

- 01)** Which of the following is **not** one of the factors that Crane and Matten identify as the most important in deciding whether a situation should be assigned a moral status?
- a. The decision is likely to have significant effects on others.
 - b. The decision is likely to be open to legal challenges.
 - c. The decision is likely to be characterized by choice, in that alternative courses of action are open.
 - d. The decision is perceived as ethically relevant by one or more parties.
 - e. None of the above.

Answer=b **Feedback:** This is not one of the key factors in deciding whether a situation should be assigned a moral status in the first place.

- 02)** Hofstede (1980, 1994) suggests that differences in cultural knowledge and beliefs across countries can be explained in terms of five dimensions. Read the following description carefully and indicate which of Hofstede's five dimensions it describes:
"The extent to which an emphasis is placed on valuing money and things versus valuing people and relationships."
- a. Uncertainty avoidance
 - b. Individualism/collectivism
 - c. Masculinity/femininity
 - d. Power distance
 - e. None of the above

Answer=c **Feedback:** Hofstede's dimensions can be seen to explain certain differences in ethical decision-making. The five dimensions are: individualism/collectivism; power distance; uncertainty avoidance; masculinity/femininity; and long-term/short-term orientation.

- 03)** Werhane (1998) sees moral imagination as the creativity with which an individual is able to reflect about an ethical dilemma. Why is this significant?
- a. It allows the individual to prioritise ethical issues more easily.
 - b. It allows the individual to develop alternative solutions.
 - c. It allows the individual to better rank the importance of stakeholders.
 - d. It helps the individual move towards a post-conventional level of cognitive moral development.
 - e. All of the above

Answer=b. **Feedback:** Higher levels of moral imagination can allow us to see beyond the rules of the game that seem to be operating in the workplace, and beyond the day-to-day supposed 'realities' of organizational life, so as to question prevailing ways of framing and addressing organizational problems. This means that greater moral imagination should allow a person to envisage a greater set of moral problems, perspectives and outcomes.

- 04)** Bird and Waters (1989) describe the phenomenon of moral muteness, in which managers reframe moral actions and motives in non-moral terms. Managers do this, say Bird and Waters, because they are worried about perceived threats. Which of the following do managers **not** feel is under threat through the use of moral terms?
- a. Harmony – fear of disturbing organizational harmony.
 - b. Efficiency – fear of making decision-making more difficult, time-consuming and inflexible.
 - c. Credibility – fear of losing organizational credibility with stakeholders, particularly shareholders.
 - d. Images of power and effectiveness – fear that own image might suffer for being too idealistic and insufficiently robust.
 - e. All of the above.

Answer =c **Feedback:** According to Bird and Waters, managers engage in moral muteness out of concerns regarding threats to harmony, efficiency and (their own) image of power and effectiveness.

- 05)** Anand and colleagues (2004) identify six different strategies of rationalizing unethical behaviour. What strategy am I using if I make the following argument? "It's OK for me to use the internet for personal reasons at work – after all, I do work overtime a lot:"

- a. Denial of victim
- b. Metaphor of the ledger
- c. Denial of injury
- d. Appeal to higher loyalties
- e. None of the above

Answer=b **Feedback:** The strategies that Anand et al., identify are: denial of responsibility; denial of injury; denial of victim; social weighting; appeal to higher authorities; and metaphor of the ledger.

06) The bureaucratic dimension of organizations has been argued to have negative effects on ethical decision-making. Read the following carefully and indicate which is **not** one of these negative effects.

- a. Instrumental morality
- b. Denial of responsibility
- c. Denial of moral status
- d. Suppression of moral autonomy
- e. None of the above

Answer=b **Feedback:** This is one of the strategies used to rationalise unethical behaviour (see Fig4.6, p167). Bureaucracy is posited to have the following four kinds of negative effect on ethical decision-making: suppression of moral autonomy; instrumental morality; distancing; and denial of moral status. Each of these has the effect of restricting ethical decision-making (suppressing our own morality), rather than actively promoting unethical decisions.

07) Codes of ethics are voluntary statements that commit organizations, industries, or professions to specific beliefs, values, and actions and/or set out appropriate ethical behaviour for employees. Which of these is **not** a type of ethical codes?

- a. Corporate codes
- b. Professional codes
- c. Industry codes
- d. Programme codes
- e. None of the above

Answer=e **Feedback:** All are codes of ethics-options a to d are 4 main types of ethical codes

08) According to Crane and Matten, reasons due to which organizations engage in social accounting is/are:

- a. Internal and external pressure
- b. Identifying risks and improved stakeholder management
- c. Internal and external pressure, identifying risks, transparency and improved stakeholder management
- d. Internal and external pressure, identifying risks and transparency
- e. None of these

Answer=c **Feedback:** These are the four main issues stated by Crane and Matten

09) According to Trevino et al. (1999), which of these is **not** a correct way of approaching the formal organization of business ethical management?

- a. Values orientation
- b. Protection orientation
- c. External orientation
- d. Internal orientation
- e. Compliance orientation

Answer=d. **Feedback:** There are four way of approaching the formal organization of business ethical management: Values orientation, Protection orientation, External orientation and Compliance orientation

10) The disincentive/s of social accounting is/are:

- a. Perceived high costs and secrecy
- b. Insufficient information and inadequate information systems
- c. Lack of standards

- d. Unwillingness to disclose sensitive or confidential data
- e. All of these

Answer=e **Feedback:** All of these are mentioned as disincentives of social accounting