

Paper 1 Quiz 7

Name: _____ Class: _____

1. Which of the following is/are regarded as example(s) of a hotel fulfilling its social responsibilities?

- (1) allowing clerical staff to work from home when there are adverse weather conditions
- (2) paying the minimum wage to housekeepers
- (3) serving sharks fins if requested by customers

- A. (1) only
- B. (1) and (2) only
- C. (2) and (3) only
- D. (1), (2) and (3)

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2. Which of the following are benefits of being a socially responsible business?

- (1) lower production costs
- (2) better business reputation
- (3) attraction of customers who are also concerned about social responsibility

- A. (1) and (2) only
- B. (1) and (3) only
- C. (2) and (3) only
- D. (1), (2) and (3)

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3. Which of the following statements is correct?

- A. Competitors are not stakeholders of a company.
- B. All stakeholders can share in the profits of the company if it earns money.
- C. Stakeholders of a company would be affected by its decision and behaviour.
- D. A customer should settle his outstanding debts before he becomes a stakeholder of the company.

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4. The benefits to a business of assuming social responsibilities include:

- (1) lowering production costs
- (2) enhancing its corporate image
- (3) winning the support of the community

- A. (1) and (2) only
- B. (1) and (3) only
- C. (2) and (3) only
- D. (1), (2) and (3)

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5. _____ cover(s) a firm's responsibility to all of its stakeholders.

- A. Social responsibility
- B. Business ethics
- C. Company law
- D. Law and ethics

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6. Which of the following are considered unethical behaviour of a firm?

- (1) Asking employees to work overtime
- (2) Using production materials that may harm the environment
- (3) Offering lower wages to South Asian employees
- (4) Using low-cost raw materials for production

- A. (1) and (2)
- B. (2) and (3)
- C. (1), (3) and (4)
- D. All of the above

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7. If a firm assumes its social responsibilities,
(i) staff morale can be enhanced.
(ii) its image can be improved.
(iii) production costs may increase.
A. (i) and (ii)
B. (i) and (iii)
C. (ii) and (iii)
D. All of the above
8. Toyota announced a recall in February 2010 of about 436,000 hybrid vehicles worldwide, including its latest Prius model, to fix brake problems. Which of the following stakeholders is likely to be affected?
A. Managers
B. Creditors
C. Suppliers
D. All of the above.
9. An accounting firm is considered socially responsible to its clients if it
(1) sets reasonable prices for its services.
(2) provides services up to the legal and professional standards.
(3) offers discounts to loyal customers.
(4) provides good follow-up services.
A. (1) and (2)
B. (3) and (4)
C. (1), (2) and (4)
D. All of the above
10. A firm is socially responsible to a creditor if it
(i) discloses its financial problems honestly.
(ii) pays interest on time.
(iii) repays debts.
A. (i) and (ii)
B. (i) and (iii)
C. (ii) and (iii)
D. All of the above
11. A contractor carefully evaluates the environment around the construction site, to ensure that not to have great impact to the surrounding natural environment. This is discharging the social responsibilities towards _____.
A. the local community
B. conservation groups
C. developer
D. Government

In 2010, a Hong Kong tour guide was complained to be rude and impolite to a Mainland tourist who refused to shop during the journey. The incident was filmed and uploaded on the Internet. Ultimately, the tour guide was dismissed and her employer was fined HK\$47,500 by the **Tourism Industry Council of Hong Kong**.

12. Which of the following social responsibilities did the tour guide fail to observe in this incident?

- A. Providing quality service to the Mainland tourist
- B. Offering shopping discounts to the Mainland tourist
- C. Reporting the incident to the employer.
- D. Ensuring the safety of the Mainland tourist.

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13. Which of the following stakeholders was/were adversely affected by the incident?

- (1) Mainland tourists
- (2) The tour guide
- (3) The tour guide's employer
- (4) Hong Kong's tourism industry
- A. (1) only
- B. (1) and (2) only
- C. (2) and (3) only
- D. (1), (2), (3) and (4)

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14. Which of the following is NOT the result of having good business ethics?

- A. Staff with high morale
- B. Easier to find suppliers
- C. Illegal reduction of tax payment
- D. Good reputation

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