Contents

PART ONE	Summary 42
BUSINESS IN SOCIETY 1	Key Terms 42
	Internet Resources 43
Chapter 1	Discussion Case: Coca-Cola's Water Neutrality Initiative 43
The Corporation and Its Stakeholders 2	illitiative 45
Business and Society 4	Chapter 3
A Systems Perspective 5	The Corporation's Social
The Stakeholder Theory of the Firm 6	Responsibilities 45
The Stakeholder Concept 7	Corporate Power and Responsibility 47
Different Kinds of Stakeholders 8	The Meaning of Corporate Social Responsibility 49
Stakeholder Analysis 10	The Origins of Corporate Social Responsibility 50
Stakeholder Interests 11	Balancing Social, Economic, and Legal
Stakeholder Power 12	Responsibilities 51
Stakeholder Coalitions 14	The Corporate Social Responsibility Debate 53
Stakeholder Salience and Mapping 16	Arguments for Corporate Social
The Corporation's Boundary-Spanning	Responsibility 53
Departments 18	Arguments against Corporate Social Responsibility 56
The Dynamic Environment of Business 19	The Social Enterprise 59
Creating Value in a Dynamic Environment 21	Social Entrepreneurship 60
Summary 21	The B Corporation 60
Key Terms 22	Serving the Bottom of the Pyramid 61
Internet Resources 22	Award-Winning Corporate Social Responsibility
Discussion Case: A Brawl in Mickey's Backyard 22	Practices 63
Chapter 2	Summary 64
•	Key Terms 64
Managing Public Issues and Stakeholder	Internet Resources 65
Relationships 24	Discussion Case: Timberland's Corporate Social
Public Issues 25	Responsibility—Under New Ownership 65
Environmental Analysis 28	
Competitive Intelligence 31	PART TWO
The Issue Management Process 32	BUSINESS AND ETHICS 67
Identify Issue 33	DUSTIVESS AND ETHICS 07
Analyze Issue 33	Chapter 4
Generate Options 34	Ethics and Ethical Reasoning 68
Take Action 35	Etines and Etinear Reasoning 00
Evaluate Results 35	The Meaning of Ethics 69
Organizing for Effective Issue Management 35	What Is Business Ethics? 70
Stakeholder Engagement 37	Why Should Business Be Ethical? 71
Stages in the Business–Stakeholder Relationship 37	Why Ethical Problems Occur in Business 75
Drivers of Stakeholder Engagement 38	Personal Gain and Selfish Interest 76
Making Engagement Work Effectively 39	Competitive Pressures on Profits 77
Stakeholder Networks 41	Conflicts of Interest 77
The Benefits of Engagement 41	Cross-Cultural Contradictions 78

The Core Elements of Ethical Character 78 Managers' Values 78 Spirituality in the Workplace 80	The Benefits and Costs of Globalization 122 Benefits of Globalization 122 Costs of Globalization 124
Managers' Moral Development 81	Doing Business in a Diverse World 126
Analyzing Ethical Problems in Business 83	Comparative Political and Economic Systems 127
Virtue Ethics: Pursuing a "Good" Life 83	Meeting the Challenges of Global Diversity 130
Utility: Comparing Benefits and Costs 84	Collaborative Partnerships for Global Problem
Rights: Determining and Protecting Entitlements 85	Solving 131
Justice: Is It Fair? 86	A Three-Sector World 131
Applying Ethical Reasoning to Business Activities 86	Summary 133
Summary 87	Key Terms 133
Key Terms 87	Internet Resources 133
Internet Resources 87	Discussion Case: Conflict Coltan in the Global
Discussion Case: Chiquita Brands: Ethical	Electronics Industry Supply Chain 134
Responsibility or Illegal Action? 88	7 11 7
Chapter 5	Chapter 7
•	Global Corporate Citizenship 137
Organizational Ethics and the Law 90	Global Corporate Citizenship 138
Corporate Ethical Climates 91	Citizenship Profile 140
Business Ethics across Organizational Functions 93	Management Systems for Global Corporate
Accounting Ethics 93	Citizenship 142
Financial Ethics 95	Stages of Corporate Citizenship 143
Marketing Ethics 96	Assessing Global Corporate Citizenship 147
Information Technology Ethics 97	Global Social and Environmental Audit Standards 147
Other Functional Areas 98	The Auditing Process 150
Making Ethics Work in Corporations 99	Social and Environmental Reporting 151
Building Ethical Safeguards into the Company 99	Triple Bottom Line 153
Comprehensive Ethics Programs 104	Summary 154
Corporate Ethics Awards and Certifications 104	Key Terms 155
Ethics in a Global Economy 105	Internet Resources 155
Efforts to Curtail Unethical Practices 106	Discussion Case: Apple's Supplier Code of Conduct
Ethics, Law, and Illegal Corporate Behavior 109	and Foxconn's Chinese Factories 155
Corporate Lawbreaking and Its Costs 109	and Toxeom 5 chinese Tactories 135
Summary 110	
Key Terms 111	PART FOUR
Internet Resources 111	BUSINESS AND PUBLIC POLICY 159
Discussion Case: Alcoa's Core Values in	
Practice 111	Chapter 8
PART THREE	Business–Government Relations 160
BUSINESS IN A GLOBALIZED	How Business and Government Relate 162
WORLD 115	Seeking a Collaborative Partnership 162
WORLD 113	Working at Arm's Length 163
Chapter 6	Legitimacy Issues 164
	Government's Public Policy Role 164
The Challenges of Globalization 116	Elements of Public Policy 165
The Process of Globalization 117	Types of Public Policy 167
Major Transnational Corporations 118	Government Regulation of Business 168
The Acceleration of Globalization 119	Market Failure 169
International Financial and Trade Institutions 120	Negative Externalities 169

Natural Monopolies 169 Ethical Arguments 170 Types of Regulation 170 The Effects of Regulation 175 Regulation in a Global Context 178 Summary 179 Key Terms 180 Internet Resources 180 Discussion Case: Derivative Losses at JPMorgan Chase 180	Decline of Biodiversity 224 Threats to Marine Ecosystems 226 Response of the International Business Community 227 Codes of Environmental Conduct 229 Summary 231 Key Terms 231 Internet Resources 231 Discussion Case: Clean Cooking 232 Chapter 11
Chapter 9 Influencing the Political Environment 183	Managing Environmental Issues 234
Participants in the Political Environment 185 Business as a Political Participant 185 Stakeholder Groups in Politics 186 Coalition Political Activity 186 Influencing the Business—Government Relationship 187 Corporate Political Strategy 187 Political Action Tactics 188 Promoting an Information Strategy 189 Promoting a Financial-Incentive Strategy 192 Promoting a Constituency-Building Strategy 199 Levels of Political Involvement 202 Managing the Political Environment 203 Business Political Action: A Global Challenge 204 Summary 205 Key Terms 206 Internet Resources 206 Discussion Case: Stop Online Piracy Act— A Political Battle between Old and New Media 207	Role of Government 236 Major Areas of Environmental Regulation 236 Alternative Policy Approaches 242 Costs and Benefits of Environmental Regulation 246 The Greening of Management 248 Stages of Corporate Environmental Responsibility 248 The Ecologically Sustainable Organization 249 Environmental Partnerships 250 Environmental Management in Practice 250 Environmental Management as a Competitive Advantage 252 Cost Savings 252 Product Differentiation 253 Technological Innovation 254 Reduction of Regulatory Risk 255 Strategic Planning 255 Summary 256 Key Terms 256 Internet Resources 256 Discussion Case: Digging Gold 257
PART FIVE BUSINESS AND THE NATURAL ENVIRONMENT 209	PART SIX BUSINESS AND TECHNOLOGY 259
	Chapter 12
Chapter 10 Sustainable Development and Clabel	Technology, Organizations, and Society 260
Sustainable Development and Global Business 210	Technology Defined 262 Phases of Technology in Society 262
Business and Society in the Natural Environment 212 Sustainable Development 213 Threats to the Earth's Ecosystem 214 Forces of Change 216 The Earth's Carrying Capacity 219 Global Environmental Issues 221 Ozone Depletion 221 Climate Change 222	Fueling Technological Growth 264 Technology as a Powerful Force in Business 265 The Internet 265 E-Business 267 M-Commerce 269 Social Networking—Tools and Threats 271 Blogs and Vlogs 272 Spam and Unsolicited Commercial E-mail 273 Phishing 274

Government Censorship of the Internet 275 Socially Beneficial Uses of Technology 277 Technology and Education 277 Medical Information via the Internet 278 Special Issue: The Digital Divide in the United States and Worldwide 280	Special Issue: Executive Compensation 317 Shareholder Activism 321 The Rise of Institutional Investors 322 Social Investment 322 Stockholder Lawsuits 324 Government Protection of Stockholder Interests 325
Summary 271 Key Terms 282 Internet Resources 282	Securities and Exchange Commission 325 Information Transparency and Disclosure 325 Insider Trading 326
Discussion Case: How Protected Is Your Online Privacy? 282	Stockholders and the Corporation 328 Summary 329 Key Terms 329
Chapter 13	Internet Resources 329
Managing Technology and Innovation 285	Discussion Case: Citigroup Shareholders
Violations of Privacy: Causes and Costs 287	Say No on Pay 330
The Management of Information Security 291	Chapter 15
Businesses' Responses to Invasions of Information	Consumer Protection 332
Security 291	Consumer Frotection 332
The Chief Information, Security, Technology Officer 292 Protecting Intellectual Property 294	Advocacy for Consumer Interests 334 Reasons for the Consumer Movement 335
Business and Government Responses to Violations of	The Rights of Consumers 336
Intellectual Property 294	How Government Protects Consumers 336
Managing Scientific Breakthroughs 298	Goals of Consumer Laws 336
Nanotechnology 298	Major Consumer Protection Agencies 339
Human Genome 299	Consumer Privacy in the Digital Age 342
Biotechnology and Stem Cell Research 300 Cloning 301	Special Issue: Product Liability 345 Strict Liability 345
Genetically Engineered Foods 302	Product Liability Reform and Alternative Dispute
Summary 303	Resolution 346
Key Terms 304	Positive Business Responses to Consumerism 348
Internet Resources 304	Managing for Quality 348
Discussion Case: Cardholders' Information at	Voluntary Industry Codes of Conduct 349 Consumer Affairs Departments 350
Citigroup Hacked 305	Product Recalls 351
PART SEVEN	Consumerism's Achievements 351
	Summary 352
BUSINESS AND ITS	Key Terms 352
STAKEHOLDERS 307	Internet Resources 352
Chanter 1/	Discussion Case: Big Fat Liability 353
Chapter 14 Stockholder Dights and Comparets	Chapter 16
Stockholder Rights and Corporate	•
Governance 308	Employees and the Corporation 355
Stockholders 309	The Employment Relationship 357
Who Are Stockholders? 310	Workplace Rights 358
Objectives of Stock Ownership 312	The Right to Organize and Bargain Collectively 358
Stockholders' Legal Rights and Safeguards 312	The Right to a Safe and Healthy Workplace 359
Corporate Governance 313	The Right to a Secure Job 362
The Board of Directors 313	Privacy in the Workplace 364
Principles of Good Governance 315	Electronic Monitoring 365

Romance in the Workplace 367 Employee Drug Use and Testing 367 Alcohol Abuse at Work 368 Employee Theft and Honesty Testing 369 Whistle-Blowing and Free Speech in the Workplace 370 Working Conditions around the World 372 Fair Labor Standards 372 Employees as Corporate Stakeholders 374 Summary 375 Key Terms 375 Internet Resources 375	Aid to Minority, Women, and Disabled Veteran-Owned Enterprises 409 Disaster, Terrorism, and War Relief 409 Corporate Giving 410 Forms of Corporate Giving 413 Priorities in Corporate Giving 416 Corporate Giving in a Strategic Context 417 Measuring the Return on Social Investment 419 Building Collaborative Partnerships 420 Summary 422 Key Terms 422 Internet Resources 423
Discussion Case: No Smoking Allowed—On the Job or Off 376	Discussion Case: Fidelity Investments' Partnership with Citizen Schools 423 Chapter 19
Chapter 17	Managing Public Relations 426
Managing a Diverse Workforce 378 The Changing Face of the Workforce 379 Gender and Race in the Workplace 381 Women and Minorities at Work 381 The Gender and Racial Pay Gap 383 Where Women and Persons of Color Manage 384 Breaking the Glass Ceiling 385 Women and Minority Business Ownership 387 Government's Role in Securing Equal Employment Opportunity 388 Equal Employment Opportunity 388 Affirmative Action 390 Sexual and Racial Harassment 391 What Business Can Do: Diversity Policies and Practices 393 Balancing Work and Life 395 Child Care and Elder Care 395 Work Flexibility 396	The General Public 427 Public Relations in an Emerging Digital World 428 Public Relations Department 429 New Technology-Enhanced Channels for Public Relations 430 Global Public Relations 432 Influencing Public Opinion 433 Public Service Announcements 433 Image Advertisements 434 Protecting the Public through Government Regulation 435 Crisis Management 437 Media Training of Employees 440 Summary 443 Key Terms 443 Internet Resources 443 Discussion Case: "Pink Sliming" the Processed Beef
Summary 398	Industry 444
Key Terms 399	CASES IN BUSINESS AND SOCIETY 44
Internet Resources 399 Discussion Case: Unauthorized Immigrant Workers at	1. Upper Big Branch Mine Disaster 448
Chipotle Mexican Grill Restaurants 400 Chapter 18	2. The Carlson Company and Protecting Children in the Global Tourism Industry 458
The Community and the Corporation 402	3. Carolina Pad and the Bloggers 467
The Business–Community Relationship 404 The Business Case for Community Involvement 405	4. Moody's Credit Ratings and the Subprime Mortgage Meltdown 480

Merck, the FDA, and the Vioxx

Recall 493

Community Relations 407

Housing 408

Economic Development 408

- 6. Kimpton Hotels' EarthCare Program 503
- 7. Ventria Bioscience and the Controversy over Plant-Made Medicines 511
- 8. The Solidarity Fund and Gildan Activewear, Inc. 522
- 9. Mattel and Toy Safety 531

Glossary 541 Bibliography 553 Indexes Name 559

Subject 563