

Question #1 of 7

Question ID: 1573299

The interests of community groups affected by a company's operations are *most likely* to be considered in corporate governance under:

- A) special interest theory.
 - B) shareholder theory.
 - C) stakeholder theory.
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Question #2 of 7

Question ID: 1573298

The stakeholder theory of corporate governance is primarily focused on:

- A) increasing the value a company.
 - B) resolving the competing interests of those who manage companies and other groups affected by a company's actions.
 - C) the interests of various stakeholders rather than the interests of shareholders.
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Question #3 of 7

Question ID: 1573297

Increasing a company's risk exposure in an effort to increase its growth rate is *most likely* to be favored by:

- A) owners but not lenders.
 - B) neither lenders nor owners.
 - C) both lenders and owners.
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Question ID: 1573302

The stakeholder group that typically prefers the greatest amount of business risk is:

- A) directors.
 - B) shareholders.
 - C) senior managers.
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Question #5 of 7

Question ID: 1573300

Under shareholder theory, corporate governance is *most* concerned with managing conflicts of interest between the firm's managers and its:

- A) employees.
 - B) customers.
 - C) owners.
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Question ID: 1573301

The stakeholders of a company that are *least likely* to prefer a relatively riskier company strategy that has the potential for superior company performance are:

- A) creditors.
 - B) suppliers.
 - C) shareholders.
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Question #7 of 7

Question ID: 1573296

Which of the following payments are contractual obligations of a corporation?

- A) Interest, principal, and preferred stock dividend payments.
- B) Interest and principal payments.
- C) Interest and common stock dividend payments.