

Glossary

Chapter 3

conflict of interest	A situation that occurs when one's judgment or objective is compromised.
corporate social performance	The extent to which a firm responds to the demands of its stakeholders for behaving in a socially responsible manner.
corporate social responsibility	The idea that firms have an obligation to society beyond their economic obligations to owners or stockholders and beyond those prescribed by law or contract.
downsizing	The slimming down of operations to focus resources and boost profits or decrease expenses.
ethically centered management	An approach to management that emphasizes that the high quality of an end product takes precedence over its scheduled completion.
ethics	The study of moral obligation, or separating right from wrong.
moral intensity	The magnitude of an unethical act.
moral laxity	A slippage in moral behavior because other issues seem more important at the time.
stakeholder viewpoint	The viewpoint on social responsibility contending that firms must hold themselves responsible for the quality of life of the many groups affected by the firm's actions.
stockholder viewpoint	The traditional perspective on social responsibility, believing that a business organization is responsible only to its owners and stockholders.
virtuous circle	The relationship between social and financial performance where corporate social performance and corporate financial performance feed and reinforce each other.
whistle-blower	An employee who discloses organizational wrongdoing to parties who can take action.