

EXAM INFORMATION

This exam was developed to enable schools to award credit to students for knowledge equivalent to that learned by students taking the course. This exam covers topics such as business ethics, corporations, social responsibilities, regulation and employer-employee relations.

The exam contains 100 questions to be answered in 2 hours.

Form Codes: SQ475, SR475, SY475, SZ475

CREDIT RECOMMENDATIONS

The American Council on Education's College Credit Recommendation Service (ACE CREDIT) has evaluated the DSST test development process and content of this exam. It has made the following recommendations:

Area or Course Equivalent: Business Ethics & Society

Level: Lower-level baccalaureate

Amount of Credit: 3 Semester Hours

Minimum Score: 400

Source: www.acenet.edu

EXAM CONTENT OUTLINE

The following is an outline of the content areas covered in the examination. The approximate percentage of the examination devoted to each content area is also noted.

- I. **The Importance of Business Ethics – 7%**
 - a. Fundamentals of business ethics i.e. profit –motive
 - b. Issues raised by business scandals, fraud and insider trading
 - c. Ethical leadership
- II. **Moral Philosophies and Business Ethics – 12%**
 - a. Social and psychological contract theories
 - b. Moral development
 - c. Philosophies e.g. egoism, relativism, utilitarianism, etc.
- III. **Corporations and Stakeholders – 12%**
 - a. Relationship with stockholders
 - b. Relationship with employees
 - c. Corporations and consumers
 - d. The corporation within the community and the public good
- IV. **Social Responsibilities of a Business – 10%**
 - a. Moral and ethical stances
 - b. Individual responsibilities within a business
 - c. Global responsibilities of a business
 - d. Sustainable business growth and environmental responsibility
- V. **Regulation of Business – 8%**
 - a. Theoretical issues
 - b. Business and politics i.e. political contributions, conflicts of interest etc.
 - c. Governmental control over business activities
- VI. **Employer-Employee Relations – 25%**
 - a. Confidentiality and whistle-blowing
 - b. Discrimination and affirmative action

- c. Sexual harassment
- d. Duties of corporate officers i.e. workplace safety etc.
- e. Labor relations i.e. unions, at-will, etc.

VII. Ethics of Information and Information Technology – 12%

- a. Marketing and advertising
- b. Spying
- c. Privacy issues/concerns
- d. Control of proprietary information

VIII. Business Ethics in a Global Economy – 14%

- a. Corporate citizenship
- b. Ethics in transnational corporations
- c. Outsourcing and off-shoring
- d. Ethical standards in different countries
- e. Fair trade laws and standards (e.g. WTO, NAFTA etc)

REFERENCES

Below is a list of reference publications that were either used as a reference to create the exam, or were used as textbooks in college courses of the same or similar title at the time the test was developed. You may reference either the current edition of these titles or textbooks currently used at a local college or university for the same class title. It is recommended that you reference more than one textbook on the topics outlined in this fact sheet.

You should begin by checking textbook content against the content outline provided before selecting textbooks that cover the test content from which to study.

Sources for study material are suggested but not limited to the following:

1. Ferrell, O.C; Fraedrick, John; Ferrell, Linda. Business Ethics: Ethical Decision Making & Cases, 11th Edition: Cengage Learning.
2. Boatright, John R (2012). Ethics and the Conduct of Business, 7th Edition: Pearson.
3. Bucholtz, Ann; Carroll, Archie (2015). Business and Society – Ethics, Sustainability, and Stakeholder Management, 9th Edition: Cengage Learning.
4. DesJardins, Joseph (2014). Introduction to Business Ethics, 5th Edition: McGraw-Hill Higher Education.
5. Jennings, Marianne (2015). Business: Its Legal, Ethical, and Global Environment, 10th Edition: Cengage Learning
6. Lawrence, Anne (2016). Business and Society: Stakeholders, Ethics, Public Policy, 15th Edition
7. Cheeseman, Henry (2016). Business Law: Legal Environment, Online Commerce, Business Ethics, and International Issues, 9th Edition: Pearson.
8. Krugman, Paul R; Obstfeld, Maurice; Melitz, Marc (2015). International Trade; Theory and Policy, 10th Edition: Pearson.

SAMPLE QUESTIONS

All test questions are in a multiple-choice format, with one correct answer and three incorrect options. The following are samples of the types of questions that may appear on the exam.

1. Business ethics deals with
 - a. Morality
 - b. Ethnicity
 - c. Economics

- d. Philanthropy
2. What contemporary business practice is most similar to utilitarian reasoning?
 - a. Truth in lending
 - b. Cost-benefit analysis
 - c. Truth in advertising
 - d. The customer is always right
 3. Which form of "bribe" offered to an official in a foreign country is understood to be acceptable under the Foreign Corrupt Practices Act of 1977?
 - a. Payments made to police officers to get them to overlook minor infractions
 - b. Payments made to judges to get them to rule against guilty parties
 - c. Payments made to bureaucrats to get them to expedite their assigned tasks
 - d. Payments made to lawmakers to get them to vote for favorable legislation
 4. According to Boatwright, which of the following could best describe a living wage?
 - a. The wages offered by the employer
 - b. The wage at which an employee will work
 - c. A wage that is considered poverty level income
 - d. Wages that enables a worker to support a family with dignity
 5. An emerging view of corporate whistle-blowing practices regards them as justified, particularly when an employee's
 - a. duty of loyalty outweighs obligations of confidentiality
 - b. obligation under the law outweighs the right to privacy
 - c. right to security outweighs the responsibility to prevent harm
 - d. responsibility to the public outweighs duties to an employer
 6. Under the Equal Employment Opportunity Commission's definition of sexual harassment, which of the following is a category of harassment?
 - a. Glass ceiling
 - b. Quid pro quo
 - c. Absenteeism
 - d. Comparable worth
 7. Which act provides whistle-blowers with the greatest protection?
 - a. False Claims Act
 - b. Sarbanes-Oxley Act
 - c. The Civil Rights Act
 - d. The Government Protection Act
 8. Byron has started a new position as an accountant at company XYZ. Company XYZ maintains medical records on employees in order to administer benefit plans or to monitor occupational health and safety. No health and safety issues are associated with Byron's position. Which of the following individuals should have access and is justified in obtaining Byron's medical information?
 - a. Tara, the CEO of company XYZ, who has access to all of the medical records
 - b. Heather, the HR generalist, who administers the company health insurance plan
 - c. Bill, Byron's first-line supervisor, who will use the information for Byron's performance evaluation
 - d. Tom, Byron's supervisor and vice president of the division, who will use the information to determine future promotions
 9. A corporation may be excused from the requirements of the Worker Adjustment and Retraining Notification Act (WARN) if immediate layoffs were
 - a. accompanied by outplacement benefit programs

- b. a response to declining levels of employee productivity
 - c. necessary as a result of unforeseen business circumstances
 - d. achieved through the elimination of an entire business division
10. Sustainable development requires that human society use natural resources at a rate that can be continued over a(n)
- a. indefinite period
 - b. protected period
 - c. renewable period
 - d. sustainable period

Answers to sample questions:

1-A; 2-B; 3-C ; 4-D; 5-D; 6-B; 7-B; 8-B; 9-C; 10-A.