

ASSESSMENT QUESTIONS

Chapter 9: Costing for Today's Changing Market

True or False

Identify whether the following statements are true or false and circle the correct answer.

- T F 1. All sustainable practice costs are fixed costs.
- T F 2. Markup is added after the costs for sustainable/ethical programs is added.
- T F 3. Unplugging the printer when not in use or turning off lights in the showroom when no buyers are present are ways to reduce costs.
- T F 4. An environmental profit and loss statement illustrates the environmental impacts of products.
- T F 5. Eco-loading is a way to have the customer share in paying for the environmental and social impacts of their purchase.

Multiple Choice

Select the best response.

- 1. An all-inclusive cost sheet includes
 - a. Direct Factory Sourcing
 - b. Expenses for sustainability programs
 - c. Product Development
 - d. Markdown %
 - e. All of the above

- 2. Externalized costs are:
 - a. Costs of producing goods that others outside of the company pays.
 - b. Costs that occur outside of the factory
 - c. Labor costs by at-home artisans
 - d. All of the above

3. Eco-loading:

a. Ensures that the purchase of an item helps pay for programs that will improve social and environmental degradation

b. Ensures renewal energy is used across the supply chain

c. Is an Incoterm

d. Is a direct cost

4. Sustainably-run companies:

a. Know that there are added costs to implementing ethical programs

b. Will profit after five to ten years

c. Inspect every mill and factory often

d. None of the above

5. Companies are inspired to create socially and environmentally responsible programs by the

a. Triple bottom line strategy

b. The 17 U.N. SDGs

c. Changing climate

d. All of the above

Key for Chapter 9 Assessment Questions

True-False

- 1. F**
- 2. T**
- 3. T**
- 4. T**
- 5. T**

Multiple Choice

- 1. e**
- 2. a**
- 3. a**
- 4. a**
- 5. d**