Test Bank for Essentials of Entrepreneurship and Small Business Management 9th Scarborough

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***Essentials of Entrepreneurship and Small Business Management, 9e* (Scarborough)**
Chapter 2 Ethics and Social Responsibility: Doing the Right Thing

1) Ethical behavior is doing what is _____.
A) "right"
B) "profitable"
C) "credible"
D) All of the above
Answer: A
Diff: 1
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

2) The various groups and individuals who affect and are affected by a business are called _____.
A) stockholders
B) stakeholders
C) owners
D) managers
Answer: B
Diff: 1
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

3) Which of the following is ***not*** a stakeholder for an organization?
A) Creditors
B) Employees
C) Suppliers
D) All of the above are stakeholders.
Answer: D
Diff: 1
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Analytical Thinking

4) _____ is a branch of philosophy that studies and creates theories about the basic nature of right and wrong, duty, obligation, and virtue.
A) Semantics
B) Ethics
C) Religion
D) History
Answer: B
Diff: 2
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

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5) _____ responsibility is how an organization responds to the needs of the many elements in society.
A) Moral
B) Investor
C) Social
D) Ethical
Answer: C
Diff: 2
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

6) _____ consists of the fundamental moral values and behavioral standards that form the foundation for the people of an organization as they make decisions and interact with stakeholders.
A) Business ethics
B) Social obligation
C) Mission
D) Vision
Answer: A
Diff: 2
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

7) There are _____ levels of ethical standards.
A) 1
B) 2
C) 3
D) 4
Answer: C
Diff: 2
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

8) _____ is/are the narrowest level of ethical standards.
A) The law
B) Organizational policies and procedures
C) Social responsibility
D) The moral stance
Answer: A
Diff: 2
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

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9) The three parts of the triple bottom line are _____.
A) processes, profits, and people
B) profit, people, and planet
C) processes, profit, and predominance
D) profit, processes, and planet
Answer: B
Diff: 2
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

10) According to the KPMG's Integrity Survey, _____ percent of workers say that they observed ethical lapses in their companies within the last year.
A) 28
B) 57
C) 73
D) 81
Answer: C
Diff: 2
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

11) _____ sets behavioral boundaries for decision makers.
A) The strategic plan
B) Strategy
C) Ethics
D) The financial plan
Answer: C
Diff: 2
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Analytical Thinking

12) _____ sets behavioral boundaries for decision makers.
A) The strategic plan
B) Strategy
C) Social responsibility
D) The financial plan
Answer: C
Diff: 2
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Analytical Thinking

13) Ethical behavior is doing what is "right."
Answer: TRUE
Diff: 1
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
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14) Ethical behavior starts with society.
Answer: FALSE
Diff: 2
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

15) Acting with integrity means that entrepreneurs do what is right no matter what the circumstances.
Answer: TRUE
Diff: 1
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

16) Management is an example of a stakeholder.
Answer: TRUE
Diff: 2
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Analytical Thinking

17) Ethics and social responsibility simply set behavioral boundaries for decision makers.
Answer: TRUE
Diff: 1
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

18) Social responsibility is a branch of philosophy that studies and creates theories about the basic nature of right and wrong, duty, obligation, and virtue.
Answer: FALSE
Diff: 3
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

19) Business ethics is a sensitive and highly complex issue, but it is not a new one.
Answer: TRUE
Diff: 2
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

20) The law is the narrowest level of ethical standards.
Answer: TRUE
Diff: 2
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
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21) Actions that are legal, however, may not be ethical.
Answer: TRUE
Diff: 1
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

22) Organizational policies and procedures include a broader definition of ethical standards that go beyond what is defined by the law.
Answer: TRUE
Diff: 2
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

23) Employees' moral stance is the broadest and most fundamental definition of ethical standards.
Answer: TRUE
Diff: 2
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

24) A strong determinant of moral behavior is training.
Answer: TRUE
Diff: 2
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

25) A company's culture can serve either to support or undermine its employees' concepts of what constitutes ethical behavior.
Answer: TRUE
Diff: 1
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

26) Companies really are not ethical or unethical, individuals are.
Answer: TRUE
Diff: 1
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

27) Immoral managers purposely violate law and ethical standards.
Answer: FALSE
Diff: 3
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

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28) Immoral management is the polar opposite of ethical management.
Answer: TRUE
Diff: 1
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

29) Amoral managers see the law as a minimum standard for ethical behavior.
Answer: FALSE
Diff: 2
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

30) Ethical behavior has no impact on a company's bottom line.
Answer: FALSE
Diff: 2
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

31) Entrepreneurs build the foundation for ethical decision making by understanding how their personal values come to life in business situations.
Answer: TRUE
Diff: 1
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

32) The triple bottom line covers "profits, products, and planet."
Answer: FALSE
Diff: 3
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

33) Every business influences and is influenced by a multitude of stakeholders.
Answer: TRUE
Diff: 2
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

34) In general, stakeholders have consistent demands.
Answer: FALSE
Diff: 2
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Written and Oral Communication

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35) Who are an organization's stakeholders and why are they important?
Answer: An organization's stakeholders are the various groups and individuals who affect and are affected by a business. Examples include employees, suppliers, customers, and investors. Stakeholders' interest often conflict which is why they are important to an organization. These conflicts force entrepreneurs to identify their stakeholders and to consider the ways in which entrepreneurs will deal with them.

When making decisions, entrepreneurs often must balance the needs and demands of a company's stakeholders. They should do this, knowing that whatever the final decision is, not all groups will be satisfied.
Diff: 3
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

36) What is ethics and how is it different from social responsibility?
Answer: Ethics is a branch of philosophy that studies and creates theories about the basic nature of right and wrong, duty, obligation, and virtue. Ethical behavior is doing what is "right" as opposed to what is "wrong." On the other hand, social responsibility involves how an organization responds to the needs of the many elements in society, including shareholders, lenders, employees, consumers, governmental agencies, and the environment. While both ethics and social responsibility set behavioral boundaries for decision makers, social responsibility refers to an organization's obligations to behave in ways that benefit all of society, in return to being allowed to operate.
Diff: 2
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

37) Describe briefly the three levels of ethical standards.
Answer: The three levels of ethical standards are:
· The law: Laws define for society as a whole actions that are permissible and those that are not. The law is the narrowest level of ethical standards.
· Organizational policies and procedures: These serve as specific guidelines for people as they make daily decisions. Policies and procedures include a broader definition of ethical standards that go beyond what is defined by law.
· The moral stance: This is what employees take when they encounter a situation that is not governed by levels 1 and 2. It is the broadest and most fundamental definition of ethical standards.
Diff: 2
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

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38) What is the difference between immoral and amoral management?
Answer: The driving force behind immoral management is greed. Immoral managers are motivated by selfish reasons such as their own gains or those of the company. Immoral managers do what they can to circumvent law or moral standards.
In contrast, amoral managers do not purposely violate law or ethical standards. Instead, amoral managers neglect to consider the impact their decisions have on others; they use free-rein decision making without reference to ethical standards.
Diff: 3
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

39) What are the steps in establishing an ethical framework?
Answer: The five steps in establishing an ethical framework are:
· Identify the personal moral and ethical principles that shape all business decisions.
· Recognize the ethical dimensions involved in the dilemma or decision.
· Identify the key stakeholders involved and determine how the decision will affect them.
· Generate alternative choices and distinguish between ethical and unethical responses.
· Choose the "best" ethical response and implement it.
Diff: 2
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Written and Oral Communication

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Mini-Case 2-1: Doing "good" but not doing the "right" thing

Ed and Marci Buchanan are spouses and partners in a business called "Flags Unlimited." They made and sold a variety of national flags in various shapes. About 40 percent of their total revenues came from a single chain retailer, MegaMart USA that owned 798 stores throughout the United States. When Ed and Daisy started their company, their son's classmate's father was a senior buyer at MegaMart USA. The buyer, Arturo Higuain, encouraged Ed and Daisy to submit a bid to MegaMart USA and he helped the couple establish the relationship that led to subsequent recurring sales at the retailer. Higuain's wife, Lupe, was the head of the school's PTA and in charge for fund raising. Without Arturo's asking, the Buchanans started contributing significant sums of money to the PTA. Arturo never discouraged them from contributing. In a cost cutting move, Arturo was laid off from MegaMart USA and in his place, Cindy Carmichael became the buyer who interacted with the Buchanans. Cindy hinted to the Buchanans that there were other vendors willing to supply flags at a lower price than the Buchanans but that if they would contribute to the rebuilding of her (Cindy's) community's softball park, they would continue to sell their product at MegaMart USA.

40) Did the Buchanans act ethically in contributing to the school's PTA?
Answer: As this mini case indicates, there are many instances where it is hard to say clearly whether a particular situation involved an ethical violation. On the one hand, the Buchanans contributed to the PTA that was headed by the wife of MegaMart's buyer. But Arturo did not seek it and make it a quid pro quo situation – "If you do this, I will do this in return." One could argue that by not discouraging it, Arturo made it clear implicitly that this has helped the Buchanans do business with MegaMart USA. The key question is, does this pass the tests of ethical behavior (i.e., the golden rule test, or the television test, or the family test)?
Diff: 2
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

41) If the Buchanans agree to pay for the community park in exchange for business from Cindy, would they have acted ethically?
Answer: Cindy has hinted that she expected reciprocity. In exchange for donation to build the park, she was willing to continue to do business with Ed and Daisy even when there were cheaper alternatives for MegaMart USA. This appears to be a clearer case of ethical violation (from both sides) than the PTA donation because here there is a connection.
Diff: 2
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

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42) Contributing to a PTA and donating to build a community park are civic actions. Could they not be considered good actions because they indicate social responsibility?
Answer: Because business is allowed to operate in society, it has an obligation to behave in ways that benefit all of society. Clearly, a business contributing to the PTA or to build a community softball park is an example of meeting social responsibility needs. What the Buchanans are doing is creditable ***if*** their actions are not connected to their business relationship with MegaMart USA. While their actions may be socially responsible, what Ed and Daisy Buchanan are doing may not be ethical.
Diff: 3
Learning Obj: 2-1 Define business ethics and describe the three levels of ethical standards.
AACSB: Ethical Understanding and Reasoning

43) In terms of a business's responsibility to the community, the goal of a business should be to become _____.
A) a neighbor of choice
B) highly profitable
C) the investment of choice to stockholders
D) the most popular to employees
Answer: A
Diff: 2
Learning Obj: 2-10 Describe business's responsibility to the community.
AACSB: Analytical Thinking

44) In a recent survey, 84 percent of consumers said they seek out products from socially responsible companies whenever possible.
Answer: TRUE
Diff: 1
Learning Obj: 2-10 Describe business's responsibility to the community.
AACSB: Analytical Thinking

45) _____ may be the result of failing to realize that an ethical dilemma exists, or it may arise from a variety of mental defense mechanisms.
A) Dishonesty
B) Criminal behavior
C) Irresponsibility
D) Moral blindness
Answer: D
Diff: 2
Learning Obj: 2-2 Determine who is responsible for ethical behavior and why ethical lapses occur.
AACSB: Ethical Understanding and Reasoning

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46) The _____ merely establishes the minimum standard of behavior.
A) mission
B) law
C) strategic plan
D) financial plan
Answer: B
Diff: 2
Learning Obj: 2-2 Determine who is responsible for ethical behavior and why ethical lapses occur.
AACSB: Ethical Understanding and Reasoning

47) The _____ is the narrowest level of ethical standards.
A) mission
B) law
C) strategic plan
D) financial plan
Answer: B
Diff: 2
Learning Obj: 2-2 Determine who is responsible for ethical behavior and why ethical lapses occur.
AACSB: Ethical Understanding and Reasoning

48) Actions that are legal, however, may not be _____.
A) ethical
B) complex
C) profitable
D) doable
Answer: A
Diff: 2
Learning Obj: 2-2 Determine who is responsible for ethical behavior and why ethical lapses occur.
AACSB: Reflective Thinking

49) A strong determinant of moral behavior is _____.
A) profitability
B) financial success
C) training
D) short-term success
Answer: C
Diff: 3
Learning Obj: 2-2 Determine who is responsible for ethical behavior and why ethical lapses occur.
AACSB: Ethical Understanding and Reasoning

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50) Companies really are not ethical or unethical; _____ are.
A) goals
B) strategies
C) individuals
D) departments
Answer: C
Diff: 1
Learning Obj: 2-2 Determine who is responsible for ethical behavior and why ethical lapses occur.
AACSB: Reflective Thinking

51) The driving force behind immoral management is _____.
A) the law
B) culture
C) greed
D) education
Answer: C
Diff: 2
Learning Obj: 2-2 Determine who is responsible for ethical behavior and why ethical lapses occur.
AACSB: Reflective Thinking

52) Ethical decisions are individual decisions.
Answer: TRUE
Diff: 1
Learning Obj: 2-2 Determine who is responsible for ethical behavior and why ethical lapses occur.
AACSB: Ethical Understanding and Reasoning

53) Studies show that companies with strong ethical cultures experience fewer ethical violations than those with weak ethical cultures.
Answer: TRUE
Diff: 2
Learning Obj: 2-2 Determine who is responsible for ethical behavior and why ethical lapses occur.
AACSB: Ethical Understanding and Reasoning

54) Practices that are illegal in one country may be perfectly acceptable, even expected, in another.
Answer: TRUE
Diff: 2
Learning Obj: 2-2 Determine who is responsible for ethical behavior and why ethical lapses occur.
AACSB: Ethical Understanding and Reasoning

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55) According to the _____, one should "choose the option that offers the greatest good for the greatest number of people."
A) television test
B) utilitarian principle
C) family test
D) golden rule
Answer: B
Diff: 2
Learning Obj: 2-3 Explain how to establish and maintain high ethical standards.
AACSB: Ethical Understanding and Reasoning

56) According to the _____, one should "treat other people the way you would like them to treat you."
A) television test
B) utilitarian principle
C) family test
D) golden rule
Answer: D
Diff: 2
Learning Obj: 2-3 Explain how to establish and maintain high ethical standards.
AACSB: Ethical Understanding and Reasoning

57) A company _____ is a statement that defines the values underlying the entire company and its ethical responsibilities to its stakeholders.
A) credo
B) annual report
C) vision
D) strategic plan
Answer: A
Diff: 2
Learning Obj: 2-3 Explain how to establish and maintain high ethical standards.
AACSB: Ethical Understanding and Reasoning

58) A _____ is a written statement of the standards of behavior and ethical principles a company expects from its employees.
A) company credo
B) company annual report
C) company vision
D) code of ethics
Answer: D
Diff: 2
Learning Obj: 2-3 Explain how to establish and maintain high ethical standards.
AACSB: Ethical Understanding and Reasoning

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59) According to the utilitarian principle, one should choose the option that offers the greatest good for the greatest number of people.
Answer: TRUE
Diff: 1
Learning Obj: 2-3 Explain how to establish and maintain high ethical standards.
AACSB: Ethical Understanding and Reasoning

60) Kant's categorical imperative states that one should act in such a way that the action taken under the circumstances could be a universal law or rule of behavior.
Answer: TRUE
Diff: 1
Learning Obj: 2-3 Explain how to establish and maintain high ethical standards.
AACSB: Ethical Understanding and Reasoning

61) The television test says you should treat other people the way you would like them to treat you.
Answer: FALSE
Diff: 2
Learning Obj: 2-3 Explain how to establish and maintain high ethical standards.
AACSB: Ethical Understanding and Reasoning

62) A company credo offers general guidance in ethical issues.
Answer: TRUE
Diff: 2
Learning Obj: 2-3 Explain how to establish and maintain high ethical standards.
AACSB: Ethical Understanding and Reasoning

63) Workers believe the actions of those in charge more than their words.
Answer: TRUE
Diff: 2
Learning Obj: 2-3 Explain how to establish and maintain high ethical standards.
AACSB: Ethical Understanding and Reasoning

64) A company's strategic plan defines the values underlying the entire company and its ethical responsibilities to its stakeholders.
Answer: FALSE
Diff: 1
Learning Obj: 2-3 Explain how to establish and maintain high ethical standards.
AACSB: Ethical Understanding and Reasoning

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65) What are the ethical tests for judging behavior?
Answer: There are six ethical tests for judging behavior:
· According to the utilitarian principle, one should choose the option that offers the greatest good for the greatest number of people.
· Kant's categorical imperative states that one should act in such a way that the action taken under the circumstances could be a universal law or rule of behavior.
· According to the professional ethic test, one should take only those actions that a disinterested panel of professional colleagues would view as proper.
· The golden rule test says treat other people as you would like them to treat you.
· The television test asks the question: Would you and your colleagues feel comfortable explaining your actions to a national television audience?
· The family test asks the question: Would you be comfortable explaining to your children, your spouse, and your parents why you took this action?
Diff: 2
Learning Obj: 2-3 Explain how to establish and maintain high ethical standards.
AACSB: Ethical Understanding and Reasoning

66) _____ entrepreneurs are finding the resources to tackle challenging problems such as habitat destruction, AIDS, hunger, and poverty.
A) Serial
B) Social
C) Most
D) All of the above
Answer: B
Diff: 1
Learning Obj: 2-4 Explain the difference between social entrepreneurs and traditional entrepreneurs.
AACSB: Reflective Thinking

67) Social entrepreneurs start businesses so that they can create innovative solutions to society's most vexing problems.
Answer: TRUE
Diff: 2
Learning Obj: 2-4 Explain the difference between social entrepreneurs and traditional entrepreneurs.
AACSB: Analytical Thinking

68) Which one of the following is ***not*** a simple way by which small businesses can be socially responsible?
A) Encourage reinventing
B) Support local fundraisers
C) Join in community service
D) Reduce energy usage
Answer: A
Diff: 2
Learning Obj: 2-5 Define social responsibility.
AACSB: Ethical Understanding and Reasoning

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69) Companies must recognize the independence of business and society.
Answer: FALSE
Diff: 2
Learning Obj: 2-5 Define social responsibility.
AACSB: Analytical Thinking

70) Social responsibility is important only for large corporations.
Answer: FALSE
Diff: 1
Learning Obj: 2-5 Define social responsibility.
AACSB: Analytical Thinking

71) There is no connection between social responsibility and profitability.
Answer: FALSE
Diff: 2
Learning Obj: 2-5 Define social responsibility.
AACSB: Analytical Thinking

72) The three "R's" of socially responsible business are "reuse," "recycle," and "_____."
A) reenergize
B) reinvent
C) reduce
D) retrofit
Answer: C
Diff: 2
Learning Obj: 2-6 Understand the nature of business's responsibility to the environment.
AACSB: Ethical Understanding and Reasoning

73) Socially responsible business owners focus on the three Rs: reduce, reengineer, and recycle.
Answer: FALSE
Diff: 2
Learning Obj: 2-6 Understand the nature of business's responsibility to the environment.
AACSB: Ethical Understanding and Reasoning

74) In 2020, members of _____ different generations will be working side-by-side in the United States.
A) 2
B) 3
C) 4
D) 5
Answer: D
Diff: 2
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Diverse and Multicultural Work Environments

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75) The United States is moving toward a "minority _____."
A) tsunami
B) shortfall
C) majority
D) crevice
Answer: C
Diff: 1
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Diverse and Multicultural Work Environments

76) By _____, the majority of the workforce in the United States will be a member of a minority.
A) 2021
B) 2032
C) 2028
D) 2019
Answer: B
Diff: 1
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Diverse and Multicultural Work Environments

77) The _____ population is the fastest-growing sector in the United States.
A) Asian
B) African-American
C) Hispanic
D) Caucasian
Answer: C
Diff: 2
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Reflective Thinking

78) Which of the following is ***not*** something that a small business owner should do to manage a culturally diverse workforce successfully?
A) Learn to recognize and correct other's biases and stereotypes.
B) Avoid making invalid assumptions.
C) Concentrate on communication.
D) Continue to adjust your company to your workers.
Answer: A
Diff: 2
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Reflective Thinking

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79) Currently, women make up about _____ percent of the U.S. workforce.
A) 31
B) 46
C) 28
D) 40
Answer: C
Diff: 3
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Diverse and Multicultural Work Environments

80) Currently, Hispanic workers make up more than _____ percent of the workforce.
A) 13
B) 23
C) 21
D) 43
Answer: C
Diff: 3
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Diverse and Multicultural Work Environments

81) _____ percent of all drug abusers are employed.
A) Forty
B) Fifty
C) Sixty
D) Seventy
Answer: D
Diff: 2
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Analytical Thinking

82) _____ percent of the workforce says they have consumed alcohol during the workday at least once in the past year.
A) Twenty-four
B) Sixty-seven
C) Fifty-seven
D) Forty-four
Answer: A
Diff: 2
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Analytical Thinking

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83) Injury-related absences from work are _____ times higher for workers with drinking problems.
A) 2.7
B) 1.3
C) 4.1
D) 3.2
Answer: A
Diff: 1
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Reflective Thinking

84) _____ are company-provided benefits designed to help reduce workplace problems such as alcoholism, drug addiction, gambling habits, and other conflicts and to deal with them when they arise.
A) Employee-assistance programs
B) Compensation
C) Healthcare benefits
D) All of the above
Answer: A
Diff: 1
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Reflective Thinking

85) Only _____ percent of small companies offer employee-assistance programs (EAPs).
A) 7
B) 18
C) 21
D) 37
Answer: C
Diff: 3
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Analytical Thinking

86) The most blatant and most potentially damaging form of _____ harassment is quid pro quo.
A) organizational
B) corporate
C) sexual
D) employer
Answer: C
Diff: 1
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Ethical Understanding and Reasoning

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87) In _____, a superior conditions the granting of a benefit such as a promotion or raise on the receipt of sexual favors from a subordinate.
A) pro tem
B) pro bono
C) quid pro quo
D) carpe diem
Answer: C
Diff: 1
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Ethical Understanding and Reasoning

88) A _____ environment usually requires a pattern of offensive sexual behavior rather than a single, isolated remark or display.
A) hostile
B) benign
C) supportive
D) clandestine
Answer: A
Diff: 2
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Ethical Understanding and Reasoning

89) Which of the following is ***not*** an example of what creates a hostile work environment?
A) Dispensing assignments based on merit.
B) Making sexual comments to other employees.
C) Displaying sexually suggestive pictures or posters.
D) All of the above
Answer: A
Diff: 2
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Ethical Understanding and Reasoning

90) _____ cannot monitor personal email accounts.
A) Spouses
B) Employers
C) Trade associations
D) Colleagues
Answer: B
Diff: 1
Learning Obj: 2-7 Describe business's responsibility to employees.
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91) One of the most important group of stakeholders that a business must satisfy is its _____.
A) customers
B) employees
C) investors
D) banks
Answer: A
Diff: 2
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Analytical Thinking

92) Consumer rights are governed by the _____.
A) company mission
B) company vision
C) Consumer Bill of Rights
D) U.S. constitution
Answer: C
Diff: 1
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Analytical Thinking

93) Few other stakeholders are as important to a business as its employees.
Answer: TRUE
Diff: 2
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Analytical Thinking

94) Employees are at the heart of increases in productivity.
Answer: TRUE
Diff: 1
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Reflective Thinking

95) The United States is moving toward a "minority majority."
Answer: TRUE
Diff: 1
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Diverse and Multicultural Work Environments

96) By 2032, the majority of the workforce in the United States will be a member of a minority.
Answer: TRUE
Diff: 2
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Diverse and Multicultural Work Environments

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97) In 2020, members of three different generations will be working side-by-side in the United States.
Answer: FALSE
Diff: 2
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Diverse and Multicultural Work Environments

98) One of the best ways to identify your own cultural biases is to get exposure to people who are not like you.
Answer: TRUE
Diff: 1
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Reflective Thinking

99) Alarmingly, 70 percent of all drug abusers are employed.
Answer: TRUE
Diff: 1
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Analytical Thinking

100) The supervisor's job in detecting substance-abusing workers is to play "cop" or "therapist."
Answer: FALSE
Diff: 1
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Analytical Thinking

101) Employee assistance programs (EAPs) are an effective weapon in the battle against workplace substance abuse.
Answer: TRUE
Diff: 2
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Analytical Thinking

102) Sexual harassment is a violation of Title VII of the Civil Rights Act of 1964.
Answer: TRUE
Diff: 1
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Ethical Understanding and Reasoning

103) The most blatant and most potentially damaging form of sexual harassment is pro bono.
Answer: FALSE
Diff: 2
Learning Obj: 2-7 Describe business's responsibility to employees.
AACSB: Ethical Understanding and Reasoning

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104) Which of the following is a consumer right per the Consumer Bill of Rights?
A) Right to Sanity
B) Right to Know
C) Right to Profit
D) Right to Return
Answer: B
Diff: 1
Learning Obj: 2-8 Explain business's responsibility to customers.
AACSB: Ethical Understanding and Reasoning

105) One of the rights given to consumers by the Consumer Bill of Rights is the right to safety.
Answer: TRUE
Diff: 2
Learning Obj: 2-8 Explain business's responsibility to customers.
AACSB: Ethical Understanding and Reasoning

106) Earning a profit may be a company's _____ responsibility.
A) first
B) only
C) singular
D) last
Answer: A
Diff: 3
Learning Obj: 2-9 Discuss business's responsibility to investors.
AACSB: Analytical Thinking

107) Earning a profit may not be a company's _____ responsibility.
A) first
B) only
C) singular
D) last
Answer: B
Diff: 3
Learning Obj: 2-9 Discuss business's responsibility to investors.
AACSB: Analytical Thinking

108) Although earning a profit may be a company's first responsibility, it is not its only responsibility.
Answer: TRUE
Diff: 2
Learning Obj: 2-9 Discuss business's responsibility to investors.
AACSB: Analytical Thinking

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109) A recent survey finds that _____ percent of consumers expect companies to operate responsibly regarding social and environmental issues.
A) 63
B) 77
C) 85
D) 91
Answer: D
Diff: 2
Learning Obj: 2-10 Describe business's responsibility to the community.
AACSB: Ethical Understanding and Reasoning

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