**Business Ethics PHIN 225**

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

Homework: 4

This homework covers Chapters 10 & 11 of the text, as noted. There are 33 multiple choice questions total, each worth 3 points. Indicate the answer you think most correct.

**Chapter 10: Establishing A Code Of Ethics And Ethical Guidelines**

1. Which of the following is not a benefit of having a code of ethics?

a. Employee loyalty increases

b. Supplier loyalty increases

c. Managers get more confident

d. Competitive positions improve

2. What does TRM stand for?

a. Tell Relevant Management

b. Total Responsibility Management

c. Telephone, Report, Manage

d. Total Relationship Management

3. TRM is an extension of:

a. TRS

b. TQS

c. TQM

d. TRC

4. TQM stands for:

a. Total Quality Management

b. Total Quotient Management

c. Total Quality Manufacturing

d. Top Quality Manufacturing

5. Which of the following is not a major stage in the TRM process?

a. Introduction Process

b. Inspiration Process

c. Integration Process

d. Innovation Process

6. Which of the following is not part of the first stage in the TRM process?

a. Stakeholder Engagement Processes

b. Foundation Values

c. Total Management Review

d. Vision Setting and Leadership Commitment

7. What Section of the Sarbanes-Oxley Act requires companies to disclose whether or not they have a code of ethics?

a. 204

b. 404

c. 406

d. 604

8. The identification of the relationship the firm has with its competitive advantage occurs at which stage of the TRM process?

a. Stakeholder Engagement Processes

b. Foundation Values

c. Total Management Review

d. Vision Setting and Leadership Commitment

9. The interaction with the stakeholders to ensure their needs are met occurs at which stage of the TRM process?

a. Stakeholder Engagement Processes

b. Foundation Values

c. Total Management Review

d. Vision Setting and Leadership Commitment

10. The identification of the minimally acceptable ethical standards occurs at which stage of the TRM process?

a. Stakeholder Engagement Processes

b. Foundation Values

c. Total Management Review

d. Vision Setting and Leadership Commitment

11. Which of the following does not occur at the second stage of the TRM process?

a. Strategy

b. Building Human Resource Capacity

c. Building Customer Relationships

d. Integration into Management Systems

12. Which of the following does not occur at the third stage of the TRM process?

a. The Responsibility Measurement System

b. Top Management Execution

c. Transparency and Accountability

d. Innovation, Improvement, and Learning Systems

13. Which of the following is not a set of Global Ethical Principles?

a. Caux Round Table Principles

b. OECD Guidelines

c. Cadbury Principles

d. United Nations Global Impact

14. Which of the following is not one of the CRT Principles?

a. Businesses need to respect the global rules

b. Businesses need to support multilateral trade

c. Businesses need to support changes in government when necessary

d. Businesses must respect the environment

15. Which of the following is not one of the OECD Guidelines for Multinational Enterprises?

a. Organizations must respect human rights

b. Organizations must start businesses in developing countries

c. Organizations must develop and apply effective self-regulatory practices

d. Organizations must not be involved in any discriminatory behavior

16. Which of the following is not one of the United Nations Global Impact Principles?

a. Businesses should allow the freedom of association and recognize collective bargaining of their employees

b. Businesses should support a precautionary approach to global environmental challenges

c. Businesses should ensure employees around the world are paid a living wage

d. Businesses should abolish all child labor

17. Which of the following is not a common mistake that companies make when developing global ethics programs?

a. Not having consensus on objectives for globalization of their commitment

b. Selecting only home country employees to fill any ethics-based positions

c. Failing to acknowledge the many cultural differences related to business ethics

d. Failing to consult with the firm’s foreign based subsidiaries before a new ethics policy is implemented

**Chapter 11: Evaluating Corporate Ethics**

1. What percentage of firms in a survey done by PricewaterhouseCoopers had been a victim of economic crime from 2003 to 2005?

a. 25 percent

b. 30 percent

c. 35 percent

d. 45 percent

2. Which size of firm had the highest percentage of fraud in the PricewaterhouseCoopers survey from 2003 to 2005?

a. 1 to 200 employees

b. 201 to 1,000 employees

c. 1,001 to 5,000 employees

d. more than 5,000 employees

3. What was the fraud percent for companies that had up to 200 employees in the PricewaterhouseCoopers survey from 2003 to 2005?

a. 36 percent

b. 42 percent

c. 48 percent

d. 62 percent

4. What was the fraud percent for companies that had over 5000 employees in the PricewaterhouseCoopers survey from 2003 to 2005?

a. 36 percent

b. 42 percent

c. 48 percent

d. 62 percent

5. What was the average financial cost of firms in the PricewaterhouseCoopers survey from 2003 to 2005?

a. $520,000

b. $895,000

c. $1.26 million

d. $1.7 million

6. Which region had the highest percentage of companies that reported fraud in the PricewaterhouseCoopers survey in 2003?

a. Central & Eastern Europe

b. South & Central America

c. Asia-Pacific

d. Africa

7. What type of ethics training program would focus on ensuring that the employees follow the rules, and explain what type of punishment would be implemented for employee misconduct?

a. Control-oriented

b. Compliance-oriented

c. Values-oriented

d. Monitor-oriented

8. What type of ethics training program would focus on the ethical aspirations of the employees as well as foster a forum to develop shared ethical values?

a. Control-oriented

b. Compliance-oriented

c. Values-oriented

d. Monitor-oriented

9. Based on the work of LeClair and Ferrell, which of the following is not one of the goals of an ethics training program?

a. ensure the firm’s ethics values are integrated with the firm’s strategy

b. enhance the employees’ knowledge of ethical issues

c. develop skills to support a strong ethical climate

d. ensures proper ethical decision making by the employees.

10. In a recent study by the International Association of Business Communicators, which percentage of the respondents stated they had not received any formal ethics training?

a. 25 percent

b. 35 percent

c. 45 percent

d. 65 percent

11. Which Congressional Act first encouraged firms to have a corporate ethics officer?

a. The Corporate Ethics Act

b. The Federal Sentencing Guidelines for Organizations Act

c. The Sarbanes-Oxley Act

d. The Federal Corporate Compliance Act

12. The regular comprehensive evaluation of the compliance of the firm’s ethical policies and procedures is called:

a. ethics review

b, ethical quality management

c. ethical auditing

d. ethical evaluation

13. What type of communication focuses on the actual words spoken and also nonverbal cues such as body language?

a. High-Context

b. Low-Context

c. High-Literal

d. Low-Literal

14. What type of culture is based on the view that the individuals do not want any ambiguity in their jobs?

a. High uncertainty avoidance

b. Low uncertainty avoidance

c. Low risk taking

d. Low ambiguity taking

15. What type of culture embraces risk and ambiguity?

a. High uncertainty avoidance

b. Low uncertainty avoidance

c. High risk taking

d. High ambiguity taking

16. What type of culture focus on material goods, status, and accomplishment?

a. free market

b. capitalist

c. masculine

d. feminine