

PGDM VI Trimester

Business Ethics and Corporate Governance

(Code: PG28)

MCOs

1. To be successful, business ethics training programs need to:
- a) focus on personal opinions of employees.
 - b) be limited to upper executives.
 - c) educate employees on formal ethical frameworks and models of ethical decision making.
 - d) promote the use of emotions in making tough ethical decisions.

Correct C

2. Under the _____, both internal and external corporate governance mechanisms are intended to induce managerial actions that maximize profit and shareholder value.
- a) Shareholder theory.
 - b) Agency theory.
 - c) Stakeholder theory.
 - d) Corporate governance theory.

Correct a

3. Which of the following is not a CSR theory?
- a) Rights theory.
 - b) Legitimacy theory.
 - c) Stakeholder theory.
 - d) Enlightened self-interest.

Correct a

4. The subject will help me to
- A. Get good grades
 - B. Understand the “power” of allocating CSR funds
 - C. Serve the poor people

D. Press opportunities and brand awareness.

Correct: D

5. Which moral philosophy seeks the greatest good for the greatest number of people?
- a) Consequentialism
 - b) Utilitarianism
 - c) Egoism
 - d) Ethical formalism

Correct b

6. The corporate governance structure of a company reflects the individual companies:

- A. Cultural and economic system.
- B. Legal and business system.
- C. Social and regulatory system.
- D. All of the above.

Correct D

7. The Chairperson of the Board of Directors and CEO should be leaders with:

- A. Vision and problem solving skills.
- B. The ability to motivate.
- C. Business acumen.
- D. All of the above.

Correct D

8. The goal of corporate governance and business is to:

- A. Teach students their professional accountability and to uphold their personal Integrity to society.
- B. Change the way in which ethics is taught to students.
- C. Create more ethics standards by which corporate professionals must operate.
- D. Increase the workload for accounting students.

Correct : C

9. The internal audit function is least effective when the department:

- A. Is non-independent.
- B. Is competent.
- C. Is objective.

D. Exhibits integrity

Correct: A

10. The Primary stakeholders are:

- A. Customers.
- B. Suppliers.
- C. Shareholders.
- D. Creditors.

Correct: C

11. The social economy partnership philosophy emphasizes:

- A. cooperation and assistance.
- B. profit maximization.
- C. competition.
- D. restricting resources and support.

Correct a

12. Value is

- A. The biggest element of the culture
- B. The basic element of the culture
- C. Not the element of the culture
- D. None of these

Correct B

13. CSR is

- A. Revenue model of company
- B. Model to generate the profit
- C. Model to spread "Brand"
- D. A business tool for sustainability

Correct: D

14. Example/s of CSR activity/ies is/are:

- A) National Security
- B) Establishing Anti corruption institutions
- C) Supporting Government
- D) None of these

Correct: D

15. Social responsibility is
- A. Same as legal responsibility
 - B. Broader than legal responsibility
 - C. Narrower than legal responsibility
 - D. None of them

Correct B

16. Following is an example skill upgradation activity under CSR
- A. Computer aided design training for artisans
 - B. Embroidery training for women
 - C. Educating BPL students
 - D. Above all

Correct A

17. An enterprise must behave as a good citizen is an example of its responsibility towards
- A. Owners
 - B. Workers
 - C. Consumers
 - D. Community

Correct D

18. Environmental protection can best be done by the efforts of
- A. Business people
 - B. Government
 - C. Scientists
 - D. All

Correct D

19. Which of the following is capable of doing maximum good to society?
- A. Business success
 - B. Laws and regulations
 - C. Ethics
 - D. Professional management

Correct C

20. Ethics is important for:
- A. Top management
 - B. Middle-level managers
 - C. Non-managerial employees

D. All of them

Correct D

21. Which of the following alone can ensure effective ethics programme in a business enterprise?

- A. Publication of a code
- B. Involvement of employees
- C. Establishment of compliance mechanisms
- D. None of them

Correct B

22. The relationship between standards of CSR & potential legal requirements governing corporate operation lies at the heart of the

- A. The business Community
- B. Central Government
- C. State Government
- D. Community

Correct A

23. Business Ethics are based on

- A. Corporate values
- B. Business values
- C. Social values
- D. None

Correct C

24. The ethical issue/s confronted in the ethics in marketing includes:

- A. Pricing
- B. Content of Advertisements
- C. Children and Marketing
- D. Above all

Correct D

25. The basic principle/s include in Utilitarianism philosophy :

- A. Pleasure is the only thing that truly has intrinsic value
- B. Profit is the only thing that truly has intrinsic value
- C. Gross profit is the only thing that truly has intrinsic value
- D. Customer service is the only thing that truly has intrinsic value

Correct A

26. Causes of unethical behaviour at workplace is/are:

- A. Government's policies

- B. Size of the premises of company
- C. Salary
- D. Unethical leadership

Correct D

27. Corporate ethical abuses include:

- A. Insider trading
- B. Securities fraud
- C. Earnings Management
- D. All

Correct D

28. Characteristics of a good work ethics include:

- E. Punctuality
- F. Regularity
- G. Cleanliness
- H. Productivity

Correct: D

29. The code of conduct of business includes:

- A. Director's values
- B. CEO's values
- C. HoD's values
- D. Company's values

Correct D

30. Values and Core values of a business enterprise are:

- A. Different
- B. Same
- C. Similar
- D. One

Correct: A

31. Core values of a good company

- A. Should be Copied
- B. Should be Copied and implemented
- C. Should not be copied
- D. None

Correct C

32. An ethical dilemma is a dilemma

- A. Socio-cultural
- B. Social

C. Moral

D. All

Correct C

33. Code of ethics is a guide of

A. Principals

B. Principles

C. Duties

D. Duties & Responsibilities

Correct: B

34. The POSH Act was passed in

A. 2011

B. 2010

C. 2012

D. 2013

Correct D

35. The POSH Act is a legal framework to protect

A. Female employees

B. Male Employees

C. Employees

D. None

Correct: C

36. Advantages of CSR is/are

A. Increased brand awareness

B. Advantage over competitors

C. Greater employee engagement

D. Above all

Correct : D

37. CSR has been defined in schedule VII of

A. Factories Act

B. Industrial Dispute Act

C. Companies Act

D. Societies Act

Correct: C

38. Ethics means what is

A. Legally correct

B. Morally correct

C. Mythologically

D. Above all

Correct: B

39. Major ethical theories include

- A. Justice
- B. Care
- C. Morality
- D. Above all

Correct: D

40. Generally, ethical principles include

- A. Group dynamics
- B. Team building
- C. Departmentation
- D. Leadership

Correct D