Key Terms

- **code of ethics** – highlights and organization’s key ethical issues and identifies the overarching values and principles that are important to the organization and its decision making.
- **corporate ethics** – broadly defined to include ethical conduct, legal compliance, and corporate social responsibility.
- **corporate ethics officer** – a senior-level manager who provides vision and direction in the area of business conduct. The corporate ethics officer may have a background in human resources, finance, auditing, law, security, or line operations.
- **ethics** – a set of beliefs about right and wrong behavior which conforms to generally accepted social norms, many of which are almost universal.
- **Ethics Officer Association (EOA)** – an association of managers of ethics, compliance, and business conduct program which provides ethics officers with training, conferences and meetings for exchanging best practices with other ethics officers.
- **integrity** – one of the cornerstones of ethical behavior. A person who acts with integrity acts in accordance with a personal code of principles.
- **moral code** – a set of rules that establish the boundaries of generally accepted behavior.
- **moral principles** – statements of what a person believes to be rules of right conduct.
- **morality** – refers to social conventions about right and wrong that are so widely shared that they become the basis for an established consensus.
- **risk** – the product of multiplying the likelihood of an event by the impact of its occurrence.
- **social audit** – a review of a company’s ethical lapses committed in the past and the establishment of directives for avoiding similar missteps in the future.
- **stakeholder** – someone who stands to lose or gain from how a situation is resolved. An organization’s stakeholders include shareholders, employees, customers, suppliers, and the community.
- **value system** – the complex scheme of moral values by which a person lives.
- **vices** – habits of unacceptable behavior.
- **virtues** – habits that incline people to do what is acceptable.