

Business & Corporate Ethics-BUS350

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1. Define 'Stockholder'.
 - (A) Anyone who is effected by the company's decisions
 - (B) All employees of the company
 - (C) Anyone who owns shares of the company
 - (D) Company executives

2. What is the purpose of the Sarbanes-Oxley Act?.
 - (A) Require publicly-traded companies to provide full disclosure of financial information
 - (B) Increase the transparency of publicly-traded companies
 - (C) Decrease the likelihood of another 'Enron Scandal'
 - (D) All of the above

3. Define 'Corporate Governance'.
 - (A) Government involvement within a corporation
 - (B) Rules and regulations set in place for publicly-traded companies
 - (C) The current economic situation of a particular market/company
 - (D) The way a company is managed; rules and traditions

4. Ethical Egoism suggests people should act in their own self-interest.
 - (T) True
 - (F) False

5. Campaign contributions and lobbying are ways businesses try to persuade government regulations.
 - (T) True
 - (F) False

6. Bernie Madoff and Martha Stewart were both investigated for fraud and/or insider trading by the;
 - (A) Corporate Social Responsibility Commission-CSRC
 - (B) Sarbanes-Oxley Commission-SOC
 - (C) Securities and Exchange Commission-SEC
 - (D) Corporate Governance Commission-CGC

7. Which of the following is **NOT** an example of CSR?
 - (A) Decreasing a company's carbon footprint
 - (B) Donations to local charities
 - (C) Following ethical labor practices
 - (D) Manufacturing a product with high efficiency

8. According to Archie Carroll's Pyramid, which aspect of CSR is the most basic?
 - (A) Ethical Responsibility
 - (B) Legal Responsibility
 - (C) Economic Responsibility
 - (D) Discretionary Responsibility

9. The Triple Bottom Line includes Planet, People, and Profit.
 - (T) True
 - (F) False

10. According to the Sarbanes-Oxley Act, which individuals must verify that all accounting and financial information is accurate?
 - (A) CEO and CFO
 - (B) CFO and COO
 - (C) CFO and corporate accountants
 - (D) None of the Above

11. The 'revolving door' refers to the constant change in CEOs and corporate executives.
 - (T) True
 - (F) False



12. Explain the concept of 'Corporate Citizenship'.
- (A) The idea that a corporation is legally recognized as an individual and has certain rights
 - (B) A corporation's responsibilities to consumers and society
 - (C) A synonym for CSR
 - (D) Both B and C
13. What is 'Greenwashing'?
- (A) Creating a company with a heavy focus on environmental CSR
 - (B) Creating the illusion of environmentally-friendly practices
 - (C) Core environmental values embedded within a company
 - (D) When a company pledges to increase sustainability
14. Which individual believed the core responsibility of a company is to increase shareholder wealth?
- (A) Walter Friedman
 - (B) John Mackey
 - (C) Henry Ford
 - (D) Bill Gates
15. Explain the concept of 'Corporate Personhood'.
- (A) The idea that a corporation is legally recognized as an individual and has certain rights
 - (B) The idea that corporations can sue and be sued
 - (C) A corporation's responsibilities to consumers and society
 - (D) Both A and B
16. Which of the following is an example of Greenwashing?
- (A) Launching a company with a core value of treating animals humanely
 - (B) A company's attempt to distract from accusations of animal cruelty by decreasing carbon footprint
 - (C) A "no-kill" Animal Shelter
 - (D) A company with no interest in animal cruelty prevention
17. What year was Archie Carroll's Pyramid developed?
- (A) 1971
 - (B) 1983
 - (C) 1996
 - (D) 2001
18. What is Discretionary Responsibility?
- (A) One's responsibility to use his/her own best judgment
 - (B) An attempt to better the society as a whole
 - (C) The most basic aspect of CSR
 - (D) Irrelevant to CSR
19. Greenwashing is considered an admirable and ethical practice.
- (T) True
 - (F) False
20. Good Corporate Social Responsibility is a legally required.
- (T) True
 - (F) False

21. Why is Corporate Social Responsibility Important to a company's image?