

Business Law Mid-Term (Chapters 1-4)

Multiple Choice

Identify the letter of the choice that best completes the statement or answers the question.

- _____ 1. 1. Select the best definition of ethics:
- | | | | |
|----|---|----|---|
| a. | a fundamental principle of fairness in all legal matters. | c. | the right of all persons to have the same access to the law and courts. |
| b. | a set of principles of right conduct. | d. | group of rights and procedures to provide fairness, unhampered by the narrow strictures of the old common law or other technical requirements of the law. |
- _____ 2. Choose the statement regarding duty to rescue that is false:
- | | | | |
|----|---|----|--|
| a. | There is no general duty to rescue an individual. | c. | Under a liberal–communitarian approach, citizens owe a duty to the state to rescue other citizens based on reciprocal rights and duties. |
| b. | One basis for not imposing individual rescue liability is: An individual should have a right of freedom of action, privacy and personal autonomy not to intervene and perform rescue. | d. | Bigan was legally responsible through his acts and deeds, for placing Yania in the perilous position and owed him a duty of rescue. |
- _____ 3. Which of the following views on outsourcing would be consistent with the free market ethics approach advocated by Milton Friedman?
- | | | | |
|----|--|----|---|
| a. | Outsourcing is detrimental to the economy because it limits profitability. | c. | Outsourcing enhances competitiveness, modernization, and bigger market opportunities. |
| b. | Outsourcing decreases efficiency and productivity. | d. | Automating processes and replacing workers is unethical since it does not serve a greater good. |

- _____ 4. Assuming a business ethical dilemma, which statement best illustrates Gilligan approach suggested in her theory of “The Ethics of Care”?
- a. individual rights and justice for all
 - b. applies only to women and not men
 - c. care and responsibility to others
 - d. obedience to independent moral rules or duties
- _____ 5. Select the best definition of whistleblower:
- a. the sole goal of modern ethics training
 - b. originated from the Latin *"qui tam pro domino rege quam pro sic ipso in hoc parte sequitur"* meaning "who as well for the king as for himself sues in this matter."
 - c. a narrow exception under the general rule of at-will employment
 - d. people who report unethical or illegal activities under the control of their employers
- _____ 6. 1. Under the legal doctrine of “employment at will” an employee can be lawfully terminated from her job for:
- I. wearing a shirt that clashes with her suit
 - II. any non-discriminatory reason
 - III. complaining about illegal activity in the workplace
 - IV. only for good cause
- a. I only
 - b. II only
 - c. I and II
 - d. III and IV
- _____ 7. 1. The Sarbanes Oxley Act was passed in response to:
- I. concerns that investors received full and complete information about potential corporate fraud
 - II. a lack of investor confidence
 - III. corporate scandals beginning with Enron
 - IV. discrimination against an employee when providing information she reasonably believes constitutes a violation of federal security laws
- a. I only
 - b. II only
 - c. I and II
 - d. I, II, III, IV

- _____ 8. The Constitution does not always protect free-speech rights for what public employees say on the job. Which of the following is true?
- a. When a citizen enters government service, the citizen by necessity must not accept certain limitations on his or her freedom.
 - b. Citizens speak out on matters of public concern but not when they speak out in the course of their official duties.
 - c. Citizens cause an acceptable chilling of the speech of all potential whistleblowers.
 - d. None of the above
- _____ 9. In considering the legality of employer interception of employee e-mails at work, pick the correct statement.
- I. Employees have complete expectation of privacy since they can select their password for inhouse and remote access of e-mails.
 - II. A subpoena is required by the employer to read any e-mail that is clearly marked “confidential” by the employee.
 - III. No expectation of privacy exists over an employer-owned computer system at work.
 - IV. Statement by the employer that e-mails are confidential and privileged cannot be later used by an employer to defeat an employee’s claim of privacy
- a. I only
 - b. II only
 - c. III only
 - d. I and IV
- _____ 10. [The Electronic Communications Privacy Act of 1986](#) (ECPA):
- a. supplements the Omnibus Federal Employee Workplace Privacy Rights Law of 2008.
 - b. has been an effective law because employee privacy intrusions are less common and steadily declining since 2000.
 - c. restricts employer access to public chatroom interactions.
 - d. fails to protect employees in most situations involving e-mail monitoring by public and private employers.

- _____ 11. Title I of the Americans With Disabilities Act of 1990 (ADA) explicitly limits the ability of employers to use “medical examinations and inquiries” as a condition of employment and provides for:
- a. a prohibition against using pre-employment medical tests.
 - b. a prohibition against the use of a medical examination after a job offer has been made if the results are kept confidential.
 - c. a prohibition against the use of medical tests that lack job-relatedness and business necessity.
 - d. a prohibition against the use of tests that screen out (or tend to screen out) people with disabilities.
- _____ 12. The United States Constitution, Fourth Amendment provides "[t]he right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated... " Privacy rights are triggered under the Fourth Amendment:
- a. when a corporation has authorized an agent with direct authority to perform an electronic search of an employee’s e-mail account.
 - b. upon issuance of a *subpoena duces tecum* to bring electronic data (e-mails, files, etc.) including electronic metadata such as headers, directional information, and other such useful tracking data.
 - c. when the government is the primary actor.
 - d. during an archival search of e-mails on a corporation’s server.
- _____ 13. Title VII of the Civil Rights Act of 1964 prohibits employment discrimination based on race, color, religion, sex, or national origin. Which of the following federal government agencies is charged with enforcing this statute?
- a. U.S. Department of Labor
 - b. [Merit Systems Protection Board](#)
 - c. [Office of Personnel Management](#)
 - d. [Equal Employment Opportunity Co](#)

- _____ 14. Equal protection is the constitutional guarantee:
- a. that empowers Congress to regulate equally distributed commerce with foreign Nations, and among the several States, and with the Indian Tribes.
 - b. that laws made in pursuance of the Constitution and all treaties made under the authority of the United States shall be the equally protected as the “supreme law of the land.”
 - c. embodied in the Fourteenth Amendment to the U.S. Constitution.
 - d. that grants and distributes power and responsibilities to national and state governments.
- _____ 15. Employment practices without business justification applied to all employees that result in a less favorable effect for one group than for another group may state a claim for:
- a. disparate treatment
 - b. disparate impact
 - c. inclusion
 - d. reasonable accommodation
- _____ 16. All of the following are true statements regarding the Family and Medical Leave Act (FMLA, 29 U.S.C. §§ 2601, et seq.), EXCEPT which of the following?
- a. An eligible employee is entitled to take 12 weeks of unpaid leave in any 12-month period.
 - b. Every personal or family emergency qualifies for FMLA leave.
 - c. Under most circumstances, the employer must reinstate employees when they return from leave.
 - d. An eligible employee is entitled to take paid leave because of the birth of a son or daughter.

**Business Law Mid-Term (Chapters 1-4)
Answer Section**

MULTIPLE CHOICE

1. ANS: B
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PTS: 1

2. ANS: D
Pages 3-7

PTS: 1

3. ANS: C
Page 10

PTS: 1

4. ANS: C
Page 18

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5. ANS: D
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6. ANS: C
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7. ANS: C
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8. ANS: B
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9. ANS: C
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10. ANS: D
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11. ANS: B
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12. ANS: C
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13. ANS: D
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14. ANS: C
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15. ANS: B
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16. ANS: B
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