Business Ethics Homework

Name

Institution

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Various values and standards guide the manner in which people lead their lives and interact with others in the society. These rules of life are bound to evolve and change over time as a person continues to gain more knowledge and many experiences in life, which helps change the way in which they perceive the reality of the world around them. The life of human beings is based on ethics, which makes him or her a rational being since their actions are justified through the evaluation, comparison, and judgment of the situations, which is the used to justify the course of action that is adopted by an individual (Pfeiffer & Forsberg, 2012). Thus, one must be guided by the values and principles which are needed to make effective decisions within the organization and for their personal improvement. Making the wrong decision could affect the future progress of the firm and the people who depend on the organization. The RESOLVED method provides a way of analyzing and understanding various ethical issues in business and identifies the best approaches to resolving these issues.

RESOLVEDD Method in the Decision Making Process

R- Reviewing the Facts of the Case

History

The family practice business owned by Dr. Smith had been in operation for the past few years. Saul, his younger brother, owned an accounting firm before he sold it to come and work with Dr. Smith in the family practice business at his hometown of Zoar, Ohio. His role at the business was to help his brother monitor any accounting errors and details while dealing with the patient records.

Background

While going through and sorting the patient records and business paperwork, Saul noticed that there were errors in charging for Medicaid at the family practice business to the patients. The Medicaid program is aimed at assisting the low-income households to access quality health care services, without requiring them to make payments using cash or checks. Saul notices that the Medicaid charges have been increasing over the years while the patients continued to make cash payments for the services they received (Pfeiffer & Forsberg, 2012).

E-Estimate the Conflict

Dr. Smith has helped the people in his hometown to access medical care, which has gained him a positive reputation in the community. However, after the evaluation of the paperwork and patient records, Saul Discovers that more the $75,000 has been charged through Medicaid, even though the patients had made cash payments for the services they received. These charges are applied to all individuals regardless of their income level. This causes Saul to confront Dr. Smith seeking clarification on how these errors had occurred.

S- Possible Solutions

In handling the situation, Saul should talk to Dr. Smith to convince him on the need to report the case to Medicaid. This would help them avoid the possible challenges that may arise when these fraudulent actions are discovered, among them being sent to jail for the two of them.

In case Dr. Smith does not accept the proposed solution, he should make a move to report the incident to Medicaid, as this would help them to avoid being involved in cases of fraud. Even though this may compromise the situation of his brother, it would ensure that the necessary actions are taken to protect the people and improve the quality of medical care to the people in the town (Carroll, & Buchholtz, 2014).

The other alternative solution would be for Saul to avoid reporting the incident and assume that he had not discovered the errors in the patient records all along. Even though this may accrue as malpractice in his profession, it would save his brother's service and enable him to avoid losing his job (Lashley, 2016). However, if such an act is discovered, more consequences may accrue such as the closure of the family practice business and termination of his license.

O – Important and Likely Outcomes

By reporting the incident, the hospital may be closed due to misappropriation of medical funds and exploitation of the patients. Reporting the case may offer the doctor a chance to make the necessary payments to ensure that the money he had fraudulently acquired is paid pack to Medicaid. In addition, Saul is bound to lose his job and license once the incident is discovered, if h opts not to report it (Carroll, & Buchholtz, 2014).

L –Likely Impact of the Solution

The malpractice may lead to the closure of the family care business, which could affect the people of the town, who depend on it for their healthcare needs (Pfeiffer & Forsberg, 2012). In addition, Dr. Smith may be jailed for his actions in as much as the accountant; Saul is likely to have his license canceled and risk a jail term for the accounting malpractices. If the case is not reported, and the patients continue being charged the same way, Medicaid could continue losing more money.

V – Values Upheld by Each Solution

Reporting the case portrays the honesty, reliability and acting responsibly by the doctor and the accountant, who may have been unaware of the errors that were taking place, as they had not looked into the details of the patient records. Saul portrays values of accountability,

responsibility, and competence by identifying these errors and reporting them to the relevant authorities for actions to be taken. However, failing to report indicates irresponsibility, lack of professionalism, and dishonesty as the customers may continue to be exploited by these actions (Pfeiffer & Forsberg, 2012).

E- Evaluating the Solutions

By reporting the incident, the personal gains are set aside for the betterment of the people in the society and the institution. The accountant may lose his job at the firm if it is closed down for the misappropriation of funds upon reporting the case.

Failing to report the incident will protect personal interests as the individuals will keep their jobs by covering up the accounting mistakes. However, the firm stands to lose everything is such malpractices are discovered and lead to a jail term for both Dr. Smith and Saul, who is responsible for the firm's accounting procedures (Ferrell & Fraedrich, 2015).

D- Decision on the Best Solution

The best solution would be the first one where Saul informs and advises Dr. Smith to report the accounting mistakes to the relevant authorities. This way, the authorities will be aware of the mistakes during their pursuit of justice, and it will enable Saul and Dr. Smith to defend the situation as being a mistake since they had not looked into the details of the firm's paperwork. This could save the future of the firm, as they can be able to make the necessary payments and resume business without risking a jail term or losing their licenses. In addition, they will not have to live and work with fear of being discovered at any moment during their exercise at the firm (Lashley, 2016).

D –Defending the Decision

The weakness in this solution is that the firm may be able to manipulate the information so that it works to its advantage, citing the lack of focus on details by the doctor before he was able to acquire the assistance from Saul, a qualified accountant. Saul and the doctor may act unethically to save the firm when reporting the cases (Ferrell & Fraedrich, 2015). However, reporting the incidence outweighs the effects of continuing the malpractice, where unethical conduct may continue if the case is not disclosed. The willingness to report the case portrays the honesty, responsibility, and commitment to their clients, who need to be served with effectiveness.

References

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