1. What is meant by the phrase CSR?
   a) Corporate Social Responsibility
   b) Company Social Responsibility
   c) Corporate Society Recapturing
   d) Company Society Resourcing

2. What is meant by the phrase 'teleological ethics'?
   a) Is used to judge if an action is right, fair and honest.
   b) An action can only be judged by its consequences.
   c) Developing the individual personal characteristics.
   d) The key purpose of ethics is to increase freedom.

3. For Karl Marx, where do our values come from?
   a) They are a product of our upbringing and our parents.
   b) They are a product of what we are taught at school.
   c) They are a product of social inequality.
   d) They are a product of the economic system within which we live.

4. What does Milton Friedman believe to be the sole responsibility of business?
   a) The only social responsibility of business is to its shareholders.
   b) Managers should act in ways that balance the interest of society and shareholders.
   c) The primary responsibility organizations have is to its employees.
   d) The primary responsibility organizations have is to its stakeholders.

5. Why, according to stakeholder theory, is it in companies' best interests to pay attention to their stakeholders?
   a) If firms only act in their own self-interest employees may feel exploited.
   b) If firms only act in their own self-interest and inflict harm on stakeholders then society might withdraw its support.
   c) If firms only act in their own self-interest customers might not like the image that the company portray.
   d) If firms only act in their own self-interest government might put more regulation on them.

6. What is the enlightened self-interest model of CSR?
   a) That it is in an organization's own best interest to put itself first rather than its ethics.
   b) That it is in an organization's best interest to consider what a shareholder would want.
   c) That it is in an organization's own best interest to follow the legislation.
   d) That it is in an organization's own best interest to act in an ethical way. Abide by the law.

7. What is green washing?
   a) Transforming products to be more ethical.
   b) Converting the company to green production methods.
   c) Making a product appear more ethical than it really is.
   d) Convincing customers to buy ethically.
8. What is triple bottom line?
   a) An accounting tool that looks at the impact on people, planet and profits.
   b) A management strategy which states all the attention should be on profits.
   c) An accounting tool that looks at cost, profit and loss.
   d) A management strategy which focuses on corporate social responsibility.

9. What does an Ethical Foundation for an organization embody?
   a) The structure, operational and conduct of the activities of the organization
   b) The basic principles which govern the external and internal relations of the organization
   c) Neither of the above
   d) All of these

10. What does the importance of ethical behaviour, integrity and trust call into question?
   a) The extent to which managers should attempt to change the underlying beliefs and values of individual followers
   b) Who does what
   c) What we do next
   d) None of the above

11. A ________ _________ sets out the purpose and general direction for the organization?
    a) Mission statement
    b) Purpose statement
    c) Vision
    d) Profit statement

12. Which of the following would most effectively act as the primary objective of a business organization?
    a) To make a profit
    b) To procure resources
    c) To communicate with shareholders
    d) To mediate between the organization and the environment

13. Which of the following does the term Corporate Social Responsibility relate to?
    a) Ethical conduct
    b) Environmental practice
    c) Community investment
    d) All of the above

14. Who are organizational stakeholders?
    a) Government
    b) Employees
    c) Customers
    d) All of the above

15. What is Ethics to do with?
    a) The wider community
    b) Business
    c) Right and wrong
    d) Nothing

16. Which of the following is an example of an area where business ethics apply?
    a) Conduct of international operations
    b) Nowhere
    c) In the personal life of staff
    d) None of the above

17. The four types of social responsibility include:
    a) legal, philanthropic, economic, and ethical
    b) ethical, moral, social, and economic
    c) philanthropic, justice, economic, and ethical
    d) legal, moral, ethical, and economic

18. The ________ dimension of social responsibility refers to a business's societal contribution of time, money, and other resources.
a) Ethical
b) Philanthropic
c) Volunteerism
d) Strategic

19. A stakeholder orientation includes all of the following activities except:
   a) generating data about stakeholder groups
   b) assessing the firm's effects on stakeholder groups
   c) distributing stakeholder information throughout the firm
   d) minimizing the influence of stakeholder information on the firm

20. Stakeholders are considered more important to an organization when:
   a) they can make use of their power on the organization
   b) they do not emphasize the urgency of their issues
   c) their issues are not legitimate
   d) they can express themselves articulately

21. Which moral philosophy seeks the greatest good for the greatest number of people?
   a) Consequentialism
   b) Utilitarianism
   c) Egoism
   d) Ethical formalism

22. What type of justice exists if employees are being open, honest, and truthful in their communications at work?
   a) Procedural
   b) Distributive
   c) Ethical
   d) Interactional

23. A high-commitment approach to environmental issues may include all of the following except:
   a) risk analysis
   b) stakeholder analysis
   c) green-washing
   d) strategic sustainability auditing

24. Better access to certain markets, differentiation of products, and the sale of pollution-control technology are ways in which better environmental performance can:
   a) increase revenue
   b) increase costs
   c) decrease revenue
   d) decrease costs

25. To be successful, business ethics training programs need to:
   a) focus on personal opinions of employees.
   b) be limited to upper executives.
   c) educate employees on formal ethical frameworks and models of ethical decision making.
   d) promote the use of emotions in making tough ethical decisions.

26. Most companies begin the process of establishing organizational ethics programs by developing:
   a) ethics training programs.
   b) codes of conduct.
   c) ethics enforcement mechanisms.
   d) hidden agendas.

27. For referent power to be effective, what must exist between individuals in the relationship?
   a) Antipathy
   b) Rivalry
   c) History
   d) Empathy

28. When a firm charges different prices to different groups of customers, it may be accused of:
   a) cultural relativism
b) money laundering
c) facilitating payments
d) price discrimination

29. Successful global initiatives addressing standards for business must begin and end with:
   a) the role of corporate governance and shareholder power in corporate decision making.
   b) social activism
   c) the implementation of standardized ethics programs.
   d) the consolidation of economic and environmental efforts.

30. The social economy partnership philosophy emphasizes:
   a) cooperation and assistance.
   b) profit maximization.
   c) competition.
   d) restricting resources and support.

31. Which of the following is not a driver of responsible competitiveness?
   a) Policy drivers
   b) Development drivers
   c) Business action
   d) Social enablers

32. Which of the following is a problem presented by ethics audits?
   a) They may be used to reallocate resources.
   b) They identify practices that need improvement.
   c) Selecting auditors may be difficult.
   d) They may pinpoint problems with stakeholder relationships.

33. Codes of conduct and codes of ethics
   a) are formal statements that describe what an organization expects of its employees.
   b) become necessary only after a company has been in legal trouble.
   c) are designed for top executives and managers, not regular employees.
   d) rarely become an effective component of the ethics and compliance program.

34. Which of the following is NOT one of the primary elements of a strong organizational compliance program?
   a) A written code of conduct
   b) An ethics officer
   c) Significant financial expenditures
   d) A formal ethics training program

35. ___________ are standards of behaviour that groups expect of their members.
   a) Codes of conduct.
   b) Group values.
   c) Group norms.
   d) Organizational norms.

36. In a ___________ organization, decision making is delegated as far down the chain of command as possible.
   a) Decentralized
   b) Creative
   c) Flexible
   d) Centralized

37. The hand-of-government refers to the
   a) ability of the government to interfere in business negotiations
   b) role of corporations to be profitable within the law
   c) effect of national politics on business decisions
   d) impact of changing government regulations

38. An organization’s obligation to act to protect and improve society's welfare as well as its own interests is referred to as
   a) organizational social responsibility
   b) organizational social responsiveness
c) corporate obligation
d) business ethics

39. The view that business exists at society’s pleasure and businesses should meet public expectations of social responsibility is the
a) iron law of responsibility argument
b) enlightened self-interest argument
c) capacity argument
d) anti-freeloader argument

40. Managerial ethics can be characterized by all of the following levels except
a) immoral management
b) amoral management
c) demoral management
d) moral management

41. External audit of the accounts of a limited company is required
a) because it is demanded by the company’s bankers
b) by the Companies Act 2006
c) at the discretion of the shareholders
d) to detect fraud

42. Directors’ responsibilities are unlikely to include.
  a) a fiduciary duty
  b) a duty to keep proper accounting records
  c) a duty to propose high dividends for shareholders
  d) a duty of care

43. A company may become insolvent if it
  a) has negative working capital
  b) cannot meet its budgeted level of profit
  c) makes a loss
  d) cannot pay creditors in full after realization of its assets

44. A director of a limited company may not be liable for wrongful trading if he or she
  a) took every step to minimize the potential loss to creditors
  b) increased the valuation of its inventories to cover any potential shortfall
  c) introduced into the balance sheet an asset based on a valuation of its brandssufficient to meet any shortfall
  d) brought in some expected sales from next year into the current year

45. Fraudulent trading may be
  a) a civil offence committed by any employee
  b) a criminal offence committed only by directors of a limited company
  c) a civil and a criminal offence committed only by directors of a limited company
  d) a civil and a criminal offence committed by any employee

46. Disqualification of directors may result from breaches under the
   a) Sale of Goods Act 1979
   b) Financial Services Act 1986
   c) Companies Act 2006 and Insolvency Act 1986
   d) Health and Safety at Work Act 1974

47. Directors may not be disqualified for
   a) continuing to trade when the company is insolvent
   b) persistent breaches of company legislation
   c) paying inadequate attention to the company finances
   d) being convicted of drunken driving

48. Which of the following actions will not help directors to protect themselves from non-compliance with their obligations and responsibilities?
   a) keeping themselves fully informed about company affairs
b) ensuring that regular management accounts are prepared by the company
c) seeking professional help
d) including a disclaimer clause in their service contracts

49. According to Cadbury (2002), corporate governance is an issue of power and:
   a) Rights
   b) Accountability
   c) Profit
   d) Appropriability

50. The OECD argues that corporate governance problems arise because:
   a) Ownership and control is separated
   b) Managers always act in their own self interest
   c) Profit maximization is the main objective of organizations
   d) Stakeholders have differing levels of power.