## Chapter 03

## Corporate Social Responsibility and Business Ethics

**Multiple Choice Questions**

1.*(p. 50)* A firm’s claimants are collectively referred to as  
A. Stockholders  
B. Employees  
**C.** Stakeholders  
**D**. Customers

*Difficulty: Medium  
Learning Objective: 1*

2.*(p. 50)* A firm’s claimants are sometimes referred to as its  
A. Board  
B. Institutions  
**C.** Stakeholders  
D. Top management

*Difficulty: Medium  
Learning Objective: 1*

3.*(p. 50)* According to a survey of over 2000 board of directors, which of these stakeholders were perceived to be most important?   
A. Stockholders  
B. Employees  
**C.** Customers  
D. Society

*Difficulty: Medium  
Learning Objective: 1*

4.*(p. 50)* Which of these stakeholders, according to a survey of board of directors, was perceived to be least important?   
A. Government  
**B.** Society  
C. Employees  
D. Stockholders

*Difficulty: Hard  
Learning Objective: 1*

5.*(p. 50)* Which of these is NOT a step in incorporating the interests of stakeholders into its mission statement?   
A. Identification of stakeholders  
B. Understanding the stakeholders' specific claims vis-à-vis the firm  
**C.** Incorporating all the claims of various stakeholders into the mission with equal emphasis  
D. Coordination of the claims with other elements of the company mission

*Difficulty: Medium  
Learning Objective: 1*

6.*(p. 50)* With regards to stakeholders' specific claims vis-à-vis the firm, the claims of various stakeholders groups   
A. Are always in sync  
B. Are never resolved  
C. Must be ignored  
**D.** Often conflict

*Difficulty: Medium  
Learning Objective: 1*

7.*(p. 50)* The process of reconciliation of the claims made on the firm is necessary because   
A. The number of claims against any firm is so large  
B. The government mandates that reconciliation be achieved  
**C.** The claims of various groups often conflict  
D. A firm is susceptible to liability suits

*Difficulty: Hard  
Learning Objective: 1*

8.*(p. 50)* The claims of various stakeholder groups often  
A. converge  
B. submerge  
**C.** conflict  
D. blend

*Difficulty: Medium  
Learning Objective: 1*

9.*(p. 51)* Economic, social, and psychological satisfaction in the place of employment is a typical claim of which stakeholder group?  
A. Stockholders  
B. Creditors  
**C.** Employees  
D. Society

*Difficulty: Medium  
Learning Objective: 1*

10.*(p. 51)* Security of pledged assets is a typical claim of which stakeholder group?  
A. Stockholders  
B. Employees  
**C.** Creditors  
D. Society

*Difficulty: Medium  
Learning Objective: 1*

11.*(p. 51)* Freedom from arbitrary and capricious behavior on the part of company officials is a typical claim of which stakeholder group?  
A. Stockholders  
B. Creditors  
**C.** Employees  
D. Society

*Difficulty: Medium  
Learning Objective: 1*

12.*(p. 51)* Continuing source of business is a typical claim of which stakeholder group?  
A. Stockholders  
B. Employees  
**C.** Suppliers  
D. Society

*Difficulty: Medium  
Learning Objective: 1*

13.*(p. 51)* Freedom to participate in collective bargaining is a typical claim of which stakeholder group?  
A. Stockholders  
B. Creditors  
**C.** Employees  
D. Society

*Difficulty: Medium  
Learning Objective: 1*

14.*(p. 51)* The demands of stakeholder groups constitute one principal set of inputs to the company  
A. Annual report  
B. Credit report  
**C.** Mission  
D. Public relations message

*Difficulty: Medium  
Learning Objective: 1*

15.*(p. 51)* Participation in distribution of profits and election of board of directors are claims of which of these stakeholders vis-à-vis the firm?   
**A.** Stockholders  
B. Customers  
C. Suppliers  
D. Government

*Difficulty: Medium  
Learning Objective: 1*

16.*(p. 51)* Adequate working conditions, freedom from arbitrary and capricious behavior on the part of company officials and share in fringe benefits are claims of which of these stakeholders?   
A. Customers  
**B.** Employees  
C. Suppliers  
D. Competitors

*Difficulty: Easy  
Learning Objective: 1*

17.*(p. 51)* Professional relationship in contracting for, purchasing and receiving goods and services represent the claim of which of these stakeholders vis-à-vis the firm?   
A. Local communities  
B. Customers  
**C.** Suppliers  
D. Creditors

*Difficulty: Medium  
Learning Objective: 1*

18.*(p. 51)* Competitors as a stakeholder would have which of the following claims on a firm?   
A. Share in fringe benefits  
B. Election of board of directors  
C. Continuing source of business  
**D.** Business statesmanship on the part of peers

*Difficulty: Hard  
Learning Objective: 1*

19.*(p. 51)* Fair competition is a:   
A. Customer claim  
B. Creditor claim  
C. Union claim  
**D.** Competitor claim

*Difficulty: Medium  
Learning Objective: 1*

20.*(p. 52)* Which of these is NOT a principal set of inputs to the company mission?   
A. Demands of stakeholder groups  
**B.** Identification of CSR auditors  
C. Managerial operating philosophy  
D. Determinants of the product market offerings

*Difficulty: Medium  
Learning Objective: 1*

21.*(p. 52)* Which of the following are inside stakeholders?   
**A.** Board of directors  
B. Customers  
C. Suppliers  
D. Creditors

*Difficulty: Easy  
Learning Objective: 1*

22.*(p. 52)* Individuals and groups who are stockholders or employees of firms are called:   
A. Outsiders  
**B.** Insiders  
C. Internal stakeholders  
D. A special interest group

*Difficulty: Medium  
Learning Objective: 1*

23.*(p. 52)* Which of these are NOT outside stakeholders?   
A. Customers  
**B.** Stockholders  
C. Creditors  
D. Union

*Difficulty: Easy  
Learning Objective: 1*

24.*(p. 53)* Which of these represent a pollution prevention strategy in an organization?   
A. Automation of manufacturing facility  
B. Transforming business from manufacturing to service operations  
**C.** Changing the materials used or redesigning how operations are bid out  
D. Creating a pollution pit and putting all waste in it monthly

*Difficulty: Hard  
Learning Objective: 2*

25.*(p. 53)* Each firm regardless of \_\_\_\_ must decide how to meet its perceived social responsibility.   
A. Industry  
B. National origin  
C. Profitability  
**D.** Size

*Difficulty: Medium  
Learning Objective: 2*

26.*(p. 53)* Which of the following is NOT a type of social commitment that strategic managers need to consider?   
A. Economic  
**B.** Political  
C. Legal  
D. Ethical

*Difficulty: Easy  
Learning Objective: 2*

27.*(p. 53)* Which of these represents the most basic responsibilities of business?   
**A.** Economic  
B. Political  
C. Legal  
D. Ethical

*Difficulty: Easy  
Learning Objective: 2*

28.*(p. 53)* The duty of managers, as agents of the company owners, to maximize stockholder wealth is referred to as \_\_\_\_\_\_\_\_ responsibilities.   
A. Legal  
B. Discretionary  
**C.** Economic  
D. Ethical

*Difficulty: Easy  
Learning Objective: 2*

29.*(p. 53)* \_\_\_\_\_\_\_\_ responsibilities reflect the form's obligations to comply with the laws that regulate business activities.   
A. Discretionary  
B. Economic  
C. Political  
**D.** Legal

*Difficulty: Easy  
Learning Objective: 2*

30.*(p. 55)* Which responsibilities reflect the company's notion of right and proper business behavior?   
**A.** Ethical  
B. Economic  
C. Legal  
D. Discretionary

*Difficulty: Easy  
Learning Objective: 2*

31.*(p. 53)* \_\_\_\_\_\_\_ responsibilities are the most basic social responsibilities of the firm.  
A. Legal  
B. Ethical  
**C.** Economic  
D. Discretionary

*Difficulty: Easy  
Learning Objective: 2*

32.*(p. 57)* \_\_\_\_\_\_\_ responsibilities are those that are voluntarily assumed by a business organization.   
A. Legal  
B. Ethical  
**C.** Discretionary  
D. Economic

*Difficulty: Easy  
Learning Objective: 2*

33.*(p. 57)* Public relations activities and good citizenship are examples of which responsibilities of a business organization?   
A. Legal  
B. Ethical  
**C.** Discretionary  
D. Economic

*Difficulty: Medium  
Learning Objective: 2*

34.*(p. 57)* Through \_\_\_\_\_\_\_, managers attempt to enhance the image of their companies, products and services by supporting worthy causes.   
A. Good citizenship  
**B.** Public relations activities  
C. Full corporate responsibilities  
D. Social audits

*Difficulty: Medium  
Learning Objective: 2*

35.*(p. 57)* Managers need to know that, in the view of the general public, \_\_\_\_\_\_\_ and \_\_\_\_\_\_\_ responsibilities are required, \_\_\_\_\_\_\_ responsibility is expected and \_\_\_\_\_\_\_ responsibility is desired.   
A. Legal; ethical; economic; discretionary  
**B.** Economic; legal; ethical; discretionary  
C. Ethical; economic; discretionary; legal  
D. Legal; economic; discretionary; ethical

*Difficulty: Hard  
Learning Objective: 2*

36.*(p. 57)* \_\_\_\_\_\_\_ is the idea that business has a duty to serve society in general as well as the financial interests of stockholders.   
**A.** Corporate social responsibility  
B. Discretionary responsibility  
C. Ethical responsibility  
D. Utilitarian responsibility

*Difficulty: Easy  
Learning Objective: 2*

37.*(p. 57)* In the case of corporate social responsibility, costs and benefits are both \_\_\_\_\_\_ and \_\_\_\_\_\_.   
A. Social; political  
B. Ethical; discretionary  
**C.** Economic; social  
D. Political; ethical

*Difficulty: Hard  
Learning Objective: 2*

38.*(p. 57)* Which of these is NOT true about CSR and the bottom line?   
A. Some CSR activities incur no dollar costs at all  
B. Philanthropic activities of a corporation are undertaken at a discounted cost to the firm  
**C.** Socially responsible behavior comes at a prohibitive cost especially given the regulations  
D. Socially responsible practices may create savings and, as a result, increase profits

*Difficulty: Medium  
Learning Objective: 2*

39.*(p. 59)* All of these are broad trends that are driving businesses to adopt CSR frameworks EXCEPT:   
A. The resurgence of environmentalism  
B. Increasing buyer power  
C. The globalization of business  
**D.** The technological developments

*Difficulty: Medium  
Learning Objective: 2*

40.*(p. 59)* Which of these incidents can be credited for the resurgence of environmentalism with formation of the Coalition for Environmentally Responsible Economics (CERES)?   
**A.** Exxon Valdez  
B. Johnson and Johnson's Tylenol case  
C. Arthur Anderson incident  
D. WorldCom

*Difficulty: Medium  
Learning Objective: 2*

41.*(p. 60)* Much of the impetus for social investing originated with   
A. Educational systems  
**B.** Religious organization  
C. Small businesses  
D. Governmental regulations

*Difficulty: Medium  
Learning Objective: 2*

42.*(p. 60)* Large-scale social investing can be broken down into the two broad areas of   
A. Domestic and global  
B. Stockholder and stakeholder investing  
**C.** Guideline portfolio investing and shareholder activism  
D. Ethical and economic responsibilities

*Difficulty: Medium  
Learning Objective: 2*

43.*(p. 60)* Which of these is the largest and fastest growing segment of social investing?   
**A.** Guideline portfolio investing  
B. Global investing  
C. Stockholder activism  
D. Ethical and economic responsibilities

*Difficulty: Medium  
Learning Objective: 2*

44.*(p. 61)* One of the most contentious social responsibility issues confronting multinational firms pertains to   
A. Animal welfare  
B. Children  
C. Working conditions  
**D.** Human rights

*Difficulty: Hard  
Learning Objective: 3*

45.*(p. 62)* Which law revised and strengthened auditing and accounting standards?   
A. Federal Fair Packaging and Labeling Act  
**B.** Sarbanes-Oxley Act  
C. Truth in Lending Act  
D. National Environmental Policy Act

*Difficulty: Easy  
Learning Objective: 4*

46.*(p. 63)* Which of these is true about Sarbanes-Oxley Act?   
**A.** The CEO and CFO must verify every report containing the company's financial statements  
B. The directors and executive officers are required to trade the company's 401(k) plan, profit sharing plan and retirement plan during the black out period  
C. Companies are required to extend personal loans to its executives and directors  
D. The Act requires that the audit committee must be composed entirely of inside officers

*Difficulty: Hard  
Learning Objective: 4*

47.*(p. 65)* The Sarbanes-Oxley Act includes provisions restricting the corporate control of all of these EXCEPT   
A. Attorneys  
**B.** Customers  
C. Executives  
D. Accounting firms

*Difficulty: Medium  
Learning Objective: 4*

48.*(p. 65)* If a company must restate its financial statements, per the Sarbanes-Oxley Act, the   
**A.** CEO and CFO must relinquish any bonus or incentive-based compensation  
B. CEO and CFO must resign  
C. CFO is prosecuted for falsifying information while CEO is charged a penalty  
D. CEO must find a new board of directors for the company

*Difficulty: Hard  
Learning Objective: 4*

49.*(p. 65)* A major consequence of the Sarbanes-Oxley Act has been the   
A. Political fallout in the Congress  
B. Outsourcing of jobs in lower wage countries  
C. Super growth in accounting firms in the U.S.  
**D.** Restructuring of the governance structure of American corporations

*Difficulty: Medium  
Learning Objective: 4*

50.*(p. 65)* The most significant change in the restructuring of governance structure due to the Sarbanes-Oxley Act is the   
A. Elimination of the external board members  
**B.** Heightened role of corporate internal auditors  
C. Removal of CFO from any overseeing role related to final financial statements  
D. Creation of inside corporate accountants reporting to external accounting firms

*Difficulty: Hard  
Learning Objective: 4*

51.*(p. 66)* Approximately \_\_\_\_\_ percent of senior corporate auditors now report directly to the Board of Directors audit committee.   
A. 30  
B. 55  
**C.** 75  
D. 90

*Difficulty: Medium  
Learning Objective: 4*

52.*(p. 65)* A major consequence of the 2000-2002 accounting scandals was the \_\_\_\_\_\_ .   
A. Sherman Antitrust Act  
B. Waxman-Hatch Act  
C. Enron Act  
**D.** Sarbanes-Oxley Act

*Difficulty: Medium  
Learning Objective: 4*

53.*(p. 67)* Which of these attempts to measure a company's actual social performance against the social objectives it has set for itself?   
**A.** Social audit  
B. Mission statement  
C. Sarbanes-Oxley Act  
D. Discretionary responsibilities

*Difficulty: Easy  
Learning Objective: 4*

54.*(p.67-68)* Which of these is NOT true about social audit?   
**A.** Given the availability of complete information and programs, to be comprehensive and accepted by the general public, a social audit must be conducted by the company itself  
B. A social audit attempts to measure a company's actual social performance against the social objectives it had set for itself  
C. The social audit may be used for more than simply monitoring and evaluating firm social performance  
D. Once the social audit is complete, it may be distributed both internally and externally

*Difficulty: Medium  
Learning Objective: 3*

55.*(p. 67)* In addition to monitoring and evaluating firm social performance, managers use social audits for all of these EXCEPT   
A. Scan the external environment  
**B.** Obtain governmental subsidies for their operations  
C. Institutionalize CSR within the firm  
D. Determine firm vulnerabilities

*Difficulty: Medium  
Learning Objective: 3*

56.*(p. 78)* Which of these refers to the moral principles that reflect society's beliefs about the actions of an individual or group that are right and wrong?   
A. CSR  
B. Social audit  
**C.** Ethics  
D. Utilitarian approach

*Difficulty: Easy  
Learning Objective: 7*

57.*(p. 71)* A form of engagement in which companies provide on going and sustained commitments to a social project or issue refers to   
**A.** CSI  
B. CSR  
C. Social audit  
D. Economic responsibilities

*Difficulty: Medium  
Learning Objective: 6*

58.*(p. 70)* The CSR debates have surfaced in a more positive way in the last 30 years due to which of these?   
A. Government mandates  
B. Competitive pressures  
**C.** New businesses set up shop with altruism in mind  
D. Declining shares of U.S. businesses in the global markets

*Difficulty: Hard  
Learning Objective: 5*

59.*(p. 70)* Recent research has found that, on balance, \_\_\_\_\_\_ relationships can be expected from CSR.   
A. Negative  
**B.** Positive  
C. No  
D. Inverse

*Difficulty: Easy  
Learning Objective: 5*

60.*(p. 70)* According to research, the primary vehicle for achieving superior financial performance from social responsibility is via   
A. Gift giving  
B. Global marketing efforts  
C. Internal audit effects  
**D.** Reputation effects

*Difficulty: Hard  
Learning Objective: 5*

61.*(p. 70)* Philanthropy without active engagement   
A. Is the best corporate move to satisfy the governmental regulations  
B. Helps organizations win the competitive war on consumerism  
**C.** Has been criticized as narrow and self-serving  
D. Is like mission without vision

*Difficulty: Medium  
Learning Objective: 5*

62.*(p. 70)* With regards to CSR business have all of these support options except:   
A. Donation of cash or material  
B. Creation of a functional operation within the company to assist explained charitable efforts  
C. Development of a collaborative approach  
**D.** Outsource the function to a competitor

*Difficulty: Easy  
Learning Objective: 5*

63.*(p. 71)* The term social initiative describes initiatives that take a   
**A.** Collaborative approach  
B. Combative approach  
C. Corporate approach  
D. Global approach

*Difficulty: Medium  
Learning Objective: 5*

64.*(p. 71)* Beyond enhanced reputation, CSR activities   
A. Have been found to be a total resource drain  
B. Potentially have no other impact in an organization  
**C.** Can be a tool to attract, retain and develop managerial talent  
D. Have been responsible for bailing firms from regulatory compliance

*Difficulty: Hard  
Learning Objective: 5*

65.*(p. 72)* Which of these is NOT a principle of successful collaborative social initiatives?   
**A.** Eliminate government influence  
B. Leverage core capabilities: contribute – "what we do"  
C. Identify a long-term durable mission  
D. Contribute specialized services to a large scale undertaking

*Difficulty: Medium  
Learning Objective: 6*

66.*(p. 72)* Which of these is a social challenge that will demand attention for years to come?   
A. Competitive environment  
B. Police brutality  
C. Corporate profitability  
**D.** Substandard education

*Difficulty: Medium  
Learning Objective: 6*

67.*(p. 72)* For the past 28 years ABC, Inc. has made a significant investment of time, money and other resources to increase the literacy rate in adult Americans. This represents which of these principles of successful collaborative social initiatives?   
A. Weight government influence  
**B.** Identify a long-term durable mission  
C. Assemble and value the total package of benefits  
D. Leverage core capabilities

*Difficulty: Hard  
Learning Objective: 6*

68.*(p. 73)* Which of the principles of successful collaborative social initiatives is the most important?   
A. Contribute specialized services to a large-scale undertaking  
B. Identify a long-term durable mission  
**C.** Contribute "what we do"  
D. Assemble and value the total package of benefits

*Difficulty: Medium  
Learning Objective: 6*

69.*(p. 74)* CSR programs can confer significant benefits to participants in terms of all of these except   
A. Corporate reputation  
B. Hiring, motivation and retention  
**C.** Enhanced market share  
D. Building and cementing valuable partnerships

*Difficulty: Hard  
Learning Objective: 5*

70.*(p. 78)* At present, the public's perception of the ethics of corporate executives in America is   
**A.** Near its all-time low  
B. At the highest level  
C. Moderately high  
D. Non-existent

*Difficulty: Medium  
Learning Objective: 7*

71.*(p. 79)* The most critical quality of ethical decision making is   
A. Economic  
**B.** Consistency  
C. Expeditions  
D. Objectivity

*Difficulty: Medium  
Learning Objective: 7*

72.*(p.81)* Which of these is NOT an ethical approach for executives to consider?   
A. The utilitarian approach  
B. The moral rights approach  
**C.** The Sarbanes-Oxley approach  
D. The social justice approach

*Difficulty: Easy  
Learning Objective: 7*

73.*(p. 81)* Managers who adopt the \_\_\_\_\_\_ approach judge the effects of a particular action on the people directly involved, in terms of what provides the greatest good for the greatest number of people.   
A. Economic man  
**B.** Utilitarian  
C. Moral rights  
D. Social justice

*Difficulty: Easy  
Learning Objective: 7*

74.*(p. 81)* The utilitarian approach focuses on   
A. Motives  
B. Feelings  
**C.** Actions  
D. Reactions

*Difficulty: Medium  
Learning Objective: 7*

75.*(p. 81)* Managers who subscribe to the \_\_\_\_\_\_ approach judge whether decisions and actions are in keeping with the maintenance of fundamental individual and group rights and privileges.   
A. Utilitarian  
B. Social justice  
C. Economic man  
**D.** Moral rights

*Difficulty: Easy  
Learning Objective: 7*

76.*(p. 81)* Which of these approaches is also referred to as deontology?   
A. Utilitarian  
**B.** Moral rights  
C. Economic man  
D. Social Justice

*Difficulty: Medium  
Learning Objective: 7*

77.*(p. 81)* Managers who take the \_\_\_\_\_\_ approach judge how consistent actions are with equity, fairness and impartiality in the distribution of rewards and costs among individuals and groups.   
**A.** Social justice  
B. Economic man  
C. Moral rights  
D. Utilitarian

*Difficulty: Easy  
Learning Objective: 7*

78.*(p. 81)* Which principle holds that social and economic inequities must be addressed to achieve a more equitable distribution of goods and services?   
A. Liberty  
**B.** Difference  
C. Distributive-justice  
D. Fairness

*Difficulty: Easy  
Learning Objective: 7*

79.*(p. 81)* Which of these is NOT an implementing principle essential to the social justice approach?   
A. Distributive-justice  
B. Fairness  
**C.** Liberty  
D. Natural duty

*Difficulty: Medium  
Learning Objective: 7*

80.*(p. 81)* According to the \_\_\_\_\_ principle, individuals should not be treated differently on the basis of arbitrary characteristics such as race, sex, religion or national origin.   
A. Natural duty  
B. Difference  
C. Fairness  
**D.** Distributive-justice

*Difficulty: Easy  
Learning Objective: 7*

81.*(p. 81)* Which principle is embodied in the Civil Rights Act?   
**A.** Distributive-justice  
B. Difference  
C. Fairness  
D. Liberty

*Difficulty: Medium  
Learning Objective: 7*

82.*(p.81)* Which principle argues that employees must be expected to engage in cooperative activities according to the rules of the company, assuming that the company rules are deemed fair?   
A. Distributive-justice  
B. Difference  
**C.** Fairness  
D. Liberty

*Difficulty: Easy  
Learning Objective: 7*

83.*(p. 81)* The \_\_\_\_\_\_ principle points up a number of general obligations.   
A. Fairness  
**B.** Natural-duty  
C. Distributive-justice  
D. Liberty

*Difficulty: Easy  
Learning Objective: 7*

**Essay Questions**

84. Who are stakeholders and why are they important to a firm?

Please refer to the introductory discussion in the section “The Stakeholder Approach to Social Responsibility” on page 50.

*Learning Objective: 1*

85. Describe the necessary steps that a firm must take when it attempts to incorporate the interests of various stakeholders?

Please refer to the discussion under "The Stakeholder Approach to Social Responsibility" on pages 50-52.

*Learning Objective: 1*

86. Identify inside and outside stakeholders. How do they differ in their expectations of the firm? Explain?

Please refer to the discussion on "The Dynamics of Social Responsibility" on page 52.

*Learning Objective: 1*

87. Briefly describe the four types of social responsibilities that managers can consider?

Please refer to the discussion on "Types of Social Responsibility" on pages 53-57.

*Learning Objective: 2*

88. Discuss the dynamics between CSR and the bottom line?

Please refer to the on "Corporate Social Responsibility and Profitability" discussion on pages 57-59.

*Learning Objective: 5*

89. How is environmentalism driving corporate social responsibility?

Please refer to the discussion on "CSR Today" in the sub-section “The Resurgence of Environmentalism” on page 59.

*Learning Objective: 5*

90. How is increasing buyer power affecting corporate social responsibility today?

Please refer to the discussion on "CSR Today" in the sub-section “Increasing Buyer Power” on pages 59-61.

*Learning Objective: 5*

91. How is globalization driving corporate social responsibility?

Please refer to the discussion on "CSR Today" in the sub-section “The Globalization of Business” on pages 61-62.

*Learning Objective: 5*

92. Discuss the major elements of the Sarbanes-Oxley Act of 2002?

Please refer to the discussion of "The Sarbanes-Oxley Act" on pages 62-65.

*Learning Objective: 4*

93. Describe the impact of the Sarbanes-Oxley Act on the corporate governance structure?

Please see the discussion on "The New Corporate Governance Structure" on pages 65-66.

*Learning Objective: 4*

94. What is a social audit? What is its purpose?

Please see the discussion titled “Social Audit” on pages 67-68.

*Learning Objective: 5*

95. Explain the five principles of successful collaborative social initiatives?

Please see the discussion on the "Five Principles of Successful Collaborative Social Initiatives" topic on pages 72-76.

*Learning Objective: 6*

96. What is ethics? Why is it important in business?

Please refer to the discussion “The Nature of Ethics in Business” on pages 78-81.

*Learning Objective: 7*

97. Briefly discuss the three fundamental ethical approaches that managers should consider?

Please refer to the discussion on "Approaches to Questions of Ethics" on page 81.

*Learning Objective: 7*

98. What are codes of business ethics? Why are they important?

Please refer to the discussion titled “Codes of Business Ethics” on pages 81-82.

*Learning Objective: 7*

99. Identify and describe the defining principles and the implementing principles of the social justice approach?

Please refer to the discussion on "The Social Justice Approach" on page 81.

*Learning Objective: 7*

100. What are the major trends in Code of Ethics? Explain?

Please refer to the discussion on "Major Trends in Codes of Ethics" on page 83.

*Learning Objective: 8*