

CHAPTER 2

Vocabulary

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| 1. social audit | 11. sustainable |
| 2. pollution | 12. whistle-blowing |
| 3. Equal Employment Opportunity | 13. integrity |
| 4. code of conduct | 14. Sarbanes-Oxley Act |
| 5. family leave | 15. sexual harassment |
| 6. consumerism | 16. sexism |
| 7. recycling | 17. business ethics |
| Commission (EEOC) | 18. discrimination |
| 8. conflict of interest | 19. social responsibility |
| 9. corporate philanthropy | 20. green marketing. |
| 10. product liability | 21. stakeholders |

Analysis of Learning Objectives

- LO 2.1:** 1. T, 2. F, 3. F, 4. T, 5. T.
LO 2.2: 1. B, 2. D, 3. A, 4. A.
LO 2.3: 1. preconventional 2. postconventional 3. conventional 4. T, 5. F, 6. F, 7. T
LO 2.4: 1. T, 2. F, 3. T, 4. T, 5. T, 6. T, 7. T, 8. F, 9. T, 10. F, 11. F, 12. T, 13. T.
LO 2.5: 1. F, 2. T, 3. F, 4. T

Self Review

- True or False:** 1. T, 2. T, 3. F, 4. T, 5. T, 6. T, 7. T, 8. T, 9. F, 10. T, 11. F, 12. T, 13. F, 14. F, 15. F.

- Multiple Choice:** 1. b, 2. a, 3. a, 4. d, 5. a, 6. b, 7. c, 8. b, 9. c, 10. d.

Application Exercises

- Under the Civil Rights Act (1964), Maria is acting unethical. The act of bribing Brian in exchange for sexual favors is considered a form of sexual harassment.
- Under the Americans with Disabilities Act (1991) this employer is obligated to make the appropriate accommodations so that the qualified candidate can work despite her disability.
- Under the Uniformed Services Employment and Reemployment Rights Act (1994), Jill is acting unethically in her decision to deny John a position for the sole reason of his participation in the National Guards. John has the right to not only obtain employment for which he is qualified, but also expect that his position will be available once he returns from any service duties.
- Patty may have to start smoking outside, even though this is her business. As the employer, if she exposes employees to second-hand smoke she may later be held liable for any smoke-related illness an employee develops.

Short Essay Questions

1. Business managers have a whole range of responsibilities. They include:
 - a. Responsibilities to employees. Such issues as equal opportunity, fair pay, a safe work environment, attention to the diversity of the work force, and prevention of sexual harassment and sexism.
 - b. Protection of the environment. Business managers today need to be concerned with minimizing pollution, recycling, promoting sustainable environmental practices, conservation of scarce resources, and proper disposal of toxic waste.
 - c. Responsibilities to consumers. Business managers have an obligation to make certain that products are safe, and that they have been truthful in advertising and labeling. They also need to insure that consumers are informed and heard.
 - d. Responsibilities to the general public. In addition to environmental protection, today's business manager should be aware of public health issues and other needs of society that business may be in a unique position to meet. This includes practicing corporate philanthropy and social responsibility.
2. The Equal Employment Opportunity Commission (EEOC) was created to increase job opportunities for women and minorities and to help end discrimination based on race, color, religion, disability, gender, or national origin in any personnel action. To enforce fair-employment laws, it investigates charges of discrimination and harassment and files suit against violators. The EEOC can also help employers set up programs to increase job opportunities for women, minorities, people with disabilities, and people in other protected categories. While in the past the EEOC has focused on this type of individual situation, currently it is addressing what it terms "systemic discrimination," which it defines as "a pattern or practice, policy and/or class cases where the alleged discrimination has a broad impact on an industry, profession, company, or geographic location." A systemic discrimination charge usually becomes a class-action suit, which costs considerably more to defend than an individual lawsuit.