## **Test Item File**

Quizzes on the introduction are included in this test bank for the reason that the introduction elucidates exactly what its title implies - an "Introduction to Ethical Reasoning." If students do not grasp this concept, i.e., that ethical theories exist and that one can reason through ethical problems in business by considering and applying ethical theories, they will not succeed in a business ethics course.

Multiple Choice Quiz for the Overall Introduction.

| <ul> <li>1) Which of the following is not an actual ethical theory?</li> <li>A) consequentialism</li> <li>B) deontology</li> <li>C) utilitarianism</li> <li>D) principalism</li> </ul>   |  |  |
|--|--|--|
| Correct answer: D  |  |  |
| <ul> <li>Which of the following is a criticism of utilitarianism?</li> <li>A) It does not account for justice.</li> <li>B) It is based on utility.</li> <li>C) It is deontological.</li> <li>D) It deals with social contracts.</li> </ul> |  |  |
| Correct answer: A  |  |  |
| <ul> <li>3) "Duty" is a key component of the philosophy of:</li> <li>A) John Stuart Mill</li> <li>B) Immanuel Kant</li> <li>C) Aristotle</li> <li>D) John Locke</li> </ul>   |  |  |
| Correct answer: B  |  |  |
| <ul> <li>4) According to social contract theory, society is established by</li> <li>A) the government</li> <li>B) force</li> <li>C) agreement</li> <li>D) virtue</li> </ul>  |  |  |
| Correct answer: C  |  |  |

| 5)   | Which pair of philosophers are social contract theorists?  A) John Stuart Mill and John Locke |  |
|--|---|--|
|  | B) John Locke and John Rawls  |  |
|  | C) John Rawls and James Johns   |  |
|  | D) John Stuart Mill and John Rawls  |  |
| Coı  | rrect answer: B   |  |
| 6)   | Consequentialism is a type of philosophical theory that                                       |  |
|  | A) is concerned with sequences  |  |
|  | B) is concerned with duty   |  |
|  | C) is concerned with the results of actions   |  |
|  | D) is considered to be out of date  |  |
| Cor  | rect answer: C  |  |
| 7)   | The two types of Utilitarianism are   |  |
|  | A) consequence and rule   |  |
|  | B) consequence and end  |  |
|  | C) end and good   |  |
|  | D) act and rule   |  |
| Coı  | rrect answer: D   |  |
| 8)   | Immanuel Kant can be classified as a(n)   |  |
|  | A) uilitarian   |  |
|  | B) social contract theorist   |  |
|  | C) aristotelian   |  |
|  | D) deontologist   |  |
| Coı  | rrect answer: D   |  |
| 9)   | John Rawls is most concerned with   |  |
|  | A) Justice  |  |
|  | B) Deontology   |  |
|  | C) Virtue   |  |
|  | D) Socioeconomics   |  |
| Coı  | rrect answer: A   |  |
| 10) Virtue ethics places an emphasis on a person's |   |  |
|  | A) character  |  |
|  | B) position in society  |  |
|  | C) results  |  |
|  | D) will   |  |
| Coı  | rrect answer: A   |  |

True/False Quiz for the Overall Introduction.

Indicate whether each of the following statements is True or False.

1) Industry brings job and pollution.

Correct answer: True

2) Deontology focuses on rights.

Correct answer: False

3) Utilitarianism need not be selfish.

Correct answer: True

4) John Stuart Mill is a utilitarian.

Correct answer: True

5) Jeremy Bentham is a utilitarian.

Correct answer: True

6) Immanuel Kant is a social contract theorist.

Correct answer: False

7) John Locke is a social contract theorist.

Correct answer: True

8) Virtue theory ethics emphasizes character.

Correct answer: True

9) Aristotle's philosophical system includes moral virtue.

Correct answer: True

10) Rawls begins his theory with a natural-rights position.

Correct answer: False

| Multiple Choice Quiz for Chapter 1.  |
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| <ul> <li>1) A corporation is</li> <li>A) a real person</li> <li>B) a group of people</li> <li>C) stockholders</li> <li>D) an artificial person</li> </ul>  |
| Correct answer: D  |
| <ul> <li>A business need only be concerned about</li> <li>A) money</li> <li>B) people</li> <li>C) the environment</li> <li>D) there is no settled answer</li> </ul>  |
| Correct answer: D  |
| <ul> <li>3) Milton Friedman is</li> <li>A) a Nobel Prize winning environmentalist</li> <li>B) a Nobel Prize winning economist</li> <li>C) a Professor of Business Administration</li> <li>D) a company that makes industrial products</li> </ul>   |
| Correct answer: B  |
| <ul> <li>4) R. Edward Freeman is</li> <li>A) a Nobel Prize winning environmentalist</li> <li>B) a Nobel Prize winning economist</li> <li>C) a Professor of Business Administration</li> <li>D) a company that makes industrial products</li> </ul> |
| Correct answer: C  |
| <ul> <li>5) H.B. Fuller is</li> <li>A) a Nobel Prize winning environmentalist</li> <li>B) a Nobel Prize winning economist</li> <li>C) a Professor of Business Administration</li> <li>D) a company that makes industrial products</li> </ul>       |

Correct answer: D

| <ul> <li>6) Milton Friedman's claim that businesses can have no explicit social responsibilities is best explained as an example of</li> <li>A) deontological reasoning</li> <li>B) virtue theory ethics</li> <li>C) consequentialist theory</li> <li>D) social contracting</li> </ul>  |
|---|
| Correct answer: C   |
| <ul> <li>7) The Stakeholder Theory holds that:</li> <li>A) The rights of all who may be affected need to be considered in making business decisions.</li> <li>B) Anyone with stake in a corporation's behavior should be rewarded with a corresponding proportion of ownership.</li> <li>C) Capitalism has long outlived its usefulness.</li> <li>D) Virtue theory ethics alone is suitable for the 21<sup>st</sup> Century.</li> </ul> |
| Correct answer: A   |
| <ul> <li>8) Resistol is</li> <li>A) a toxic substance</li> <li>B) the theory that we should resist change</li> <li>C) a company with business in Central America</li> <li>D) an organization concerned with corporate ethics</li> </ul>   |
| Correct answer: A   |
| <ul> <li>9) When did the modern business corporation emerge as one of the most important innovations in human history?</li> <li>A) in the 21<sup>st</sup> Century</li> <li>B) in the 20<sup>th</sup> Century</li> <li>C) in the 19<sup>th</sup> Century</li> <li>D) in the 18<sup>th</sup> Century</li> </ul>   |
| Correct answer: B   |
| <ul> <li>10) H. B. Fuller is best described as a company</li> <li>A) that believed it was an ethical company</li> <li>B) that was only concerned with making money</li> <li>C) that made shoes in Central America</li> <li>D) headquartered in Europe</li> </ul>  |
| Correct answer: A   |

## True/False Quiz for Chapter 1:

Indicate whether each of the following statements is True or False.

1) H.B. Fuller is a Honduran company.

Correct answer: False

2) Resistol is marketed as an inhalant.

Correct answer: False

3) Milton Friedman is a free market economist.

Correct answer: True

4) Milton Friedman believed the doctrine of "social responsibility" involved the acceptance of a socialist view.

Correct answer: True

5) Stakeholders are the same as Stockholders.

Correct answer: False

6) R. Edward Freeman is a proponent of "managing for stakeholders."

Correct answer: True

7) Modern business is no more complex than in the past.

Correct answer: False

8) "Privity of contract" remains the only recognized relationship that an individual can have with a business.

Correct answer: False

9) The "Separation Fallacy" holds that those who separate business decisions from ethics are wrong to do so.

Correct answer: True

10) Stakeholder theory holds that business can be understood as a set of relationships among groups that have a stake in the activities that make up the business.

Correct answer: True