

Slomski Wojtech

Dr h c multiplex, Prof. h c multiplex

College of International Management ISM Slovakia in Prešov,
3951/1 Duchnovičovo námestie Sq., Prešov, 080 01, Slovak Republic
slomski@vizja.pl

BUSINESS ETHICS

Abstract: Speaking about creation of values and standards of ethics, we don't mean the general standards of ethics, we assume that values and standards exist independently. Such values as honour, justice, freedom, honesty etc. we don't create, we simply make them exist by acting in a certain way. Therefore, we can recognize general values of ethics in a specific situations, afterwards, we can proceed to make these values happen in our actions. However, economic activity is a special kind of behaviour and general rules of ethics exist in a special circumstances.

Keywords: ethics, business, behaviour, creation of behaviour.

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Introduction

We have to know what kind of rules of ethics we have to abide in situations specific for running a business. Such actions as: hiring and firing staff, business negotiations, reimbursement of a loss due to production defect, advertising and marketing, environmental protection in case of production businesses etc. Having those types of specific standards of ethics we can fulfill general standards in business. On the other hand, there is a question what specific values we can create in an economic life. With no doubt, entrepreneurs should respect an honour and dignity of their employees, they should be fair, hardworking and disciplined. However, actions in the area of business are not in favour of such values as courage and sanctity. Moreover, a lot of things depends on accepted definition of business. Such definition determines goals of businesses. In the meantime, economists as well as ethicists discuss goals of businesses which exceed economy and ethics of business and which go towards basic standards of society and politics and relation between a single unit and community. So, among entrepreneurs there is a lot of people saying that economical growth should favour the whole society, not only owners of the assets, therefore, there are specific rules of ethics that business should abide in relations with society. If we assume, that the general goal of a business is raising the quality of life, then this goal might become some sort of a value, even the main value which includes other specific values (it is up to debate considering this value as a class of values of ethics). It

seems like the hierarchy of values might be problematic as well in terms of doing business. One of the values engaged in business is, with no doubt, natural environment which we are committed to protect as single units and communities. It is stated by law and ethics that businesses are obligated to put efforts towards decreasing actions that might be harmful for the environment. Of course, it is associated with additional costs and decrease in economic efficiency. This is how the conflict of values is created and it might be solved by deciding which value is more important. Modern countries consider economic growth as a priority. Environmental protection is a value as well but it is not as important as economical growth. "Environmental policy has recently become an inherent part of state direct regulation tools as well as managerial systems of many organisations." (Mokrišová, 2013, p.569) If it was different, then the goals of these countries would be keeping natural experiments everywhere it would be possible and adjusting needs of economy to the environment. It is known that none of the countries do that. So if the economic growth is a priority there is a question how to protect the environment in a way it does not slow down the economy. "The very essence of CSR is designed precisely to limit the immediate profit due to strengthening of the concept of sustainable development." (Polačko 2017, p.238)

Generally speaking, the area where specific standards and values appear is a conflict of interest. In literature, this concept is being used in two different ways, which might cause misunderstandings in an ethical debate. Therefore, we have to consider conflict of interest of two subjects which realize their own values and subject which is made to choose contradictory values. It seems like the source of the new values is the conflict of values at the first meaning because solving this conflict is often possible only by creating innovative goals or ideas.

The analysis of these types of conflicts shows that sometimes they are unavoidable and they are a result of specific axiological preferences. The issue of environmental degradation which is caused by economic growth shows that the matter of goals and their hierarchy is not so obvious, however, modern societies consider it as an obvious matter. According to M. Redcliff the environmental degradation is not an inevitable process but a result of a choice of society over economic growth. The problem is, that the imperative of economic growth is not considered as a choice but as an objective need, and therefore as a certain fact we cannot affect. In other words, for modern societies, economic growth became a value that it is necessary to achieve because of threat of stagnation and economic review with all negative consequences for the environment. Such way of estimating decreases the pressure of society on businesses which are harmful for environment. In the meantime, nothing stands in the way of well pros-

pered societies to stand on the side of limitations further material growth in order to decrease environmental degradation

There is permanent and irremovable conflict between goals of businesses and goals of society. Societies expect businesses to increase their efforts in order to improve the quality of life and solving certain issues of society. However, businesses consider these types of efforts as an additional costs and they do only as much as it is necessary. Speaking in the language of axiology, values that are important for the life of societies seem to be opposite for the businesses.

The moral intuition works only in simple and axiological understood situations, meanwhile, the level of complications of modern economy makes this intuition a failure in many situations. From one side, it leads to the feeling of axiological chaos, where ethical choices are made accidentally and incoherently, and from the other side, it favours the creation of some usual ways of reacting, which in a long run can lead to creation?

It seems like the ethics of business plays a big role in an education, because it has an affect on creating an ethical awareness of managers as well as entrepreneurs and the whole society. In the case of previously mentioned fundamental conflict of values and ethics of business we can expect that it will play the role of mediator, wherein, if ethics of business wants to contribute to creation of permanent values and change of moral consciousness of entrepreneurs and the whole society, its role can not be limited to searching of compromise in a situation of conflict. If the task of ethics would be only looking for a solution that can be accepted by both sides (business and its social environment), it would lead to strengthen status quo? rather than acceptance of new values in business. Mediation, which ethics of business would have to offer, had to be axiological oriented. The example of these kind of mediations is training for the companies which are taught by ethicists of business and a research on possibilities of implementing new values in a way of the responsibility of businesses or balanced growth. We can risk here a statement that this role of ethics of business is a challenge in a way of theory. Willing to participate in solving a conflict of claims of business and expectations of society it has to consider values engaged in this conflict and a possibility of extending the area of axiology and adding new values to the business life.

If we think about the relation between ethics of business and creating standards and values, we have to remember, that in a business life we still have an axiological uncertainty regarding the values itself which are engaged in a business as well as the hierarchy of these values. Generally speaking, we can mark two types of values out which can be present in the actions of businesses: immanent values of business, so all the values which are present inside of a business (area of social benefits, relations between supervisors and employees), and the values which are present in

the relation between business and its environment. In the second case, we might mark economic relation and a relation which is caused by influence of business on the (that includes unwanted influence).

The ethics of business does not create any of those values, they are a result of certain behaviour of society. However, the ethics of business can take this behaviour into consideration and offer introduction of certain changes in the actions of business, which can also affect the area of axiology. Also in here, the status of ethics of business does not seem to be the same, because there is a major difference between values presented by business inside of the company and the values in terms of relations of a business with its environment. The ethics of business has an impact of creating values that are immanent because according to its statements it is possible to create ethical requirements which are addressed straight to businesses. For example, if we assume, that the goal of economic growth is an increase of quality of life, then it is right for businesses to transfer a part of profit for increasing social benefits for its employees. In the same way, we can demand a conflict with mobbing or discrimination when it comes to hiring workers. “The issue of CSR is becoming more and more important among successful businesses as well as those who want to succeed in competition. On the contrary, underestimation and neglect of CSR can be one of the sources of the risks that threaten the existence of the market itself.” (Sedláková, 2017, p.196)

However, in case of values which exist on a border of business and its environment, ethics of business life might look for possibilities to reconcile differences between goals of business and society. In the second area, it is proper to consider interdisciplinary work, because solving a problem requires looking at the same issue from different point of views and at the same time it requires specific knowledge in the areas not connected to business. In the cases where participation of this dialog seems necessary, we can mention, besides ecological ethics: ethics of medicine (in the terms of patents and limiting of profits of pharmacy businesses), ethics of administration, ethics of journalism, ethics of manners etc. The recipients of those postulates are not only businesses, but first of all subjects responsible for certain areas of social life first of all government agendas (environmental protection, economy, health care).

The fact that the ethics of business as well as other specific ethics has an impact on creating specific values and standards does not mean that the values are not being created by itself without participation of ethics. Current ethical trends are being dealt in the publication: Comparative Analysis of Ethics in Marketing Communication of Higher Education Institutions (Hvizdová, Mokrišová, Radvanská, 2014). We should remember, that the business life itself is a source of values and standards including standards of ethics. „The values important for a person initiate

responsible behaviour“ (Hvizdová, Balogová, 2016, p. 62). It is happening because the actions done by businesses create a belief in a society that certain behaviours are ethically acceptable because of their commonness, other are considered to be negative. On top of that, as a result of creation general standards of behaviour in similar situations, we can create values as well as anti-values. It is undeniable that there is a lot of practices in business that their ethical review is not at least clear. The main thing here is misleading a customer regarding the quality of product or its price. In those types of practices we can mention: usage of package which is too big, which is supposed to make the customer think that he's getting more than he actually is, using bigger prices on a low quality product to make the customer think he's getting better quality, hiding the real costs of bank loans etc. On the other hand, we can mention a hand full of actions, taken by some businesses which we should definitely consider positive. Such things as social benefits for employees, efforts for supporting local communities, education specialists in certain fields, financing different kinds of research, actions regarding changing awareness of society regarding specific issues.

Conclusions

Ethics of business has a direct impact on creating standards of ethics in business, indirectly it has an impact on standards generally accepted by society. It is happening because, the way a business is functioning has an impact on consciousness of the whole society. Therefore, if ethicists of business are willing to consciously influence creating the standards and values in business life the condition seems to be start of a research in the field of change in the in the area of axiology which is happening due to functioning of businesses.

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