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Editorial Words

Dear Readers,

Welcome to the 27th volume, first issue of the ASEJ Scientific Journal of Bielsko-Biala School of Finance and Law. In this number, editorial board present a diverse range of articles that delve into pressing topics within the realms of economics, finance, law, and security. These articles shed light on various aspects of contemporary society and offer valuable insights into the challenges we face today. The first article by Medani P. Bhandari, titled "The Corruption: A Chronic Disease of Humanity: Causes, Effects, and Consequences," examines the pervasive issue of corruption and its profound impact on societies worldwide. Following that, Stanisław Ciupka explores the "Ethical Dilemmas of Contemporary Business," addressing the complex moral challenges faced by companies in the modern business landscape. Michał Comporek's article, "Levels of Reported Financial Result and the Scope of Accrual-Based Earnings Management," focuses on the practices of earnings management within public companies in the clothing industry, providing exemplification studies to illustrate the phenomena. Justyna Fibinger-Jasińska's contribution, "Judicial Review of Illegal Clauses in Consumer Loan Agreements," delves into the legal aspects of consumer protection and the role of the judiciary in scrutinizing loan agreements for potential unfair clauses. Wojciech Jakubiec examines the intricacies of money laundering and its selected security issues in "The Essence of Money Laundering – Selected Security Issues," shedding light on the challenges faced in combating this criminal activity. Radosław Koper explores the exclusion of freedom of expression during interrogations and the irregularly obtained evidence, focusing on Article 168a CCP, in "Irregularly Obtained Evidence (Article 168a CCP) in the Aspect of Exclusion of Freedom of Expression of Interrogated Individuals." "The Emotional Surge Impact on the Formation of a Personal Brand as an SMM Product" by Kateryna Kalynets, Yevhen Krykavskyy, Petecki Ignacy, Sylwia Nycz-Wojtan examines the influence of emotional surges on the formation of personal brands, specifically within the realm of social media marketing (SMM). Aleksander Sapiński's article, "The Importance and Challenges of Information Security in the Digital Age: Analysis of the Current Situation and Prospects for Development," analyzes the current state of information security in the digital age, highlighting its significance and outlining the challenges that lie ahead. Lastly, article by Mariola Adamiec-Witek, which sheds new light on the issue of the conduct of proceedings before common courts with the participation of jurors.

I hope that this issue of the ASEJ Scientific Journal of Bielsko-Biala School of Finance and Law provides valuable insights and stimulates further research in the fields of economics, finance, and law. I extend my gratitude to the authors for their contributions and commend the rigorous academic scholarship demonstrated in their work.

prof. dr Ihor Halystia
Editor of the ASEJ, Issue 1, Volume 27, 2032.

Ethical dilemmas of contemporary business

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Abstract— The article argues that the goal of business is to increase profit, but it also recognizes that proper relationships must exist between the entrepreneur and employees, customers, the state, and society at large. These relationships are deemed necessary for business to occur, and additional relationships, such as those with contractors, the media, and the natural environment, may also be relevant. The ethical aspects of business are inseparable from the ethical problems present in society. Undesirable behaviors within business activities are discussed as morally reprehensible, affecting both business conduct and generating moral dilemmas within society. Economic issues are noted as playing a significant role in contemporary society, often becoming modern idols. Consequently, there is a growing call for proper ethical conduct in the business world to address these concerns and ensure the common good. The article highlights that answers within the realm of business ethics are influenced by researchers' ethical and economic perspectives. The distinction between entrepreneurs and managers is emphasized, with the latter often assuming entrepreneurial roles. This separation raises concerns regarding the alignment of owners' moral obligations with the goals and commitments of managerial staff. Shareholder interests, primarily focused on profit maximization, sometimes overshadow ethical considerations.

Keywords— modern business, ethics, business dimensions, economic idols.

I. INTRODUCTION

Starting an attempt to deal with the topic suggested above, it seems that we should start with an attempt to define the concept of business, which is a very ambiguous concept, and this statement applies to both the colloquial language we use and the scientific language (Czarnecki 2008, p. 195-196). Another justification for the need to depart from this definition is the fact, raised by some researchers, that in order to talk about ethical business problems, it is also necessary to understand its essence (Sternberg 2008). In the literature on the subject, there

are many attempts to define business theoretically. Various scientific concepts of this term can be followed in the above-mentioned work of our author and bearing in mind the modest possibilities of the article, we allow ourselves to refer to his arguments (Czarnecki 2008, p. 198). For the purposes of the arguments contained in this article, we adopt the following attempt to define the concept of business.

II. DIMENSIONS OF ETHICAL BUSINESS

The goal of business is to increase profit, although it is not the main goal of doing it. Related to the first condition of business is the fulfillment of additional conditions, i.e. the existence of proper relations between the entrepreneur and the employees of the enterprise, between the entrepreneur and broadly understood customers, the entrepreneur and the state, the entrepreneur and society. We are convinced that we deal with business wherever the above-mentioned relationships occur. In no case, however, do we limit the number of these relationships, but they are necessary for us to be able to talk about running a business. Additional relationships that may be related to business include, for example: relationships between the contractor and the entrepreneur, broadly understood media, the impact of the natural environment, etc. In our opinion, the ethical aspects of business cannot be separated from the ethical problems that are associated with social life. We sympathize with A. MacIntyre's thesis that: *[...] business problems (...) are to a large extent the problems of the whole society* (MacIntyre 1997 p. 232).

When talking about ethical dilemmas of business, to a large extent, we want or must, somehow out of necessity, talk about various undesirable behaviors as part of business activities. It should be assumed that morally reprehensible behavior within the whole society affects business conduct, but also unfavorable



from the point of view of ethics, business conduct generates many moral dilemmas of a society that is aware of how economic problems affect the life of a given society (Zwoliński 2018, p. 91-112). Some of the researchers claim that economic issues are starting to play the role of modern idols: *Our banks, their rich architecture and equipment are sometimes perceived symbolically. They resemble modern temples, where sacrifices are made on the altar of a powerful god - mammon. [...] Feverish accumulation of material goods, saving time for recreation at the expense of one's own health, spiritual development or the care of family life is undoubtedly one of the forms of idolizing the economy* (Dylus 2018).

Hence the growing call for the issue of proper ethical conduct to find its proper place in the business world: *It is important that ethics find their place in finance and that markets serve the good of peoples and the common good of mankind, while many other people suffer severe consequences* (Francis 2014).

The answers provided within the framework of business ethics depend to a large extent on the ethical views of a given researcher and probably to a large extent on his economic views. In the literature on the subject, it is emphasized that an important issue for the assessment of the moral conduct of the company is the distinction between the entrepreneur and the manager. Until recently, an entrepreneur was understood as an owner who managed his own enterprise, but nowadays, the ownership function has been separated from the management function, so that managers often pretend to be entrepreneurs (Nickles 1995). Therefore, it is very common today that the purpose and moral obligations, the conduct of the owner of the enterprise, do not coincide with the goals or commitments of the managerial staff. The main tasks of the managerial environment include setting the company's goals, organizing work, motivating employees, and evaluating them (Druckner 2000). There is a certain concern that due to the contemporary situation, where shareholders are often the owners of the company, and as we know, often their main interest is to maximize profit, and their knowledge or the ability to influence how the company is managed is essentially minimal, the ethical and moral aspects of the company's activities are not in the center of attention. Looking from the managerial staff's point of view, we can see that their considerable effort boils down to achieving the greatest possible profit for shareholders and, inevitably, from the manager's point of view, it is necessary to ensure that the company in which we operate should pay significant attention to the implementation of other goals, for example various social goals and additionally bear moral responsibility for their implementation (Friedman 1993). Business ethics is a field of science in which the views of a given researcher depend on the general philosophical assumptions adopted by him, but, as some researchers believe, even more on the economic premises adopted by him. As part of economics, we deal with a wide range of diverse views, opinions, and theoretical concepts. The adoption of a specific economic theory is also a moral decision, because economic issues cannot be separated from ethical issues, as they are the necessary foundation of any economic activity. It is assumed, somewhat tacitly, that the basis of business is based on private

property and the free market, which are also ethical concepts. However, we must not forget about the other side of the problem, which one of the researchers' signals:

The free market (capitalist) economy is associated with many difficult and unresolved ethical issues. It is morally not sufficiently transparent, clear and orderly. (...) It can be assumed that in its nature it contains, like most socio-economic phenomena, a moral and amoral dimension that is not easy to reconcile, an area of moral good and evil, a morally ambiguous character that does not allow to situate it completely neither within the limits of purely moral phenomena nor in the realm of reality which is inherently amoral or immoral, or at least morally indifferent. The opacity and moral ambivalence inherent in any economic activity based on the principles of the free market (...) are unmasked by the main religious and ethical traditions (...) and radical social ideologies of the present and earlier times. (Szmyd 2003).

However, modern ethicists dealing with ethical issues in business point out that in the long run, business activities conducted on the basis of moral standards are profitable in the economic sense. At this point, one can refer to the arguments of A. Szostek, who proves that there are two profitability, namely material profitability and profitability in a broader dimension, as the so-called. *voucher humanum*, placed by him in this wider dimension. It does not exclude the use of material goods, but it postulates that their accumulation should be a means of achieving a statement so dear to ethics: *achieving a fuller humanity*. In this dimension, material means are a means to an end, and assuming that honesty is an important component of humanity, any dishonest accumulation of material goods is unethical. As our author notes:

(..) it is not as if I could focus my attention today on getting rich at all costs, and tomorrow I planned conversion, penance and further honest life, the material security of which I took care of in advance. (Szostak 2012)"

There is a debatable question here as to whether honesty is profitable in the economic field. According to the majority of ethicists and business practitioners, it tends to believe that in the long run, compliance with moral standards is profitable in the economic dimension, while unethical actions bring material effects, at most in the short term. The above-mentioned A. Szostek distinguishes four types of *profitable honesty*, which, in his opinion, are profitable in the long run, but in practice there are often situations that cause conflict situations. P. Czarnecki, for example, shows the following events. Here's what you can and do then, where there is a conflict between the need to be honest with a customer or competitor and the requirement to be honest with your employees. Another conflict-producing moment may be situations when an entrepreneur has to choose between his honesty, which may worsen the situation of his business activities, thus exposing the situation of his employees, and economic action, which should be considered dishonest. For example, to what extent are the salaries of the managerial staff in relation to other employees in conflict with the principle of fairness (Czarnecki 2008).

Ethics tries to solve this ethical dilemma on a double way of reasoning. It is proposed to change the definition or the term

honesty or define in a completely new way the basic ethical concepts relating to business, and thus lead to the independence of this discipline. However, some business ethicists report a worrying phenomenon: *Thanks to this fundamental demoralization, it is easier for modern man to substitute pseudo-principles for principles, and apparent values for authentic values and business ethics advocates take advantage of this opportunity, promoting codes of ethics specific to them in individual industries and even companies* (Porębski 1997)

A certain ethical dilemma for some ethicists is their rejection of the issue of profitability as an ethical activity. Proponents of Kant's ethical concept, or other ethics based on deontology, believe that we are dealing with ethical action only when we are dealing with a sense of duty, and not with economic calculations. It should also not be forgotten that, in general, public opinion is very distrustful of the willingness of business to follow moral principles, leaning towards the view that business activities respect moral standards, as long as they are profitable from the economic point of view. There is a widespread belief that in business honesty always loses to the desire for profit, moreover, entrepreneurs show a significant tendency to approach ethical issues objectively. They put emphasis on developing ethical actions in their company, as long as this option makes them credible in the eyes of potential customers (Czarnecki 2008).

It seems to be an important opinion, the view advocated by A. MacIntyre, who postulates that the dilemmas of business ethics can be solved when these ethical problems are treated as the result of processes occurring at a higher level of generality than the level at which these problems are revealed (MacIntyre 1997).

Referring to his views, Czarnecki will quote his argumentation as follows: *MacIntyre does not depreciate the level of individual action, but he believes that everything ethics has to say here does not refer to the specificity of business action, but to human action as such. The manager must make a choice between conflicting reasons, and often each of the available options involves the violation of certain moral principles. He has no higher-level criterion or procedure available to him, MacIntyre writes, by which these reasons can be reconciled or even ordered* (Czarnecki 2008).

III. CONCLUSION

It is obvious that business ethics, as well as other ethics, formulates its principles at the level of considerable generality. Meanwhile, the entrepreneur, the manager, and this is most obvious, returns to questions about means, not about the ultimate goal of action. For them, it is not a fundamental question about the very meaning of getting rich, but it decides how to achieve this goal, what to do with profit in order to gain greater results in the future, how to develop the company's organization so that it can stay on the market. In Poland, much attention is paid to suggestions from Christian ethics. The aforementioned ethics is aware that economic activity should be developed simultaneously on many levels, and the individual level of ethical decisions cannot be the only one. The ethical

dimension of economic structures was signaled by Leo XIII in the encyclical *Rerum Novarum* (1891). On the occasion of the 90th anniversary of the publication of this encyclical, John Paul II in his encyclical *Laborem Exercens* will emphasize the social value of human work: (...) *with all this hardship, and perhaps even partly because of it, work is a human good. If this good bears the mark bonum arduum according to the terminology of St. Thomas, nevertheless, as such it is a good of man and not just a useful or utilitarian good, but a fair good, that is, corresponding to human dignity, expressing this dignity and multiplying it. In order to define more closely the ethical meaning of work, this truth must be kept in mind. Work is a good thing for man - a good thing for his humanity - because through work man not only transforms nature, adapting it to his needs, but also fulfills himself as a human being and, in a certain sense, becomes more a human being* (John Paul II 2000).

Such a belief, often maintained in business, leads to looking at the employee more in the objective aspect than in the subjective aspect. If the opinion of O. Żylicz and J. Wolniewicz is true, then business ethics appears to be particularly needed in our country, because in their opinion ethical standards in business are not sufficiently respected: *Many Polish entrepreneurs, managers and students of economics believe that morality in business is a luxury available only in countries with high accumulation of capital. Economic activity at the current level of sophistication often appears as a specific world in which the rules of social Darwinism apply almost exclusively - a jungle of ruthless competitors, only the strongest wins* (Żylicz 2004).

So is building business ethics groundless? We probably don't have to think so radically that the reluctance of some entrepreneurs to maintain ethical standards makes attempts to introduce ethical issues into business, from the outset pointless.

Every human being has a moral sense and a certain personal sensitivity, also when they play a role in business or are a manager, and it does not seem that the primary purpose of business ethics is the need to teach businesspeople to distinguish between good and evil. Business ethics should be focused on attempts to analyze moral conflicts that occur in business processes and initiating creative discussions among ethicists, business practitioners, managers and economists. Such activities will make it possible for all people interested in this matter to become aware of the issues of ethical issues in business, emerging dilemmas and attempts to solve them.

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