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ETHICAL PARADIGMS IN BUSINESS AND SOCIETY

Introduction. Ethical conduct emerges as a topic of discussion especially when conflicts arise between people, which cannot be resolved by regulation because of new circumstances and situations, or when legal norms prove insufficient or are disregarded, therefore leading to ethically unacceptable practices. Ethical issues of this kind are now at the forefront of social treatment, mainly because modern management practices have become increasingly problematic, areas of activity are expanding, and businesses and other forms of activity are increasingly under ethical pressures from multiple stakeholders. According, ethical behaviour is becoming a global issue and a pressing topic both in general and professional discussions; scientific analysis is therefore extremely relevant.

Aim and tasks. This article's aim is to study the ethical principles and morally ethical problems that arise in various business environments, such as medical, technical, legal, and commercial, as well as in sectors, including state, non-governmental, and private markets. It also explores ethical bases change over time and depending on social flows. Undoubtedly, stakeholders are interested in such ethics-based governance, which means that ethical issues should be effectively put into practice. The study identifies the key paradigms of how different sectors operate and what issues arise.

Results. The diachronic study finds that there was almost no interest in studying business ethics over the last century. The beginning of the 21st century saw strong increase in interest regarding these issues, as evidenced by the number of studies and analyses, the introduction of ethical business courses, and other ethical issues. Hyperconnected modern society is increasingly globally interdependent, wherefore interest in the appropriate culture and ethics of action is increasing with the aim of reducing risks and conflicts. Nongovernmental organizations increasingly involved in these processes, develop their business practices of responsibility and care for vulnerable groups and the environment. They have indirectly become a strong factor in leveraging for the ethical conduct of free market operators as well as state/public institutions.

Conclusions. The existing studies identified seven key ethical paradigms that emerge in the operation of non-governmental, state, and market sectors, differing in key two dimensions: the first extends from emphasizing community (communitarianism) to exposing individuality, and the second from self-orientation (egocentricity) to a focus on the other (sociocentricity). On this basis, an array of various approaches to ethics can emerge, providing for useful tools for the professional analysis of business practices, as well as to assist stakeholders in introducing better business at all levels.

Keywords: ethical paradigms, ethical business, NGOs, management practices, social responsibility

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ЕТИЧНІ ПАРАДИГМИ В БІЗНЕСІ ТА СУСПІЛЬСТВІ

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Вступ. Етична поведінка виникає як тема дискусії, особливо коли виникають конфлікти між людьми, які не можуть бути вирішені регулюванням через нові обставини та ситуації, коли правові норми виявляються недостатніми, що призводить до етично неприйнятних практик. Етичні питання такого роду зараз стоять на передньому плані соціального поводження, головним чином через те, що сучасна практика управління стає все більш проблематичною, сфери діяльності розширюються, а бізнес та інші форми діяльності все більше зазнають етичного тиску з боку багатьох зацікавлених сторін. Відповідно, етична поведінка стає глобальною проблемою та актуальною темою як загалом, так і професійних дискусій, тому науковий аналіз є надзвичайно актуальним.

Мета і завдання. Метою статті є вивчення етичних принципів та морально-етичних проблем, що виникають у різних бізнес-середовищах, а також у галузях, включаючи державний, неурядовий та приватний сфери. Також досліджуються зміни етичних основ у часі та залежно від соціальних потоків. Безперечно, зацікавлені сторони зацікавлені в такому управлінні, заснованому на етиці, а це означає, що етичні питання мають ефективно реалізуватися на практиці. Дослідження визначає ключові парадигми того, як діють різні сектори та які проблеми виникають.

Результати. Діахронічне дослідження виявляє, що протягом останнього століття інтерес до вивчення ділової етики майже не було. На початку ХХІ століття спостерігається зростання кількості досліджень та аналізів, впровадження курсів етичного бізнесу та інші етичні питання. Гіперпов'язане сучасне суспільство стає все більш взаємозалежним, тому інтерес до відповідної культури та етики дій зростає з метою зменшення ризиків та конфліктів. Недержавні організації, які все більше беруть участь у цих процесах, розвивають свою ділову практику відповідальності.

Висновки. В існуючих дослідженнях було визначено сім ключових етичних парадигм, які виникають в процесі функціонування неурядового, державного та ринкового секторів, що відрізняються ключовими двома аспектами: перший поширюється на спільноті (комунітаризм) до викриття індивідуальності, а другий – на самоорієнтацію (егоцентричність) до орієнтації на іншого (соціоцентричність). На цій основі може скластись різноманітний підхід до етики, який надасть корисні інструменти для професійного аналізу ділових практик, а також допоможе зацікавленим сторонам у впровадженні кращого бізнесу на всіх рівнях.

Ключові слова: етичні парадигми, етичний бізнес, неурядові організації, практики управління, соціальна відповідальність.

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Introduction. Ethics becomes a topic of discussion primarily when conflicts arise that cannot be resolved by regulation, because of new circumstances and situations that are not foreseen by the acquits (legal presumption) or by technical, organizational approaches [1]. Kim, [2] points out that ethical issues in management come to the fore mainly because management practices have become increasingly problematic and have a high social impact. Leonard (2018) further points out that issues of business ethics and their practices in various organizations are currently a very important topic, as they are increasingly emphasized in the media, while being ignored several decades ago. The consequences of major scandals like the one with Enron in 2001 et similar have stifled the global economy, a state that has intensified interest in ethical issues in management, and unethical behaviour has become a global issue and a hot topic in general and professional discussions [3]. Caroll [4] states that corporate responsibility, ethics, and accountability have become some of the most important and pertinent business issues; Alzola [5] adds that, as far as ethical climates in organizations are concerned, it cannot be claimed they are fair and exemplary.

In addition to these problematic developments in business, ethical issues have intensified and emerged in new forms of practices and relationships. These include legal liability, workplace safety, child labour, bribery, cyberbullying and abuse, virtual accounts, unethical research, identity theft, privacy and disclosure threats through social networks, deception, and counterfeit retribution, all of which can be seen in various companies and/or their management [6]. Issues related to cyber ethics have intensified since the development and popularization of social media, but still remain untouched. Managers and management staff are increasingly under the ethical pressure and stress of various stakeholders such as owners, government entities, employees, customers, suppliers, competitors and other managers. The trust, integrity, and honesty of management and companies in general are under constant pressure, and those management workers are trying to avoid social control. Unethical practices therefore cause concern for entrepreneurs, the state, and people [3].

The issue of ethical conduct in business is therefore still quite relevant. It is particularly important that this problem be elaborated adequately at both the theoretical and practical levels (implementation), together with the identification of strategies for improving ethical business, and it is further necessary to identify specific ethical paradigms and shifts. Undoubtedly, stakeholders are interested in such management approaches based on indisputable ethical practices, which means that ethical issues are effectively put into practice. What these ethical underpinnings are and how they are enforced is another of the goals of this review article, which outlines ethical paradigms that can be gleaned through a longitudinal study. Further, the subject of analysis is how ethical paradigms are preferred in key sectors of business such as private-profit, public-state and non-governmental, and paradigm shifts over time..

Analysis recent research and publications. Previous studies have dealt with ethical backgrounds in the area of business ethics, while the public sector and non-governmental organizations have not been subject to this type of study. Similarly, studies have not dealt with ethical matrices so far.

Aim and tasks. Ethical paradigms have been shown to change over time and across different sectors of business practices, as evidenced by the various preferential forms according to which action is involved – be it market, state, or public sector and non-governmental humanitarian. It has also been shown that the use of ethical paradigms is also changing in the context of time or societal development. For the purpose of this longitudinal study, an analysis was made of scientific sources that touch on ethical paradigms in all fields of activity from humanitarian organizations and state institutions to the market functioning of economic and financial organizations. The study showed that different ethical paradigms are emerging in variety areas of action during the time period.

Results.

Ethics in action – a specific philosophical branch. The mere existence of several types of ethics, as well as theories or philosophical directions in the study of ethics, precludes discussion of a single sort of all acceptable ethics.

It could be said about current prevailing ethics or ethics within given circumstances or a historical period, such as the emergence of Rawls's ethics of justice [8]. The author identifies this approach as a solution to fundamental issues and problems in the contemporary world of action, characterized by the need for expressed individuality and the strengthening of justice. However, there are several sets of ethics, or views about what is good, just, and right. This again precludes assessment about better or worse ethics, and only facilitates discussion of the prevailing ethics in a certain historical period or in certain circumstances.

Ramovš [9] speaks of ethics as a guide for professional work that lacks set rules and regulations, i.e. in some kind of legal and legal gaps when it is necessary to make professional decisions. That's when ethics rules and codes are called for help. This, of course, does not mean that legal norms, and therefore also business norms, are not subject to ethical principles. Berlogar [10] argues that there is also a certain morality or moral minimum for each law. How much and which depends on the influence of individual stakeholders.

Performance ethics are essentially application ethics, of which perhaps the most widespread is business ethics, or ethics of business, defined by Warren [11] as a form of applied ethics that examines the ethical principles and moral ethical issues that arise in various business environments. Ethics, in general, is a philosophical branch that deals with the subject of human desire and treatment in terms of good and bad, moral and immoral [12]. Velasquez, Andre, Thomas Shanks, & Meyer [13] specifically state that the issues are the correctness and wrongness of certain actions, the good and bad motives, and the results of such actions. Business ethics is therefore nothing more than the application of ethics in business or the application of general ethical ideas in business behaviour. According to Amakobe, [3] ethical business behaviour facilitates and promotes good companies, improves profitability, and promotes business relationships and employee productivity. The concept of business ethics means different things to different people, but it is generally

known what is right or wrong in the workplace and what is right – this is about the effects of products/services and stakeholder relationships. The scale and quantity of business ethical issues reflect a degree of perception of business as opposed to non-economic social values [14-15]. Business ethics can be normative in the context of setting or descriptive discipline [14-16].

Ethical perspectives relevant to ethics in various fields of activity. The analysis reveals that there are several perspectives through which people view moral issues, and one always strives to achieve some absolute ethical criterion or universal ethics [17], so that decision making is consistent according to one ethical criteria, preferably one criterion at a time. However, at the same time, the author claims that he might be too dogmatic and recognizes that such a unified concept is not the most appropriate for management, which he calls the art of the possible, while Maxwell [18] disapproves of interpretations of multiple ethics in business and other fields arguing that this leads to ethical moral chaos.

The beliefs and commitments to what ethical business is are influenced by the philosophical views, practices, and influences of particular groups within a society. The development of philosophical thoughts and practical normative approaches has provided for several perspectives, which can be classified differently but can also be used as criteria and matrices for deciding on ethical conduct, bearing in mind that ethical business is a relevant concept respectively in market-competitive organizations, public institutions, and Nongovernmental organizations (NGOs), where business is primarily focused on general public benefits. Based on the importance of the entity in business or social conduct, seven views or prospects could be raised.

The first view that could be cited is that ethical action is the one by which the greatest amount of good over bad is attained; this perspective maintains that any moral situation or dilemma has inherent pros and cons. This lens is known as the utilitarian ethical theory or approach, developed by Mill and Bentham [19] [20]), and often breaks down due to the difficulty of finding that something good for

one person may be bad for another. The two authors emphasized that the goal of pursuing this theory is to promote all that is good, which means that it brings "the greatest amount of good to the greatest number of members." The first important question, therefore, is how to distribute the good and the bad; the second focuses on the need to respect the people's right to make their own choices, as long as said choices do not violate the rights and choices of others. This theory holds that every person has the right to be treated as a whole and to be guaranteed truth, privacy, security, and loyalty. According to this theory of rights, an act is ethical if it respects the moral rights of all [21].

A second projection to moral issues in business could be a free and fair view based on J. Lock's philosophy, which has also been relatively widely established in business [3]. Firstly, it emphasizes that people make decisions based on their free choice. Secondly, it stresses that people have a fundamental moral obligation to respect these decisions, provided that their decisions do not undermine the rights and decisions of others. These are basically the ethical starting points of a liberal society where freedom is emphasized.

A third perspective could be Aristotle's notion of the middle ground that equal treatment should be treated equally and unequally. This view would be understood as an effort to maximize proportionality and symmetry. In general, Aristotle has built a golden middle-of-the-road ethical system, with the consideration of all sides and establishing some sort of focus or balance. This third perspective is particularly concerned with problematizing the phenomena of favouritism and discrimination, while also measuring the ethics of business and the problem of inaction [16].

The theory emphasizes that any favouritism favours the chosen ones without a justifiable reason to have such an advantage. Discrimination is therefore inadmissible because it puts certain people in a subordinate position without good reason, even though they are no different from others. Any favouritism or discrimination of either individuals or groups is therefore inadmissible, unfair, and therefore unethical.

The following view could be defined as honesty and equity in business based on stakeholder satisfaction, defined by Stacy Adams in terms of how to find mechanisms to increase employee motivation and integrity. This is also related to the career development theory developed by Dawis and Lofquist [1]. Adams assumes that the inclination of stakeholders, either to cooperate or to sanction, depends on their perception of fairness or dishonesty otherwise obtained from the treatment of the firm [16]. Practitioners and researchers have observed that fairness or equity can be distributive, procedural, or intersectional [2]. Ethical challenges may therefore arise in the actions or inactions of the distribution of results, in the process of distribution, or in interpersonal relationships between individuals and authorities.

A fourth ethical perspective could be placed on Kant's view of the community. It is important for him that human destiny is strongly connected, as is the individual's well-connected with the good in the community. This is essentially Kant's starting point for the ethically good, or common good. The common good theory assumes that individuals are bound to pursue common goals and shared values [21]. An action is ethical if it is in accordance with social values, laws, assumptions, beliefs, and expectations. The common good is related to a social or organizational culture, so care must be taken that others who may be affected are taken into account. This perspective or a viewpoint results in an ethics of duty or a Kantian ethic whereby, at these stages, they adhere to ethical principles or duties and fulfil their obligations to others. The moral value of an act is determined by motive or purpose, not outcome. Through this ethical perspective, actions are determined by reason, not emotion. Concrete derivation in business is seen in stakeholders' decision making in corporate governance, where corporate management should consider the effects of its decisions on several people, i.e. stakeholders, and not only on shareholders [3].

The sixth ethical perspective is based on a move away from utilitarianism and the transition to the right of the individual – the individual and their responsibility.

Underlying this perspective is Rawls's ethics of justice [8], based on accepted rules, which serve as the starting point, meaning that fair and ethical conduct is the one that underlies the adopted rules or laws. This presupposes the necessity of implementing democracy for everyone with equal weight to contribute to the initial political order. What is important is the hypothetical original position of equality, which actually tells us that it is a situation in which all individuals are equal. The position additionally names the original position of choice upon which society will be based. In addition to the equal weight of the voice of each individual in society or specifically in an individual organization, the prevailing rules apply that the freedom of the individual can be restricted only because of the freedom of the other, which must be equivalent, thus approaching the principles of Aristotle's middle way.

In addition, Rawls introduces another important rule that individual interventions should increase the level of opportunity for the disadvantaged. Shared savings – public funds – should, as a matter of priority, be made available to those who are neglected or bear a greater burden of responsibility, which could be called the principle of positive discrimination in social policy, which is a mechanism for harmonizing the possibilities of all. Rawls's principles also imply the assumption that each individual holds two social positions: the first is equivalent citizenship and the second is the position in the distribution of public property or services. Differences in assets are only allowed to the extent that they benefit those most disadvantaged.

The seventh perspective of ethical viewing in business ethics emphasizes the principle of service to another, which is the basic point of the human dimension. It has its traces in the ethics of Buber, a modern variant of the ethics of care, which is recognized in the contributions of Noddings and, in particular, of Levinas. It is in these ethical views that priority

is given to the second-weakest, with the actor having to be an example of good conduct (ethics of care), which is important in the work of teachers, volunteers, and humanitarians – helping the other [22]. Levinas' moral "authority" as the face of the "Other" must be felt in our infinite responsibility to the other [23], which means that the other in my thinking can spark unlimited moral demands, thereby stepping on the other in endless debt to extremely asymmetrical obligations in the context that I owe another, but the other owes me nothing! In doing so, the ethical imperative becomes a concern for the other, rooted in our subjective constitution, characterized by responsibility for the other and submission to the other. If everyone did that, it would make for an ideal community where they care for each other.

Like Comte, Levinas proposes [3] that relationships make people feel obligated to live for another. In essence, this "sense of self" [24] cannot exist without connection with others. Levinas believes that the ethical human response is to help others. Responding to the needs of the other is what defines people as selfless social beings, rather than selfish beings seeking only to maximize personal happiness. A commitment to helping and caring for others without expecting any rewards or immediate benefits is matched by the altruistic intentions that arise when another person calls for help [24]. In this context of altruism, there is both selflessness and concern for the larger community. This is where Kant's ethics come closer to creating community.

The Matrix – Dimensions of Ethical Paradigms. Analysis of the ethical views outlined above shows that they differ in two key dimensions: the first extends from emphasizing community (communitarianism) to individuality. The other extends from self-centeredness (egocentricity) to a directional focus on the other (sociocentricity). Synthesizing these two dimensions yields the basic matrix of ethics and business that is mapped to the graph below.

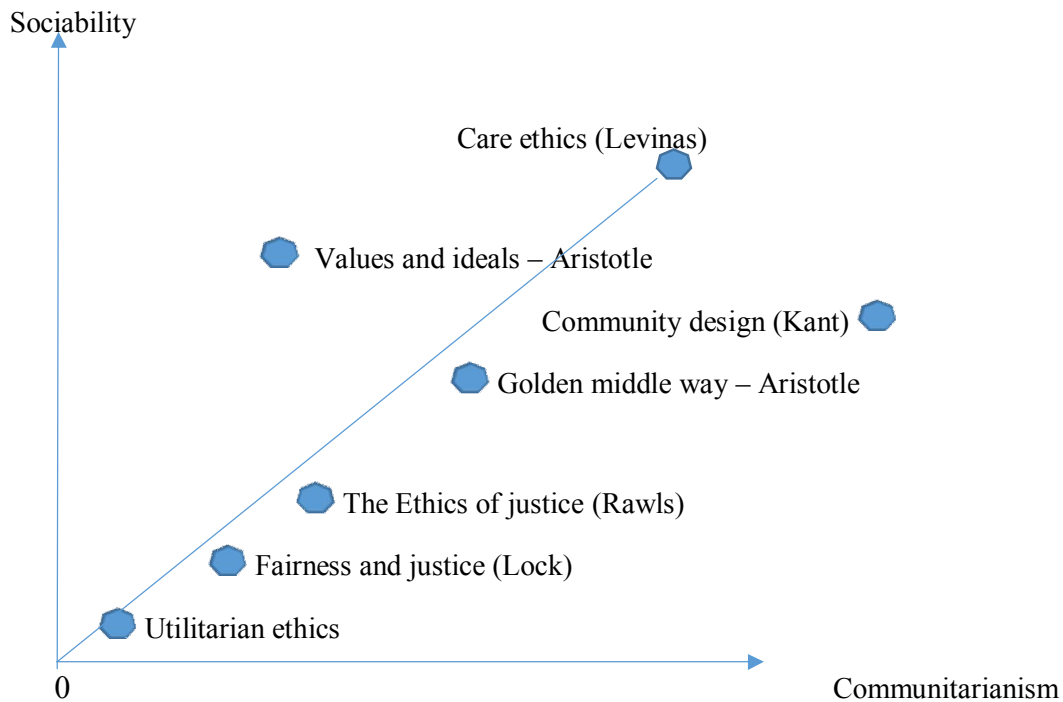


Fig. 1. Ethical paradigms in the range between individuality, sociality and communitarianism

Source: drawn by authors

The corner position (0) is one that combines individuality and egocentrism, which is the starting point for the fundamental dimensions of ethical maxims that can be realized either in communitarianism – a community where solidarity and reciprocity are the key to action, and those other socialities that mean the maximum engagement of one individual for another.

A longitudinal analysis of the research helps identify a densification of ethical paradigms in three areas of activity/business: the private market, the state/public sector and non-governmental humanitarian/charitable field.

Ethical paradigms of the market segment of society (predominant; Utilitarian, Freedom and Justice Ethics of Virtue). According to Norman [20], business ethics is a concise but also misleading term within an interdisciplinary field covering a wide range of normative issues in the world of commerce. In his view, the most direct focus is on a basic set of questions about how people in the business world should behave or what principles they should have when deciding on or implementing a business policy.

In other words, business ethics in its broadest sense focuses on the most appropriate or equitable models for business, markets, market regulations, and political control in a democratic society and a globalized economy.

The extensive Encyclopaedia of Philosophy, edited by Paul Edwards in Norman [20], which was the standard reference work of philosophy for two decades after its publication in 1967, had neither an article nor an index of business ethics. By the mid-twentieth century, political philosophers paid far less attention to political economy and focused almost exclusively on issues of justice in the public sector rather than private institutions [20]. In other words, they were much more concerned with the justice of the redistribution of wealth than with the issues of justice that arise in the creation of wealth.

In Historical Writings [25], there are philosophers who evaluate the practices, virtues, and weaknesses of trade and lending money, especially with regard to usury and the like. Throughout the development of industrial economies from the eighteenth to the early twentieth century tackled fundamental issues of political economy, from workers' rights and

lobbying ethics, to the justifications and criticisms of capitalist and socialist ownership models. These questions remain relevant to what it is called today "business ethics in the broadest sense".

Although American business schools also taught business ethics in the early twentieth century [25], until the 1970s or 1980s, it was really impossible to find any educational and research organizations that dealt with business ethics while an attempt was made to put ethical approaches into practice at a concrete level. Models close to Aristotle's models of virtue, character, and judgment were introduced into the practice, and in the industrial age one could find the non-Aristotelian principle of virtue, which could be explained by the influence of religious traditions and their shift to secular activity [26].

Later, various contemporary approaches are introduced, emphasizing different virtues from Adam Smith's moral sentiments and his thinking about bourgeois "commercial" virtues, such as prudence, moderation, hard work, and honesty on the one hand [27], to various contemporary feminist approaches, on the other hand, at the end of the 20th century.

Difficult decisions are increasingly tackled with an approach characterized by utilitarianism shaped by Mill and Bentham [3]. The literature states [20] that utilitarianism is often used when business leaders make critical decisions about things such as expanding, closing stores, hiring, and firing. One can see in such a utilitarian view that the benefit of the individual is used more and more as a criterion for decision making, which is primarily egoism rather than altruism. Bentham's risk-management system plays a practical way of measuring value [29].

In recent years, there has been a growing interest in understanding the actual mechanisms of human decision making. This trend involves researchers in philosophy, cognitive psychology, social psychology, behavioural economics, neuroscience, and organizational behaviour. However, it is noted that business ethics for business dilemmas includes few useful solutions derived from ethical theories.

Current empirical research suggests that decision making involves many unconscious processes that are strongly influenced by situational factors, mental heuristics, and cognitive biases. Thus, individual behaviours in management make it difficult for individuals to make ethical judgments, for it is difficult to identify how to solve them, let alone to actually solve them [30].

In the 21st century, however, business ethics has been increasingly dominated by principles close to Aristotle's conception of virtue ethics. Virtue ethics often leads people to imagine a picture of a prudent, honest, morally courageous, and empathetic leader who fits in well with the effective leadership models developed by their more empirically-minded colleagues in organizational behaviour departments [20; 31]. Employees and other stakeholders will view the leader as a person of integrity who is credible and instils confidence. This, in turn, lowers transaction costs and motivates employees to be less likely to break the rules or take shortcuts that expose the company to risks [6].

The ethics of virtue is recognized in the notion of integrity and has lately become increasingly important. It accordingly conjures up a picture of a prudent, honest, morally courageous, and empathetic leader who fits in well with the models of effective leadership developed by their more empirically minded colleagues in organizational behaviour departments [20]. These lessons help form leadership that, in turn, lowers transaction costs and motivates employees to be less likely to violate rules or take shortcuts, or to expose a company to risks [6].

It should be emphasized that consumers play an increasingly important role in the ethics of exchange processes in the behaviour of businessmen and corporations. Ethical contentious behaviour would impede effective trade, lead to unproductive trades and significantly impair profitability on the one hand and long-term customer satisfaction on the other. Given the role of resellers, there should be no question of ethical relations between buyers, retailers and suppliers [32].

Maxwell [18] does not support the interpretation of multiple ethics that individuals use at work, among friends, at home, and in various other situations. People with this type of thinking quickly get into trouble. Their behaviour becomes quite confusing and ethically controversial. The events of the last two decades, marked by bankruptcies, fraudulent speculation, and similar unethical acts, are then also reflected in public distrust. The concept of multi-ethics leaves more room for ethical chaos, which introduces opportunities to relativize ethically unacceptable practices. In this context, the controversy and incontrovertibility of certain types of advertising is also assessed and the question of whether ads are ethically questionable when they create new desires for products that consumers do not need [33].

Ethical paradigms of the state segment (Kant, Aristotle – Middle Way). Ethical research is focused both on the functioning of the private sector and increasingly on the public sector. Issues regarding the quality of public administration services in a changing world have become essential for the functioning and development of modern society [34]. Božič and Hadžimulić in [34] examine the connection between society and the ethics of working in state administration. They state that quality of life is related to the level of ethics in society, which is linked to the level of realization of human rights and responsibilities. Between what the regulations explicitly prohibit and what they explicitly allow is a vast grey area containing much of what can happen, i.e. that which is not forbidden but it is also not moral per se. At all levels of public administration, therefore, conduct must be professional, professional, lawful, equal, courteous, open, fair to the public, respectful, economical, efficient, and transparent. From the point of view of political governance, the ethical conduct of politicians, who are the key players in governing the country, is important, and a high level of ethical standards is also expected from the civil servants who participate in it. The current crisis is an opportunity to rethink attitudes towards work in order to better align services to users' real needs.

In countries with a strong citizen role in decision making and strong countervailing policy programs, such as in Scandinavian countries, the impact of Rawls's ethics of justice can be observed, as it emphasizes that each individual must be in a perfectly symmetrical position with respect to the other, so that they have all have the same share in decision making. It also leads to decisions made in terms of positive discrimination – to those on the edge of society more so, to the extent that everyone has an equal chance to develop. When the state also embraces non-traditional areas of state action and becomes a producer of services, a different ethical paradigm is established here than the ethical backgrounds of the free market, which is recognized in highlighting communities and community-based public institutions that provide services to citizens [35]. This is typical of companies where is recognized the elements of Aristotle's middle path of free action and Kant's categorical imperative as well as emphasizing the importance of community.

Aristotle says [30] that statesmen strive to make people better by the constitution and the laws of the people, while also having to observe ethical criteria, since this is the only way they can create a good state. For Aristotle [1], the essence of ethics lies in defining and promoting the highest good – the happiness – that both individuals and society must strive for. Therefore, the task of the state and state institutions is to care for the lasting happiness of its citizens. Happiness, however, can be achieved by virtue, which is the golden mean between two extremes – the middle between too much or too little. Therefore, the country, with everything it does, should strive for this golden mean, and it is not tied to things/products, but to every individual. The state should therefore work for the equal benefit of all citizens, giving them equal opportunities in all fields. This implies that one of the main goals of the state and state institutions according to Aristotle is to act ethically, because this purpose brings us to the highest good, i.e. to make happy citizens. However, ethical conduct should be the goal of the entire state and state institutions, not just individuals [3], which implies the necessity of political instrumentalization.

It can be emphasized here that Rawls's ethics contains only a way of regulating decision making and a rule limited by positive discrimination, while Aristotle adds the necessity of action for all acceptable common values [8].

The key issue of ethics is related to a deeper understanding of the potentials of leadership and management [36], which is also true at the national level. In his view, ethics can only be narrative in the context of globalization and its implications, the rapid development of technology and technology. It is based on the experience of concrete actions, or verbally reconstructed stories of aimless behaviour. Technology and globalization cannot be stopped, so the way of thinking must be changed. This makes the ethics of sustainability a new perspective imperative on which two branches of ethics interconnect: the ethics of the humane and natural environment and the humane and natural environment of ethics. According to him, it is in a way a new fundamental approach to reality, especially to the reality of life in the world. Both the utilitarian and the contractual approach, the first of which avoids the fundamental principle of equality and the second sees in the principle of equality the foundation of contractual ethics, do not come close to the fundamental existential question of what it means to be human in today's situation.

From this it can be concluded that the activities in the modern public/state sector are increasingly dependent, interconnected, and reciprocal, due to the increasing density of interconnections brought about by modern society. Durkheim in [37] argues that specialized (highly developed) societies are establishing a collective consciousness, including ethics that underlies the state/public as well as free-market functioning. He further emphasizes that whenever people cooperate on the principle of repetition, these connections generate rules and form the basis for shared ideas, religion, collective social norms, and ethics. Therefore, by expanding the public and non-governmental sectors, the scope of such activities is expanded, as well as the integrated ethical paradigms that incorporate Rawls's ethics of justice on the principle that everyone

should have equal weight in deciding on public affairs in the context of equalization through positive discrimination, Aristotle's principle equilibrium or middle path with emphasis on values, as well as Kant's categorical imperative, according to which a person should always act so that their action should be considered as the principle of the most general law. These interactions and connections in modern societies are increasing rapid, so the perspective for the individual is to work in communities to which they are more or less connected by the principles of organic solidarity in which they work to the best of their ability.

Ethical paradigms of humanitarian organizations (ethics of care, Aristotle's values/virtues). Halba [39] states that the ethical functioning of today's humanitarian organizations is based on the assistance and mercy of charitable organizations and altruism, first identified by Comte as early as the 18th century. Volunteering, too, as an internal driver of current NGOs, is closely linked to the notion of altruism, which can be defined as "the principle or practice of selfless concern and commitment to the welfare of others as opposed to egoism." In these postures it could be recognized the contemporary principles of Levinas' ethics [23] in the context of unlimited help to another, which is considered never to be sufficient and timely.

The crisis in the functioning of the market system in the second half of the last century stimulated the development of NGOs, which are essentially humanitarian and charitable organizations, a new direction that is different from previous activities characterized by charity and mercy and associated with church organizations [39]. The non-profit sector or third sector developed primarily because of the "failure" of the state and the market [38; 41] and, on the other hand, to replace approaches to the vulnerable on grounds other than mercy, but on altruism and rational assistance. The needs of some population groups have long been ignored by the public authorities because they were too limited to offer public policy assistance. The business sector, however, did not respond to the hardships and special needs of these

vulnerable populations, who could not afford essential goods and services. As a result, the non-governmental and non-profit sectors filled this empty space and, through associations, played the role of interconnecting with these people and the state. Etzioni [42] sometimes also with the private sector, so NGOs activities could offer more appropriate services and negotiate fair prices [38].

Since 1970, crises in the functioning of state and religious institutions towards vulnerable population groups have been on the rise, with a growing inclination towards volunteering and NGOs. Volunteering is a way of engaging in political, religious, social, and economic life that takes place when a transversal approach is based on horizontal relationships that are more equitable [39]. The bottom-up approach has, of course, been reinforced, along with social responsibility and the conviction that individual local activities will be able to be heard if shared, and that they will change past unresponsive practices.

Guay, T., Doh, P. J. & Sinclair, G [40] state that researchers have observed a change in the general trend regarding the efforts of Europeans. The materialistic values (economic and physical security) inherent in the core economy have been replaced by post-materialistic values that have a more personal expression and are focused on quality of life. Post-materialist people belong to a secular trend, which is through non-governmental organizations to enforce a different paradigm, which is to subdivide individual parts of the economy, increase their autonomy, defence of rights, social justice and concern for the environment. Volunteers, the key to NGOs, are increasingly embracing altruism and otherness based on the involvement of a "different" person other than themselves or their family and friends. As a result of this change in values, more and more people are joining volunteer organizations and protests [1].

It follows that NGOs have shaped their business practices of accountability, care for others and vulnerable groups, while also influencing the formation of the ethical and social responsibilities of private market operators. This can be explored through the way stakeholder activity works as an indirect

influence of advocacy aimed at shareholders and investors. The effectiveness of NGO roles is assessed on a continuum, reflecting a greater commitment to these principles *inter alia* through the control they have obtained through legal means. These are shifts that are of great interest for researchers because they can help predict future directions for the development of NGOs as well as the private sector as a whole, which is influenced by the power of NGOs and their indirect influence on public opinion [39].

NGOs today play an important role in international development cooperation, especially for assistance [39]. This is at least partly because NGOs are thought to be more effective than official agencies to assist in providing foreign aid to the poor and needy in the recipient countries. Nevertheless, the open question is whether NGOs closer to the poor help reduce the bureaucratic interference and administrative costs of delivering assistance. Scandals in the non-profit sector have led to increased pressure on NGOs to curb spending that is not directly related to charitable projects. Recent research [7] shows that NGOs from donor countries do not offer better targeted successful or more effective assistance than national development agencies. The donor countries' NGOs do not seem to be trying to outperform national development agencies by focusing on the most vulnerable target groups or on particularly difficult environments.

It is found that a paradigmatic ethical shift has taken place in the area of NGO - third sector of society [1]. Until the 1970s, this field operated on the ethics of mercy and care for the other, which means the selfless and dedicated work of the individual towards the other, represented by Levinas with his view of the other who must constantly be helped. After this decade, however, a change occurred in the ethical paradigm, which manifests itself in a more balanced relationship between those who help and those who are assisted – vulnerable categories. In doing so, the vulnerable and helpless even took the role of caregiver for themselves in the form of cooperatives in Europe, involving a large number of vulnerable groups who are essentially caring for themselves. Those involved in these activities as “invulnerable” in the role of co-workers,

mentors, and advisors, no longer work on the principles of charity, mercy, etc. for which they were not previously awarded, but can now receive paying and pursue interests and goals via professional advancement). This strikes a balance of interests between those who help and care for the other and those who receive this assistance, which means that the entire scope of humanitarian, charitable and other organizations under the common NGO title is moving from unconditional service to others to another ethical the paradigms of Aristotle and his middle path, and the field or area subject to such paradigms expands.

Based on a longitudinal analysis, came to the realization that ethical paradigms in business have changed over the course of the historical period. From the beginning of the industrial revolution, which signified the rise of liberalism – the end of the oppressive commitment and thus the liberation of ordinary citizens from their feudal lords – no specific ethical background in business could be discerned, except those practiced by religious institutions primarily in charitable efforts. Therefore, egoism dominated, softening the principles of liberal responsibility, or in the context that your freedom was limited by my freedom. Then comes the period of utilitarianism invoking "utilitarian computing," but every time they review what to gain and what to lose in a major decision (e.g. in a cost-benefit analysis), they make a utilitarian decision. The later anti-capitalist principles, which were later enshrined in business, find elements of Aristotle's ethics – especially one that invokes the necessity of ethical virtues. Thus, there are attempts to revive Adam Smith's theory of moral sentiment and his thinking about bourgeois "commercial" virtues, such as prudence, moderation, hard work, and honesty on the one hand, to various contemporary feminist approaches on the other.

In the recent period, however, due to pressures from public opinion, NGOs, and other associations, which are becoming more and more involved, have become an increasingly important indirect factor in shaping the ethical behaviour of the corporate sector.

This influence has increased the growth of areas with socially responsible investing and the increase in corporate social responsibility, which has particularly marked European practice. This increasingly entails other ethical paradigms such as Aristotle's virtue ethics Kant's community ethics, which is reflected in the increasing size of the public sector compared to the private. Moreover, under these pressures, the legal and actual enforcement of the CSRs of private companies has evolved to hold them accountable not only to their shareholders but to other stakeholders (workers, suppliers, environmentalists, communities, etc.). These processes reinforce a different ethical paradigm that is more similar to the NGO sector.

The NGO sector, in its management practices, derives from humanitarian and charitable organizations, but abandons the religious attitudes of altruism and mercy, as well as Levinas' concept of unconditional assistance to the other, while maintaining some elements of the ethics of caring for others. Over the last 39 years, non-profit NGOs have grown to the point that is taking over part of the corporate sector in a particular segment, while gaining a different ethical basis. These are processes of subdivision of certain activities and parts of the economy, enhancement of individual autonomy, defence of rights, social justice and care for the environment. This has created strong third-sector activity whose actors strive to make their sector be better than the state, with the belief that it is less bureaucratic and more efficient, even though it also appears to be vulnerable in this respect. The NGO sector abandons the principles of ethics of care, which emphasizes on the one hand authority, and on the other the helpless individual who is dependent on authority. Humanitarian aid providers no longer work solely for the benefit of caring for the helpless, the poor, and the vulnerable in the sense of unconditional altruism, but also seek their personal interests through various social cooperatives, initiatives, and institutions. In doing so, providers and recipients of aid are increasingly equalized and balanced in pursuing their otherwise diverse interests, emphasizing the importance of the community.

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