Package Title: Clickers

Course Title: Boone, Kurtz, Khan, Canzer, Contemporary Business, Third Canadian Edition

Chapter Number: 02

Question type: Multiple Choice

1) Business ethics are shaped by:

a) the company’s Code of Ethics.

b) the ethical climate in the organization.

c) the company’s upper management.

d) all of these.

Answer: d

2) Kate witnessed a senior manager ordering a subordinate to put in place a contract with his brother’s company even though the price was higher than four bids of the same quality from other companies. When she got home she sent an email to the Chairman of the Board disclosing what she saw. In this scenario, Kate would be best described as:

a) Being in a conflict of interest

b) A loyal employee

c) A whistleblower

d) An untrustworthy employee

Answer: c

3) Lucent Technologies requires employees to participate in a Web-based compliance and business ethics training program. This type of program primarily serves which level of ethics development?

a) ethical awareness

b) ethical education

c) ethical action

d) ethical leadership

Answer: b

4) In which stage of ethical decision making do individuals primarily consider their own needs and desires in making decisions?

a) at all three stages

b) the preconventional stage

c) the conventional stage

d) the postconventional stage

Answer: b

5) When Benjamin’s Coffee Company purchases coffee beans from a developing country and pays more for them than necessary in an effort to promote better trading conditions in developing countries, the company is engaging in:

a) Free trade

b) Fair trade

c) Local trade

d) Corporate philanthropy

Answer: b

6) Management’s acceptance of its obligation, when evaluating company performance, to consider profit to be of equal value as indicators such as employee satisfaction, consumer satisfaction, and societal well-being is referred to as:

a) Social responsiveness

b) Social persuasiveness

c) Social responsibility

d) Social audits

Answer: c

7) A strategy that promotes environmentally safe products and production methods is called:

a) green marketing.

b) cause-related marketing.

c) the Safe Environment Project.

d) a public health issue.

Answer: a

8) In September 1982, seven people died in the Chicago area after swallowing Tylenol capsules that had been tainted with cyanide, replaced in their packaging and put on store shelves for sale. Johnson & Johnson maintained that the tampering could not have been foreseen, and was therefore not their fault, but still recalled all Tylenol capsules and canceled advertising at a pre-tax loss estimated at $100 million. It also developed a capsule-shaped tablet that would be more difficult to tamper with. In doing this, Johnson & Johnson…

a) admitted product liability.

b) handled the situation in a socially responsible way.

c) raised awareness of the dangers of using Tylenol.

d) avoided accepting responsibility and therefore acted unethically.

Answer: b

9) According to the Competition Bureau of Canada’s Guidelines for Environmental Claims in Green Marketing, a product or package that is reusable for its original purpose is correctly described as:

a) Refillable

b) Recyclable

c) Compostable

d) Degradable

Answer: a

10) The Exodus Company is a producer of plastic water bottles for athletes. Exodus contributed to the Olympics and then created an advertising campaign that featured the company’s sponsorship of the Olympics. The Exodus Company is undertaking:

a) Corporate philanthropy

b) Corporate social responsibility activities

c) Green marketing

d) Cause-related marketing

Answer: d