humility

b. truthful

c. earnestness

d. fairness

5. Which of the following is not a specific behavior of high integrity?

a. takes responsibility

b. develop others

c. extend self for others

d. consults others before making a decision

6. Which is the correct sequence of steps in the ethical cycle?

a. problem analysis; ethical judgment; options for actions

b. ethical judgment; problem analysis; options for actions

c. problem analysis; options for actions; ethical judgment

d. ethical judgment; problem analysis; options for actions

7. What step comes before ethical judgment in the ethical cycle?

a. moral problem statement

b. options for actions

c. problem analysis

d. reflection

8. What step comes after problem analysis in the ethical cycle?

a. moral problem statement

b. reflection

c. ethical judgment

d. options for actions

9. A “defining moment” refers to:

a. the decision maker defining the different course of action

b. the decision maker defining what is ethical and unethical

c. the decision maker defining what is ethical based on a specific set of circumstances

d. the decision maker choosing between two plausible and acceptable options.

10. Which of the following is not a question asked when developing defining moments?

a. Who am I?

b. Who are we?

c. Who do we serve?

d. Who is the company?

11. Which unintentional unethical behavior occurs when a decision maker supports a decision based on relying on unconscious stereotypes?

a. Implicit Prejudice

b. In-Group Favoritism

c. Irrational Selection

d. Conflicts of Interest

**Chapter 3: *Stakeholders and Corporate Social Responsibility***

1. Fair trade can be defined as:

a. Trade between two countries of similar size

b. Trade between two countries of similar wealth

c. Farmers receiving a fair wage for their work

d. Farmers receiving a fair exchange for their goods

2. From a farmer’s perspective, fair trade equals:

a. fair access to crops

b. fair access to markets

c. fair wages for work

d. fair consideration by the government

3. In 2006, which fast food chain distributed Fair Trade products?

a. McDonalds

b. Burger King

c. Wendy’s

d. Subway

4. A stakeholder can be defined as:

a. an individual who is part of a group whose support is necessary for the firm to survive

b. an individual who has a financial interest in the firm

c. an individual who has a financial or legal claim to money generated by the firm

d. an individual who analyzes the financial performance of the firm.

5. Which of the following is not considered a traditional stakeholder?

a. suppliers

b. employees

c. customers

d. competitors

6. Milton Friedman would rate which traditional stakeholder as the most important to the firm?

a. stockholders

b. the government

c. local community

d. employees

7. What type of manager gives minimum attention to shareholders?

a. immoral

b. unmoral

c. amoral

d. moral

8. What type of manager treats employees based on the legal standards and government requirements?

a. immoral

b. unmoral

c. amoral

d. moral

9. What type of manager treats employees as human resources, not just a means of production?

a. immoral

b. unmoral

c. amoral

d. moral

10. In the Johnson & Johnson credo, who is the company’s final responsibility?

a. stockholders

b. government

c. customers

d. employees

11. Which of the following was not legislation that was passed to help the treatment of employees in the United States?

a. Civil Rights Act

b. Equal Pay Act

c. Age Discrimination Act

d. Equal Training Act