

The New Business Ethics

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On March 31, 1998, CBC's *Marketplace*¹ aired the results of an undercover survey of 50 dental offices. The story revealed a wide disparity in treatment estimates as the reporter received quotes ranging from nothing to \$9,000. The implication was that many dentists were in business without an ethical rudder.

The *Marketplace* scenario was predictable. The very proposition that dentists are blatantly in business makes for a squeamish market and a nervous profession. The private practitioner surviving on elective services is torn between the patient-first ethos of the healer and the survival-of-the-fittest demands of private enterprise. It is time for a national dialogue that will lead to the universally accepted definition and teaching of business ethics for private practice dentistry. The best ally and mentor in this process is "real" business, which is experiencing its own ethical revival.²

At first blush, the suggestion that the dental profession turn to merchants for ethical direction is discomfiting.

Yet progressive business has embraced applied ethics.³ In the last two decades there has been an explosion of business ethics textbooks, journals and courses. Newspapers have business ethics reporters. Departments of ethics flourish in business schools.⁴ Ethics consultants are busy.⁵ Max Stackhouse calls responsive business leaders the "new professionals."⁶

This new approach is not driven exclusively by altruistic motives. Businesses have their own "*Marketplaces*."⁷ Those that respond immediately to market tidal waves survive.

Moral Decision Making

Business is the delivery vehicle of most Canadian dentistry. Charles Handy says that although profit may not be the point of an enterprise, it is its "means of life."⁸ Integral to generating profit is business rationalization. Employees must achieve a minimum reward/maximum production ratio. The number of clients must be increased with maximum fee and service acceptance. Supply costs must be minimized. This formula produces profit, the lifeblood of the private practice. If not strained through a moral filter, however, it is also its toxin. It is within this formula that actual and perceived ethical breaches most commonly occur. It is here that *Marketplace* finds its fodder.

The process of moral decision making in which profit is given legitimate consideration is the realm of business ethics. And it is exactly here that the dental profession offers minimal guidance. Most day-to-day decisions made by private practitioners are business decisions. They hire and fire, lease and purchase, market and bill. They compete with each other, Future Shop and the GAP. Yet the lack of undergraduate business curricula offers no help when it comes to situational business ethics.

Practice management gurus have developed a variety of business rationalization techniques based on ethical assumptions. But Canadian dentists, like Canadians, are a diverse bunch. "Right" applications vary. The courts and human rights people aggressively defend this right to hold diverse individual values. Paradoxically, the market screams for the normalization of business standards.⁹ Dentists had best listen.

A year before *Marketplace*, the Canadian edition of *Reader's Digest* published an almost identical survey of American dentists subtly titled "How Dentists Rip Us Off."¹⁰ The treatment estimates in that report ranged from nothing to \$29,850. As well, the American Association of Retired Persons published a survey on the Internet that found that 93% of people believe fraud is widespread within all health care professions.¹¹ Regardless of their validity, these "studies" shape consumer opinion.

The profession's governing codes of ethics offer little assistance. While maintaining product standards, they touch only minimally on service delivery. Here are some common business ethics issues facing the dental profession:

- Do production goals for esthetic dentistry affect impartial diagnosis?
- Is client acceptance (or excellent sales technique) the only justification needed for delivering elective services?
- At what point should inefficient but loyal employees be replaced?
- What is the proper balance between employee privacy and office security?
- Do spouses have more job security than other employees?
- May an employee engage in a legal public activity that conflicts with the principles of the dentist or his or her target market?

Because these questions involve elective services, in-house

marketing and management decisions, the profession's codes of ethics are unhelpful. Even the general guidelines within the codes are interpreted differently by individuals in disparate markets. Will a dentist whose personal ethic and target market is the Hollywood esthetic diagnose differently than the Buddhist who believes in non-intervention except to relieve pain? Both points of view may be justified within an association's code.

Yet an increasingly educated, litigious and cynical marketplace demands a predictable standard. In 1992, Sears, which had set high-performance goals for its local commissioned managers, faced a class action lawsuit in California for performing unnecessary automobile repairs.¹² Sears claimed they were merely performing "preventive maintenance" by replacing slightly worn parts. They eventually settled for \$60 million.

Events such as this serve as warning bells for dentistry to get its ethical act together.

Standardized Ethical Decision Making

Expanding professional codes to include business ethics may seem expedient. Business experience, however, contraindicates this. Top-down imposed ethics have been ineffective.¹³ Constant revision is required as loopholes are found. Enforcement is expensive and litigious. Individuals feel increasingly regulated and alienated.

Each private practice could develop its own principles of business ethics. This is a successful business model. Accountability and discussion is immediate. Small businesses that have developed an ethics culture generally adhere to their own standards. However, with the plurality of principles sure to be found among almost 17,000 Canadian dentists, this does not answer the market desire for industry standardization.

ING, with its staff of 83,000 in 66 countries, is successfully confronting this problem.¹⁴ Interactive CD-ROMs are used to train all their employees in standardized ethical decision making. Rather than imposing westernized rules, ING normalizes the process of decision making through the case study approach. None of its cases have a "right" answer, but all face the same decisional grid. For example, the question "How would this decision look as tomorrow's headline?" is always asked. By standardizing *process*, they have achieved a remarkably predictable and narrow range of outcome.

Perhaps ING holds the key for the Canadian dental profession. Dental schools are training undergraduates in biomedical ethics using the case study approach. Students, although lacking a business framework, are learning ethical decision-making skills.

At ING everyone, from CEOs to secretaries, participates in training and feedback. If a dental ethical culture is to be successful along the ING model, it must be holistic and involve all levels of the profession.¹⁵ Publications such as this journal are vital for raising ethical consciousness and stimulating discussion. Individual offices must be willing to assess their operations according to defined principles and participate in training. Grassroots discussions may begin at the local association level. Training should come in the form of continuing education offered by provincial associations and universities, who may also act as liaison with business resources.

Curriculum standardization should be the work of provincial and national associations, not government.

ING's vice-chairman Ewald Kist says their aim is to establish a highly ethical corporate culture woven from the multi-cultures of its employees and the expectations of its clients. It is for this that Canadian private practice dentistry must strive. It is what the market demands.

None of the above suggestions will happen immediately, but the dialogue must begin. Dependence on elective services and modifications in education have left dentists adrift on a sea of change. Dentistry must realize where it is, learn from its business confreres, and embrace the renewal in business ethics. In doing so, the profession will set its own course and present a genuine corporate face of ethical unity in response to a demanding market. ♦

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