

## **Edexcel GCSE Business**

### **2.1.4 Ethics, the environment and business**

#### **Multiple Choice Question Test Bank**

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# **MCQ Test 4**

**This MCQ test contains 13 questions covering the specification content for 2.1.4: Ethics, the environment and business**

**Instructions:**

- **There are 13 questions in this test.**
- **Your teacher will determine how long you have to complete this test and under what conditions.**
- Only **one** answer per question is allowed for **questions 1-11 inclusive.**
- **Two** answers should be selected for questions **12 and 13.**
- For each answer, completely fill in the circle alongside the appropriate answer(s).
- If you want to change your answer, you must cross out your original answer.
- If you wish to return to an answer previously crossed out, ring the answer you now wish to select.

**0 1** Which of the following is an example of a business behaving ethically?

- A Paying employees above the living wage
- B Buying non fair trade products rather than the fair trade alternative
- C Paying suppliers the lowest possible price for raw materials
- D Setting high retail prices as the only producer of an essential product

[1 mark]

**0 2** Which of the following methods would an environmentally responsible business use to manage waste?

- A Send all waste to landfill
- B Reduce the amount of waste created and recycle where possible
- C Incinerate waste
- D Use non-recyclable packaging

[1 mark]

**0 3** Which of the following best describes the term pressure group?

- A An individual that has shares in a business
- B Anyone who has an interest or is affected by the activities of a business
- C An individual or organisation that provides a business with materials
- D An organisation with shared aims that seek to influence opinions, decisions and policy

[1 mark]

**0 4** Which of the following statements best describes the term ethical behaviour? When a business behaves in a way that:

- A Is classed as morally wrong
- B Minimises costs
- C All stakeholders consider fair and honest
- D Maximises profits

[1 mark]

**0 5** Which of the following best describes the term trade-off?

- A Having more of one thing may mean having less of another
- B Having more of one thing may mean having even more of another
- C Having the same amounts of everything
- D Having less of everything

[1 mark]

**0 6** Pressure groups are campaigning for the replacement of single use plastic items, such as straws, with sustainable alternatives. A fast food outlet has responded by providing customers with paper straws. Which element of the marketing mix has changed?

- A Product
- B Price
- C Promotion
- D Place

[1 mark]

**0 7** Businesses often face a trade-off between environmental responsibility and profit. Which of the following is an example of a cosmetics business prioritising profit over the environment?

- A Using more expensive ingredients that create less pollution
- B Using less expensive ingredients that create less pollution
- C Using more expensive ingredients that create more pollution
- D Using less expensive ingredients that create more pollution

[1 mark]

**0 8** Which of the following statements best describes the term sustainability?

- A When a business behaves in a way that is viewed as morally right
- B The contamination of the environment
- C When a business considers its behaviour as ethical
- D The use of resources which does not lead to environmental damage

[1 mark]

**0 9** Which of the following is an example of how a business could accept greater environmental responsibility?

- A Reduce the trade credit period to pay suppliers by five days
- B Pay material suppliers a fair price for any goods purchased
- C Use more fuel efficient methods to transport bulky products
- D Pay all employees above the National Living Wage

[1 mark]

**1 0** Which of the following behaviours by a car manufacturer could be classed as unethical?

- A Producing vehicles with high fuel consumption
- B Researching alternative, environmentally friendly, fuel types
- C Producing energy efficient hybrid cars
- D Researching new, advanced, vehicle safety features

[1 mark]

**1 1** Businesses often face a trade-off between ethics and profit. Which of the following is an example of a business prioritising ethics over profit?

- A Paying the lowest possible price for raw materials to increase profits
- B Paying a higher price for fair trade supplies at the expense of profit
- C Paying suppliers late to improve cash flow
- D Paying employees the lowest wage possible to increase profits

[1 mark]

- 1 2** Which **two** of the following are benefits to a business of behaving in an environmentally responsible way?
- A The business receives good publicity
  - B Consumers may be prepared to pay higher prices for products
  - C Profits may be reduced
  - D Higher prices may make the business uncompetitive
  - E Costs will increase
- [2 marks]

- 1 3** Which **two** of the following are possible drawbacks to a business of behaving ethically?
- A Positive advertising
  - B Higher costs
  - C Motivated workforce
  - D Easier to recruit new employees
  - E May have to accept lower profits
- [2 marks]

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**ANSWERS TO THIS MCQ TEST**

Q	CORRECT
1	A
2	B
3	D
4	C
5	A
6	A
7	D
8	D
9	C
10	A
11	B
12	A,B
13	B,E