Chapter 7 Quiz

True / False Questions

1. Sherron Watkins was the individual who blew the whistle on WorldCom's illegal activities.
   True    False

2. When an employee discovers evidence of malpractice or misconduct in an organization, he or she faces an ethical dilemma.
   True    False

3. A whistleblower is an individual who discovers corporate misconduct.
   True    False

4. Internal whistle-blowing is when an employee discovers corporate misconduct and brings it to the attention of his or her supervisor, and then brings it to the attention of law-enforcement agencies and/or the media.
   True    False

5. If an employee brings the misconduct of an organization to the attention of law-enforcement officials, he or she is external whistle-blowing.
   True    False

6. Whistle-blowers are often severely criticized as informers, sneaks, spies, or squealers who have in some way breached the trust and loyalty they owe to their employers.
   True    False

7. One could argue that whistleblowers provide an invaluable service to their organizations and to the general public.
   True    False

8. Everyone views whistleblowers as brave men and women who put their careers and personal lives at risk in the name of "doing the right thing."
   True    False

9. When a whistleblower's immediate supervisor does not act, he or she should exhaust the company's internal procedures and chain of command to the board of directors.
   True    False

10. Whistle-blowing is ethical if the employee has valid reasons to believe that revealing the wrongdoing to the public would result in changes necessary to remedy the situation.
    True    False

11. The legitimacy of whistle-blowing remains even if the employee is motivated only by media attention.
    True    False

12. The potential for financial gain in some areas of corporate whistle-blowing can be considerable.
    True    False
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13. An employee does not need irrefutable evidence before becoming a whistleblower; just an inclination is sufficient.
   True    False

14. The threat of losing your job and being alienated by your colleagues outweighs the possible financial gains a whistleblower might receive.
   True    False

15. External whistle-blowing is a 20\textsuperscript{th} century phenomenon.
   True    False

16. One of the first uses of the term \textit{whistleblower} occurred in 1943, when Otto Otopeka was dismissed from the U.S. State Department after giving classified documents on security risks to the chief counsel of the Senate Subcommittee on Internal Security.
   True    False

17. Public awareness of whistleblowers reached its peak in 2002.
   True    False

18. Coleen Rowley was recognized for her ordinary demeanor but exceptional guts and sense in a 2002 issue of \textit{Times} magazine.
   True    False

19. Karen Silkwood was among the internal auditing team that first uncovered questionable accounting practices at WorldCom.
   True    False

20. Employees are increasingly unwilling to respond to questionable behavior they observe in the workplace.
   True    False

21. The choice of an employer to ignore a whistleblower could result in public embarrassment and potentially ruinous financial penalties.
   True    False

22. Prior to 2002, legal protection for whistleblowers did not exist.
   True    False

23. The Whistleblower Act of 2001 finally addressed the issue of retaliation against federal employees who brought accusations of unethical behavior.
   True    False

24. Since the Sarbanes-Oxley Act of 2002, Congress has taken an integrated approach to the matter of whistle-blowing by prohibiting retaliation against whistleblowers and by encouraging the act of whistle-blowing itself.
   True    False
25. Companies should be prompt and provide a thorough investigation of all complaints in today's legal environment.
   True    False

26. A whistleblower hotline can only be successful if trust exists between employees and their employer.
   True    False

27. In today's environment, experts highly recommended that becoming a whistleblower and taking your story public should be a first resort, not last.
   True    False

**Multiple Choice Questions**

28. Who was the CEO of Enron when Sherron Watkin's blew the whistle?
   A. Joseph Berardino  
   B. Jeffery Skilling  
   C. Bernard Ebbers  
   D. Kenneth Lay

29. When an employee discovers evidence of malpractice or misconduct in an organization, he or she faces ______.
   A. an ethical dilemma  
   B. a cut and dry situation  
   C. a legal decision  
   D. an everyday occurrence

30. A(n) ______ is an employee who discovers corporate misconduct and chooses to bring it to the attention of others.
   A. tattle-tail  
   B. internal spy  
   C. whistle-blower  
   D. chief ethics officer

31. A(n) ______ whistleblower is an employee who discovers corporate misconduct and brings it to the attention of his supervisor, who then follows established procedures to address the misconduct within the organization.
   A. external  
   B. internal  
   C. organizational  
   D. governmental
32. A(n) ______ whistleblower is an employee discovering corporate misconduct and chooses to bring it to the attention of law enforcement agencies and/or the media.
A. external
B. internal
C. organizational
D. governmental

33. One could argue that whistleblowers provide ______.
A. a positive image of their organization
B. an invaluable service to their organization
C. investors an unrealistic outlook of a company
D. a disservice to the public

34. The media often portrays whistleblowers ______.
A. devious
B. fraudulent
C. honorable
D. deceitful

35. Whistle-blowing is ethical under all of the following conditions, except:
A. when the motivation is financial gain
B. when the employee identifies a serious threat of harm
C. when the company will cause serious and considerable harm to the public
D. when the employee's immediate supervisor does not act, and the internal procedures and chain of command have been exhausted

36. All of the following can cause a whistleblower to lose legitimacy, except:
A. motivation by financial gains
B. motivation by media attention
C. the employee is carrying out a personal vendetta
D. the employee is trying to protect the public

37. The potential for financial gain in some areas of corporate whistle-blowing can be ______.
A. small
B. personally devastating
C. considerable
D. minuscule

38. Whether the motivation to speak out and reveal questionable behavior came from a personal ethical decision or from the potential for a substantial financial windfall will ______.
A. probably never be completely verified
B. always be verified
C. be verified the majority of the time
D. always be sought after
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39. ______ whistle-blowing rarely gains media attention.
   A. Governmental
   B. Internal
   C. Coercive
   D. External

40. One of the first uses of the term *whistleblower* took place in ______.
   A. 1970
   B. 1963
   C. 1955
   D. 1941

41. What year did public awareness of whistleblowers reach a peak?
   A. 1998
   B. 2000
   C. 2002
   D. 2004

42. All of the following women were recognized by *Times* magazine as a "Person of the Year," except:
   A. Martha Jenkins
   B. Cynthia Cooper
   C. Coleen Rowley
   D. Sherron Watkins

43. Employees are becoming ______ to respond to any questionable behavior they observe in the workplace.
   A. less willing
   B. hesitant
   C. uncooperative
   D. increasingly willing

44. Prior to ______, legal protection for whistleblowers existed only in the form of legislation that encouraged behavior by employees who felt compelled to speak out, without offering any safeguards against retaliation aimed at them.
   A. 2000
   B. 2002
   C. 2004
   D. 2006

45. The Whistleblower Act of 1989 finally addressed the issue of ______.
   A. retaliation against employees in private organizations who brought accusations of unethical behavior
   B. retaliation against employees in non-profit organizations who brought accusations of unethical behavior
   C. retaliation against federal employees who brought accusations of unethical behavior
   D. retaliation against any employee who brought accusations of unethical behavior
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46. Congress took an integrated approach to the matter of whistle-blowing by prohibiting retaliation against whistleblowers and encouraging the act of whistle-blowing under which act?
A. The Sarbanes-Oxley Act
B. The Whistleblower Protection Act of 1989
C. False Claims Act of 1963
D. Federal Sentencing Guidelines Act

47. All of the following are possible damages entitled to employees who prevail in whistleblower cases, except:
A. interest
B. back pay
C. all compensatory damages to make the employee whole
D. reinstatement at a higher seniority status

48. Given the new legal environment surrounding whistleblowers, employers would be wise to put all of the following mechanisms in place, except:
A. a detailed report of all investigations, documenting all corporate officers involved and all actions taken
B. a well-defined process to document how such complaints are handled
C. an employee hotline to file such complaints
D. a prompt and thorough investigation of serious complaints

49. _____ is a telephone line where employees can leave messages to alert a company of suspected misconduct without revealing their identity.
A. A whistleblower hotline
B. An employee crisis hotline
C. A company hotline
D. A legal hotline

50. A study of 233 whistleblowers by Donald Soeken of St. Elizabeth's Hospital in Washington, DC, found that the average whistleblower was __________.
A. a woman in her fifties with an extroverted personality
B. a man soon to retire
C. a woman in her thirties with strong moral values
D. a man in his forties with a strong conscience and high moral values

51. The fact that an employee is left with no option but to "go public" with the information should be seen as evidence that _____.
A. the employee is unhappy with the organization's decision and is seeking the media's help to persuade the corporation
B. the organization is trying to gauge the seriousness of the situation by pushing its employee
C. the organization has failed to address the situation internally for the long-term betterment of the corporation
D. the organization feels that the situation does not merit the employee's evidence