

Business Ethics – What Do You Mean By That?

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Abstract: The issue of ethics and ethical behavior in business and management is widely discussed in scientific as well popular literature. Since ethics usually is highly subjective matter be able to discuss ethics reasonable it is important to understand what systemic models of ethical behavior exists what are their similarities and differences. This article is an attempt to approach a matter of ethics from systemic side in historical perspective.

Keywords: ethics, universalism, utilitarianism

INTRODUCTION

The issue of ethics is constantly discussed and examined in empirical literature. Derivative concepts, like ethical behavior, ethical working climate, ethical management, etc. are constantly mentioned and considered valuable and even crucial variables in so called ethical management. After all, the universal “rightness” of ethics is understandable. Everybody wants to receive just, fair and right treatment.

But there is a major problem. Different people interpret ethical behavior differently. Moreover, even the very own meaning of the term “ethics” is perceived differently by different individuals. Many perceive ethics as a call for equalization, unification or fair distribution of the resources and wealth. But from the other hand, others may perceive such a call as unjust, unfair and threatening. Those who are more entrepreneurial, hardworking and productive rightfully demand a larger part of the resources for themselves. As they see it, this is only fair.

It seems like the issue of business and management ethics ought to be evaluated and examined from the same point of view, as a universal concept (that may assist in determination of what is just, fair and right). But, it is also understandable that when individuals set up a business structure of any kind, their primary goal is to reap financial and other benefits. For those individuals any behavior or action aimed at achieving the goal is considered as fair, right and just. This is the greatest bone of contention between ethics as theory and ethics in practice. This is why business ethics are perceived by many as cloudy, vague and even

useless. Moreover, the inability to measure deeds and activities on an accepted and “calibrated” scale of norms makes the issue even more complex.

NORMATIVE ETHICS OF BUSINESS

Generally speaking, the normative ethics of business is concerned with questions about the individual’s behavior and the ethical aspects of his deeds. Here the issue clearly extends beyond the context of business management while discussing the fundamental question what is “good” and what is “bad”.

Normative ethics are usually approached from a two major angles:

1. Utilitarian approach, proposed by Bentham. This approach, also known as consequential approach, evaluates all actions in the light of their results. Every man must decide for himself what is good and what is bad.
2. Universal approach, proposed by Kant. This approach suggests that there are certain rules with respect to the meaning of “good” and “bad”. The key question of the universal approach concerns the source of the universal rules.

UTILITARIANISM APPROACH

Utilitarianism is commonly believed to be the approach that assesses any action with respect to its effects, that is, it is a teleological or consequentialist approach.

Utilitarianism is based on two basic principles:

1. A person’s pleasure is considered to be a goal (and each person takes his own decision about what his pleasure would be);

2. The goal must be to maximize the total pleasure of all.

Where do these principles come from? In literature on business ethics, they are usually presented as the "expert" opinion of J. Bentham, but one should wonder why in the context of business ethics we should be interested in the opinion of this particular philosopher and not hundreds of other philosophers who came before and after him? The answer lies not in the fact that J. Bentham was a remarkable man, whose opinion is certainly important for us, but in the fact that this approach is one of the most obvious of reasonable answers to the question of what is "good" and what is "bad." It is based on a kind of pure logic (or as Kant would say, "Pure reason"), which can and should be identified and understood if we are to restore order to normative ethics.

The fundamental logic of the first principle is very simple: weal for a man is what he considers himself as weal (there are alternatives: God, religion, spiritual leader, etc., but this is a different approach). And what a man considers a weal does not matter in this case. Does man consider his own pleasure as a weal? Fine, so be it. Whether it is physical or spiritual, short-term or deferred for the future? This defines the person. We allow him to choose his "weal" and the nature of his choice does not matter to us. This is a minor and strictly speaking irrelevant factor.

The logic of the second principle is also very simple: the more good ("Pleasure") people get in general, the better [1, 2]. This is an obvious mathematical fact, but two interesting logical conclusions can be drawn from it. Historically, these findings were actually part of Bentham's original utilitarianism, but to be precise, they are not his "expert opinion", but a natural, logical continuation of the second principle.

The first implication of the second principle is that if the pleasure of some people is sacrificed to achieve a greater magnitude of pleasure for others, the sum total of pleasure will be increased, i.e., the overall situation is improving. For example, if a tailor forces suppliers to reduce prices and consumers get much better quality or cheaper product then the pleasure of the consumers outweighs the displeasure of the provider, this means that the action is justified and necessary, because "as a whole" the situation is improving. We call this result the principle of improving sacrifice.

The second logical implication is that if we accept the existence of a universal law of diminishing marginal utility of income, then it must be concluded

that any redistribution of income from rich to poor increases the overall pleasure. Therefore, the maximum utility is achieved with full equality of income. We call this result the improving equalization principle.

Of the specified two principles and implications of the second principle consists the simplest version of utilitarianism, derived solely logically, without any reference to the authorities, and not burdened with unnecessary arguments about whether the pleasure is good for people, etc.

The primitive version of utilitarianism can be challenged on several grounds: First, how a man's pleasure is measured? Utilitarianism implies the combination and comparison of stakeholders' pleasure, but how can you combine and compare what cannot be quantified? This problem has no solution, and therefore it is technically impossible to apply utilitarian methodology.

Secondly, on what basis can we compare the pleasure of two different people? Suppose well-earned to measure the pleasure of the individual in certain units, how do we know that 100 units of A's pleasure is equal to 100 units of B's pleasure? A measurement system should not only be able to quantify the pleasure of a single person but also to measure it in universal units in order to compare the pleasure of two different people. How are we to identify this universal unit? A measuring tool might have some physiological or physical principle behind it, for instance the strength of an electromagnetic pulse in some part of the nervous system. Unfortunately, no such thing has been invented.

Third, can we say that we have the right to replace the pleasure of one man with an equal pleasure of another? Even if we have learned to quantify pleasure and to correlate the pleasures of different people, on what grounds can we draw conclusions about the ethics (i.e., justification) of interchangeability of an equivalent pleasure? This clearly contradicts the first principle of utilitarianism, according to which a person decides what a pleasure is for him. The individual does not care about the total pleasure of society but only about his own pleasure, and therefore it is unlikely that he would support the second principle of utilitarianism.

Thus, the application of utilitarianism in its simplest form poses difficulties on technical and moral grounds. In view of these difficulties, the utilitarian approach can be reformulated into a softer version in which the comparison of pleasure is not required. In this version, it is necessary to introduce the principle that the utility of different people cannot be compared, combined or interchanged. This simplified version of utilitarianism (corresponding to the original version of

Bentham's utilitarianism) can be considered a strong version of utilitarianism. In the weak version, utilitarianism is still the philosophy of maximizing pleasure (first principle), but it imposes restrictions on increasing pleasure of some people at the expense of others. Consequently, the transition from one state of society to another implies an improvement in that some person increases their pleasure but no person decreases their pleasure. In economic theory, this principle is known as the Pareto criterion, and corresponds precisely with the weak version of utilitarianism.

Consequently, this logical analysis leads us to two different versions of utilitarianism-strong and weak- and the distinction is very important to a better understanding of the challenges and opportunities of ethical theory. According to both versions of utilitarianism, pleasure serves as a weal or good for an individual, and it is the individual himself who decides what pleasure is for him. But the strong version of utilitarianism implies the interchangeability of the "good" of different people, whereas the weak does not. Which of the versions is more logical? The question remains open.

Western authors offer a variety of interpretations of utilitarianism and it has to be admitted that many of them suffer from incompleteness and are sometime even incorrect. One of the major sins of normative business ethics is the reference to "experts"- more or less evident in the work of several authors. For example, Rossouw[3]describes in detail the position of Bentham and his own answers to the criticism(weakening human, too selfish, too labor intensive, unrealistic, and so on).The author merely quoted Bentham and made no comments of his own, as if avoiding self-assessment. Hosmer [4]presents utilitarianism as Bentham's "expert opinion", but provides a very concise and informative explanation of its principles. Crane & Matten [5]also present utilitarianisms the opinion of Bentham and Mill.

Some authors show am is understanding of the basic principles of utilitarianism. For example, Weiss [1]gives a very confusing picture of it. First, he identifies it with consequentialism and argues that what is important in utilitarianism is the end not the means(the opinion, which is not founded on anything). Weiss lists three principles of utilitarianism(the third of which is strange and a repetition the second [1],and then somewhat lamely describes a rule-based and action-based utilitarianism with no critical analysis, and then immediately proceeds to discuss the "problems" of utilitarianism, which demonstrates the author's lack of understanding of its nature. For example, he considers the following as "problems": who decides what is "good" and for whom is it "good" (notwithstanding that

the first principle of utilitarianism makes no such implication)? Another "problem", according to Weiss, is that utilitarianism has no room for individualism; since the maximization of "good" is for the sake of the collective (it's just turned upside down the idea of utilitarianism).

According to Jones et al. [6], Sharma & Bhal [7] and others, utilitarianism is simply a logical analysis of the expected "good". They do not discuss the problems of the proposed theory. Nor is there any mention of the ethics of such a principle. The problem is that such a distribution of joy is not considered by many as right, fair and just. In some ways it contradicts the common believe that those who work harder should be better compensated. No doubt the equalization of compensation runs counter to the creation and encouragement of innovation and novelty – those who contribute more expect greater compensation for their efforts.

Another issue is control over the distribution of resources. The participants must ensure that the means and funds are distributed equally among them. This issue may be resolved with mutual trust among the frame participants. But the problem is how to create such trust. In this case, trust means that some are trusted more and their decision and deeds are accepted by all the participants. Now the problem is that the equilibrium is disturbed by making some more trusted and powerful than others. There is also the problem of control over the chosen individuals and their decisions. The circle of mistrust becomes larger and larger. Eventually it will lead to the evaporation of trust.

Despite these problems, utilitarianism is seen as an attempt to create a greater amount of joy (good) for a greater number of people. An additional disadvantage of utilitarianism is that it does not take income inequality into consideration [4, 5, 8]. They site that according to utilitarianism, a society in which the sum total of resources is greater but there is no equality is preferable to a society in which there are fewer resources but there is equality. The problem here is not the inequality, but in changing an income of one man, for higher income of other.

Again and again there is a problem of ethics. Is it really ethical, right, fair and just to take something from one man who did his best to achieve it and give it to someone else? It seems that the happiness of many is considered of greater importance than the happiness of a few. Is and universalism is in decisions. While utilitarian methodology proposes that each and every individual it really just to make an equal distribution of the fruits of the efforts of few talented individuals who made progress possible even among those who did not

participate in those efforts? How can we encourage novelty if we do not intend to compensate it? Unfortunately, there is no satisfactory answer to this question.

UNIVERSALISM

The basic difference between the methodology of utilitarianism should choose what is good and what is bad individually, universalism assumes that there are basic laws concerning good and bad which should not be violated. The key question is what is the origin of those laws?

Many researchers suggest that Kant's normative imperative (that a person should behave towards others in the way he would want others to behave toward him) is the source of the previously mentioned universal laws. Many researchers treat the universalism as just expert opinion of Kant. The problem is that such a claim is incorrect, because Kant's imperative is an outcome of logic conclusions and demonstrating the way this conclusion was constructed would help a lot in understanding of guiding principles of ethics.

According to Kant, deeds can be considered ethical only if they are performed out of honest convictions and are not forced upon an individual by circumstances or environment. Kant also believed that ethical behavior necessarily involves goodwill[3]. He concludes that if the law has a universal nature, than it should be applicable to all and be equal for all. This means that the universal law ought to be doing only what you believe everybody should do. This verifies the logical conclusion of Kant's moral imperative.

Because our concern is with universal laws, this conclusion can be called the theory of what is "just", "fair" and "right" or the equal rights theory, the implementation of which is the guiding line for the creation of trust and the proper behavior of individuals. If individuals are capable of understanding and voluntarily accepting the meaning of "right" "fair" and "just", they can create mutual belief, which is conducive to real mutual trust.

Although such a conclusion is quite logical and firmly based, certain questions remain. First, in order to develop unified rules we must accept and recognize the existence of an authority capable of deriving rules acceptable to all. Kant calls such authority "pure reason". It seems that this "pure reason" is some kind of intellect, submitted to pure logic and equal for all human beings. Consequently, "pure reason" is the mind of each and every individual. Managers in certain cases may serve as such an authority only if they enjoy the full trust of their subordinates who believe that they are receiving "fair", "just" and "right" treatment.

Second, it is commonly accepted that "pure reason" cannot have goals, since all human goals originate in desire, and "pure reason" cannot have desires. This is why when we talk about pure reason we need to understand the reason of a real human being who does have desires. But we also have to understand that concrete desires are of no importance here. If the individual is working and believes that other should do the same – he is moral, but if he doesn't work and believes that others should do the same – he is also moral. Behavior becomes a moral rule.

Kant's normative imperative can be formulated as follows:

1. Act according to law, which should be universal.
2. Behave towards others as you want others to behave towards you.
3. Consider others as an end not as a means.

Generally speaking, all three formulations are the same. The connection between the first and second norms is readily identifiable. If the second norm requires an individual to behave toward his neighbors as he would like his neighbors to behave toward him, then the first norm simply a reminder that everyone is his neighbor. Once again, the importance of trust as an outcome of belief in ethical behavior is revealed here.

The equivalence of the third norm is less obvious, but still demonstrable. It suggests that an individual should consider others an end and not a means, in fact implying that the individual already considers him an end and not a means. Consequently, the individual considers others as he already considers himself.

We should mention here the problem of inequality of desires and means. Kant's imperative in its original formulation raises several problems. The first is that different individuals have different tastes and different abilities. For example, consider the dilemma of ill and healthy. Suppose that individuals who enjoy good health believe that those who are ill should be taken care of at their own expense and should not be a burden on the healthy. This is perfectly consistent with Kant's imperative, as they treat others the way they want to be treated themselves. At the same time, individuals suffering from various problems believe that their suffering and problems should be taken to heart by others, and so any one who is suffering should be supported by those who are more fortunate. This approach is also consistent with Kant's imperative. This dilemma can obviously not be solved on the basis of moral imperative alone. Each of the involved parties is driven by different sets of interests, different egoistic

motives, different ethical concepts and points of view. This is why a more creative approach is needed.

One would expect healthy individuals to take into consideration the fact that they might become ill themselves and might need the sympathy and support of those who remain in good health. This is a demonstration of a principle proposed by American philosopher J. Rawls, which he calls “veils of ignorance” [9]. Rawls suggested an enhancement of the universalism concept to allow primary differences in abilities and tastes to be taken into account. According to him all individuals are in an initial position in which they are equal, rational and free. At the same time there is a veil of ignorance, because the individual never knows what his future position will be in the community: he may be rich or poor, healthy or disabled, etc. The question is what sort of social structure will be preferred by the individual in such situation. It is only logical to assume that rational and honest people will support any change or event aimed at improving the status of the needy. The guiding logic here is simple: nobody knows in what position they may find themselves in a real world. This is why they should try to protect the weak.

Support for the weak presumes support of redistribution of means in order to support the weakest members of the community who are not responsible for their weakness: financing the education of children from poor families, financing the rehabilitation of those in poor health, assistance to the victims of “structural unemployment”, etc.

It is easy to see that Rawls's criterion is a logical development of Kant's rule, since it forces an individual to visualize himself in the place of the weakest party in a transaction. In such a situation, a rational individual should naturally choose the variant of behavior that protect the interests of the weaker party.

No matter how right, fair and just Rawls's concept seems, its application raises several problems. The first is the redistribution of wealth. It is reasonable for individuals, who work more to expect to get more for their efforts. They may feel exploited and sense frustration. The limit of redistribution should be an outcome of the same principle which caused it in the first place: those who are underprivileged now should visualize themselves in the place of the fortunate ones and ask the question: would I support such redistribution then? Of course this almost never happens in real life. People imagining themselves in the place of others rarely think the way they think when they actually find themselves in such a situation.

Another problem with the implementation of Rawls's principle is the issue of responsibility. In other words, how can the responsibility for the situation in which the individual finds himself be decided? What are the criteria for such a decision? It is unreasonable to expect that an individual who falls upon hard times will accept responsibility for it. On the contrary, such an individual tends to blame everybody else for it and to expect that others will acknowledge their responsibility. Moreover, such an individual will expect increased compensation for the situation in which he finds himself.

The presentation of utilitarianism and universalism in literature raises similar problems. In many cases this is due to the lack of logical analysis, mainly because of the following:

1. Lack of explanation of the source of the moral laws. Some authors completely ignore the logical nature of the moral imperative. For example Weiss [1] simply recognize it as Kant's “expert opinion”. At the same time Rossouw [3], state that Kant managed to present a universal moral law, but does not explain how. Other authors and researchers attempt to demonstrate the logical path towards the imperative conclusions but with little success. For example: Sharma & Bhal [7], who attempt to explain Kant's imperative by noting two main principles to which it should apply: universalism (act the same as everybody) and reversibility (treat others as you want to be treated). But this is more an explanation of the results than of the way they were achieved. Moreover, as mentioned above, two of the principles presented are virtually the same. In general, they present the moral imperative as expert opinion. Trevino & Nelson [10] also try to explain the imperative by stating that moral law has a logical foundation. But they disregard the issue of those who choose their own moral principles. The most comprehensive description of universalism is provided by Shaw [8], who explains the Kant imperative and analyzes it as a moral law with which all logical people should agree.

2. The supplement of moral imperative, with others Kant's views. Some researchers combine Kant's other ideas on the issue of ethics, which are not a part of moral imperative principle in one theory. Rossouw [3], devoted much attention to the concept of so called “good will”, which is not directly related to moral imperative. Shaw [8] also examined the issue. For Shaw, the issue of good will is Kant's expert opinion of and not a result of logical deduction.

3. Absence of proof of equivalence of different formulations. Many researchers provide several formulations of moral imperative, but without proving

their equivalency. For example, Van Vuuren & Rossouw [3] suggest three practical implications:

- a. The imperative ought to be a universal law.
- b. Treat others as an ends and not as a means.
- c. The universal laws are a product of human free will.

Weiss [1] describes moral imperative as being constructed of two major principles:

- d. Act as everybody else should act.
- e. Treat others as an ends and not as a means.

Crane & Matten [5], are also delve deep into the discussion of three guiding principles as three parts of Kant's philosophy, without mentioning that all three are in fact equivalent. De George [11], provides a lengthy explanation of the three principles, also without addressing their equivalence, and eventually formulates three tests he considers mandatory when judging an act to be moral. Shaw [8] accepts that different formulations of moral imperative are equivalent.

4. The absence of analysis of the relation between universalism and utilitarianism. Almost nobody identifies the fact that universalism and utilitarianism are not opposites but mutually complementary. Some authors, such as De George [11], Trevino & Nelson [10], criticize the moral imperative for disregarding the consequences of actions. [4] Considers universalism as the opposite of utilitarianism. Some researchers comment on the existence of relations between the utilitarianism and universalism, for instance; Shaw [8].

ETHICS OF VIRTUES

The basis of the ethics of virtues is an assessment of a person's character and not deeds or rules. If the person is good, then his deeds will be good as well. But before accepting such an idea, two key questions must be answered.

First, which personal characters is a good one? After all, characters cannot be good or bad because that depends on the results to which it leads. For example, honesty is a good character; it allows the reputation of fair and straight businessmen to be strengthened. But, by accepting this conclusion we steer the ethics of virtues toward utilitarianism or universalism. In order to make ethics of virtue an independent normative theory, we need different answers. Second, is it really possible to maintain that a person with good characters will always do good things?

There is another methodological problem. Character can be simultaneously good and bad. For example, take pedantry. For a bookkeeper pedantry is a virtue. It prevents him from making mistakes and causing problems. But for marketers it is a disaster. It prevents them from developing suitable marketing

strategies because of uncertainty and the inability to assess every possible aspect. This is why it is necessary to evaluate "good people" on their suitability for different business functions.

Aristotle is considered the father of the ethics of virtue. Among modern proponents of Aristotle's views is MacIntyre [12], who published a book ("After Virtue"), which discusses the crisis of modern ethics. Unfortunately, neither MacIntyre nor Aristotle can provide suitable answers to the questions raised. Solomon [13] is another active supporter of the ethics of virtues, who claims that traditional utilitarianism and universalism are too abstract for the modern business reality and therefore are impractical. Instead, Solomon suggests exploiting Aristotle's concept of virtues and nurture of good character. His claim has provoked the interest of other researchers in this issue like: Limbs & Fort [14]. All these examine the ethics of virtues as a normative approach. Trevino & Nelson [10] suggest that virtue is easy to discuss based on the norms of communities. For example, when discussing the character of a bookkeeper, it is possible to compare his virtues to the virtues of other members of his bookkeeping community. But their discussion is based on a professional code of ethics.

EGOISM AS NORMATIVE ETHICAL THEORY

Some researchers, such as Crane & Matten [5], Shaw [8] highlight an alternative theological theory – egoism, which aim is a welfare of those, who makes a decision. The question is whether egoism is a normative ethical theory? Apparently yes, because the normative theory suggests comparing two existing realities, and the theory of egoism allows for this. It is necessary to choose the "main acting person" without which such an analysis is impossible. But who can such a person be? Every man is expected to make his egoistic choice, considering his best interests as paramount. Naturally, the choices of different persons are different and cannot be compared because egoism as a theory does not suggest that people have an equal opinion about good and bad. So how does the theory of egoism relate to utilitarianism and universalism?

It shares the first postulate of utilitarianism about each person deciding his own "good" ("fair", "right", "just"), but at the same time, it contradicts the second postulate – maximization of good for all parties involved. The theory of egoism suggests that the only person whose welfare can be maximized is the person who makes a decision. In other words, the theory of egoism justifies every action aimed at the increase of personal good, whereas utilitarianism demands maximization of the common good.

Universalism not only contradicts the theory of egoism in that each person is allowed to interpret his personal good as he sees fit. Moreover, universalism suggests the existence of certain, inviolable norms.

This is why universalism and utilitarianism are basically egoistic but put additional restraints on initial personal egoism: the maximization of the common good or the acceptance of universal norms. To distinguish the theory of egoism from utilitarianism and universalism, which are basically egoistic, the first can be called the “theory of absolute egoism”.

The theory of egoism is interpreted differently by different researchers. For instance, Crane [5] suggests that Adam Smith is major proponent of absolute egoism theory. This claim can hardly be correct because the concept of “invisible hand” only states that manufacturers wishing to increase their personal profits will lead to an increase in the common wealth in a free market economy but does not provide any ethical justification for this statement.

In conclusion, an important issue needs to be addressed: the methodological difference between utilitarianism and universalism, widely discussed in literature, is not as simple and evident as might be supposed at first glance.

CONSEQUENTIALISM AND NON-CONSEQUENTIALISM

Consequentialism is the analysis of acts in terms of their outcomes. Non consequentialism is a refusal to analyze acts only from the perspective of their outcomes. In the first case, results are judged, which condones every possible act if it leads toward good. In the second case, deeds are judged, and some will be considered bad irrespective of the outcomes (for example it is wrong to kill in order to increase wealth).

The problem is the inability to separate the act from its outcome. This is because in many cases the act is itself an outcome. Imagine a situation in which a person takes the life of other person for personal pleasure. Or consider the case of a person seizing the property of another person. There is no separation between act and outcome. Here the analysis of such acts is made with no separation of act and outcome, and therefore such separation is irrelevant for the ethical theory.

On the first approach, it seems that utilitarianism and universalism (the approaches of Bentham and Kant) are polar opposites, but careful examination shows that this is not the case. First, universalism does not reject utilitarianism per se. Kant's moral imperative, does not prohibit every person from choosing what is good for

him (the first principle of utilitarianism). In contrast, the imperative supports this principle, but requires one small exception: the person decides for himself what is good as long as it does not harm another person.

The moral imperative partially supports the second principle of utilitarianism concerning the maximization of the common good of all persons. To be precise, the moral imperative supports the principle of “improving equilibrium” (protection of weaker system participants) but rejects the principle of “improving scarifies” (nobody will support acts expected to undermine the welfare of weak, even if the welfare of the strong is expected to increase disproportionately).

There is no doubt that ethics is an important issue with considerable influence. The guidelines that direct human behavior are based on certain rules derived from basic ethics. The norms of behavior among the participants of any frame are derived from certain ethical norms that dictate supposedly right, just and fair behavior. Managers who due to their position have a high level of power are nevertheless bound to norms that limit their power, and do not allow them to go beyond normative behavior. If so, then it is possible to claim, that ethics is the ultimate equilibrator and is capable (at least partially) of determining what is right, fair and just.

The understanding that the relationships between humans are bound by certain rules determines the ability of frame participants to cooperate in closed frames (organizations). The quality of the norms also determines the characteristics of the working climate which partially determines the outcomes of collective efforts. In other words, the quality of the accepted ethical norms within the organization determines the ethical climate in which the participants operate and the quality of outcome of mutual efforts. A proper organizational climate based on solid ethical norms encourages not only the wish to participate in the organization but also the personal wish of each participant to reach an overall level of welfare. Individual participants driven by the ethical norms become committed to common success. This does not mean that they abandon their personal ego demands, not in the least. While still being interested in achieving their personal goals, they also accept that others are entitled to achieve their own happiness.

DISCUSSION

It is easy to see that diversity of concepts that are meant to determine the essence of ethics, making the task of determination very complex. The essence of ethics or ethical behavior in every possible aspect of human relationships, is primary an outcome of personal point of view and personal acceptance of the events course.

What is good, comfortable and ethical for the one party, is usually perceived as not good, not comfortable and not ethical by the other party. An example for the previously said may contribute for better understanding of the issue:

Assuming that there is a company that is facing critical situation that requires dismissal of certain amount of employees, to reduce the financial spending and cut the organizational expenses. The question is – who will be the dismissed ones? What will be the criteria's for the decision?

Now, let assume that the decision was, to dismiss employees who reached the age of 60 years old. It is obvious that the dismissed persons, will have no opportunity to find alternative jobs and they will be left outside the employment circle. Is this ethical decision?

Well, the answer depends on who we ask. For the dismissed persons, it is most likely not. They will not accept the claim, that they sacrifice their personal wellbeing in the favor of younger employees. They will most likely say that it is not ethical decision and that is not right/just and fair.

Those, who will not be affected, who will remain in the organization, will claim different – they will justify the decision and defend it. Egoism will dictate their behavior and their assessment of events and personal outcomes.

Obviously that the decision made by the organizational leaders to dismiss certain group of employees, is also result of individual interests and personal point of view. Moreover, it is most likely been made only basing on costs and profits, rather than considerations of ethics and what will be just, fair or right. Is it annoying? It is. Is it the way it should be? No. Can we change something? No.

It seems that the issue of ethics in business decision making process is no more than a fairytale. The decisions are and always will be an outcome of profit considerations. Ethics is and will remain the escape of the decision victims, who will sick for just, fair and right behavior towards them. They will talk about ethics, only if they are personally affected by the decision. Obviously, that if the decision is not harming their personal interests, they will call it – ethical, just, fair and or right.

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