

ETHICAL DECISION-MAKING IN PHARMACEUTICALS

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ABSTRACT

This research has critically evaluated the role and importance of ethical decision making for the companies of pharmaceuticals. This study has shed light on the facts and data of India. Practicing of ethical decision making may help a company maintain an honest, supportive, and fair culture. Ethics is necessary to ensure that the company doesn't get into legal trouble or face major losses down the road. This research has discussed them issues that can develop due to lack of ethics and integrity. Ethical decision making is the process in which you aim to make your decisions in line with a code of ethics.

Keywords: *Ethical Decision Making, Pharmaceutical, Eight-Step Method, Responsibility, Business Ethics, Code of Conduct, Accountability, Transparency, Principles and Guidelines.*

Introduction

“Ethical decision-making” (EDM) can be explained as the process which mainly focuses on the code of ethics for “decision making”. Global pharmaceutical organizations have to come across a wide range of viewpoints and ideas from different people which can lead to poor decision-making considering the interests of the stakeholders. In these scenarios, it's very important for all “pharmaceutical organizations” to make sure that the leaders and teams are aware of the ethical “code of conduct”. Besides that, the “pharmaceutical industry” also has been facing various kinds of key issues and challenges due to lack of “transparency, code of conduct and accountability”. Furthermore, ethical issues within the pharmaceutical sector of India also have been affecting the relationship between the organizations and the stakeholder including the “employees, suppliers and most importantly “customers and investors”. In addition to this, the practices of “ethical decision making” also would allow the organization of India to maintain a “safe, healthy, fair, honest and supportive” culture at the workplace.

Objectives

The following objectives have been followed throughout the study:

- To build a better and justified impact of “ethical decision-making” in pharmaceutical companies of India
- To critically discuss the role and importance of “business ethics” in decision making
- To identify the key issues and challenges faced by the “pharmaceutical companies” of India in following ethical decision making
- To provide a broad scope on the factors which have the potential to influence the “decision-making process” within a pharmaceutical company.

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Methodology

The “pharmaceutical companies” of India are responsible and accountable for upholding the “trust and faith” of the consumers and the investors”. This is mainly because the “pharmaceutical industry” also has been found to be accountable to consume their resources the way they are intended [1]. Moreover, the organizations also need to develop surety that they have been working in adherence to the “code of conduct” and business policies which has been implemented by the “government of the country” to maintain ethical practices. Besides that, “ethical practices” is also important for the long-term growth of the organizations.



Figure 1: Code of Conduct

However, it has been found that the concern of ethics has not only limited to the scope of making appropriate decisions but it is what the companies ought to do and provide suitable justification for making those decisions.

Ethical Decision Making

Here in table 1, the “PLUS model” which has been developed for “ethical decision-making”? Moreover, this traditional model of EDM largely depends on prescriptive reasoning in order to identify, evaluate and analyse different courses of action which take place within the organizations in order to determine the appropriate choice [4]. However, this model of EDM often fails to take into account the variables and objectives of the organization. The “PLUS Model” of “Ethical Decision-Making” would be effective

Table 1: The “PLUS Model” of “Ethical Decision-Making

Moral Perception	Rest' Component	Decision Making
Moral Development	Ethical sensitivity	Identification of Dilemma
	Prescriptive reasoning	Ethical Judgement
Virtue	Ethical motivation	Ethical Intention
	Ethical character	Ethical behaviour

In this context, it will also be very important for the organizations to make sure that they are been conducting their activities, operations and tasks in adherence to the “internal policies and practices, the code of ethics” [5]. Moreover, the main purpose of this decision-making model is to identify the problems which can lead to a poor decision-making process aim order to analyse them and address them. On the other hand, the organizations also need to create a motivational factor for all the stakeholders of the company to ensure that everyone has “ethical behaviour” in order to contribute to “ethical decision makes [10]”.

Ethical Decision-Making Model**Table 2: "Eight-Step Method"**

Steps	Criteria
Identification of facts	Scope of Problems
Ethical issues and involvement of stakeholders	Significant stakeholders
Identification of "core values, principles, and rules" associated with the situation	Guidelines, principles and norms to influence society, suppliers, employees and the workers.
Addressing "alternative courses of action"	Available alternatives
Differences between alternatives and core organizational values	Focusing on one clear course of action by one specific principle or guideline
Impact of every possible action	Expected consequences of alternatives including both negative and positive
Greater perspectives and in-depth understanding	Not applicable
Making of a decision	Balancing the outcomes with the adopted policies or ethics to make the best and ethical decision.

Table 2 has focused on the "Eight-Step Method" which has described the required criteria which can be followed by the "pharmaceutical sector" of India in order to make an ethical decision which also has developed by "Bill May" [7]. According to the study, this model also has stated that the "pharmaceutical companies" also can discuss their ethical case with a trusted advisor in order to make an effective decision making which would benefit the organization as well as the society. In addition to this, the decision-makers also need to make sure that they take into account the "characteristics of ethical behaviour" in order to determine a "course of action" which also helps to exhibit "virtue ethics" [6].

Ethical Decision-Making in Pharmaceutical

Unethical practices often have been found to lead to "poor and negative results not only for the consumers but also affects the reputations of the companies [5]. Such issues mainly arise due to a lack of "ethical decision making" and the awareness of its consequences. Moreover, the "pharmaceutical companies" are also expected to work by following all the ethics as it would directly affect the health of the citizens of India. On the other hand, India is one has been referred to as one of the most cost-effective and largest producers of quality-controlled generic drugs in the world. Henceforth, it is very crucial for the "pharmaceutical companies" of the country to make sure that they have been making "ethical decisions" [8].

**Figure 2: Principles of EDM**

This is mainly because India also has been found to contribute 20% of the pharmaceutical “needs and demand” of the market on a global scale. [3]. In addition to this, the “healthcare and pharmaceuticals sector” of this country also has been considered as one of the fastest evolving sectors of the world. Besides that, the “healthcare and pharmaceuticals sector” of India also has been expected to grow between 2017 and 2060 which has been estimated to be 754 per cent [9].

Benefits of Ethical Decision-Making in Pharmaceutical

“Ethical decision making” in Pharmaceutical can lead to various benefits and positive outcomes such as greater accountability” and “Higher revenues” [11].



Figure 3: Benefits of ethical decision-making within healthcare

EDM also helps a company to enhance the transparency and responsibility of the employees with their job roles. However, ethical decision-making can be considered the key to fostering a “healthy and valuable culture” for the employees. EDM also would allow the “Pharmaceutical companies” to gain the trust and loyalty of the customer by ensuring them with “ethical practices”. The revenue of the “pharmaceutical sector” of India has been accounted to be “13.48billion Indian rupees in 2023”. On the other hand, “Oncology Drugs” has been found as the leading producer of the country which also grew to “1.87 billion Indian rupees in 2023” [6]. In other terms, it has been considered that the main purpose of following a specific “code of conduct” is to have good for their moral choices [2]. Henceforth, ethics has been considered the study of what leads to good motives for society as a whole. In this same context, “ethical decision-making” has a larger context for the well-being and safety of people across the world.

Problem Statement

There are various kinds of challenges which can arise due to lack of “ethics” in decision making such as “Criminal charges and/or fines, Low morale, and lawsuits”. Moreover, it has been found that “pharmaceutical companies” also often has to deal with “Oppressive legislation, financial fraud and scandals “for not adopting “ethics, proper guidelines principles and rules”. On the other hand, such kind of ethical consequences also has been leading to a negative impact on the reputation of the company. However, acting ethically has been referred as the right thing to do, but it's not that easier as there are various factors that affects a “decision-making process” such as “lack of awareness and communication” [9]. In this same context, India has also imported more than “medicine and

pharmaceutical products” to other countries which was a value of “318 billion Indian rupees in the financial year 2023.

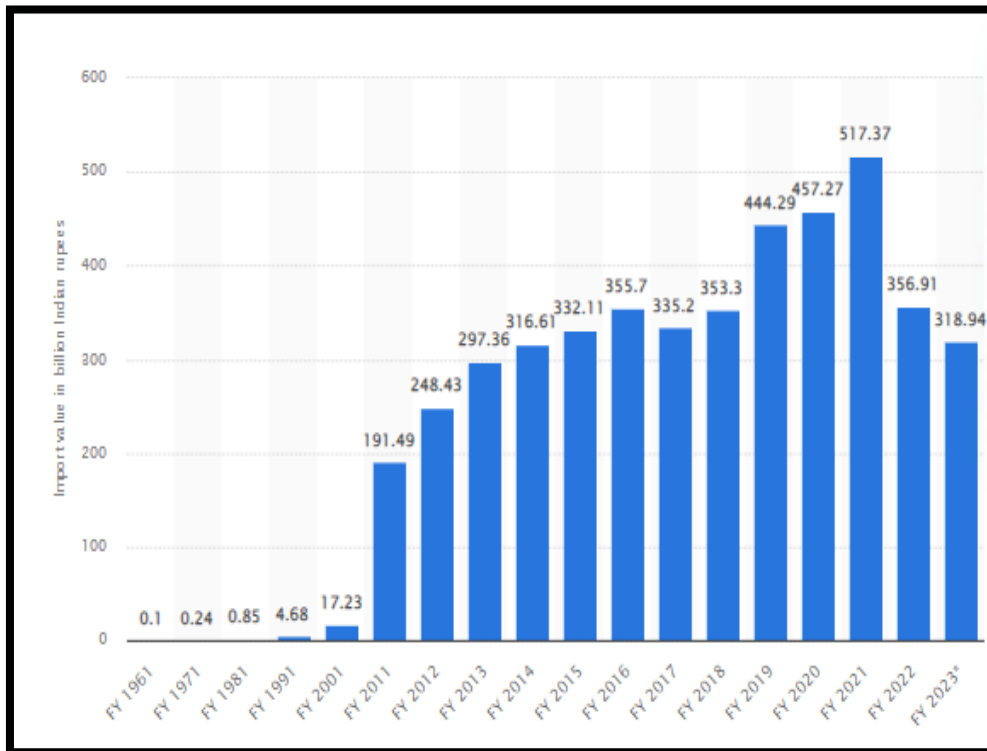


Figure 3: Value of “medicine and pharmaceutical product in India” from “1961 to 2022”

This figure has provided a broad scope of the value of products in the industry that has been growing from 2019 to 2022. However, the value has been estimated to be “357 billion Indian rupees” in FY 2022.

Conclusion

Thus, it can be concluded that “ethical decision-making” would lead to a significant impact on the long-term growth of the “pharmaceutical sector” of India. This industry of the country has been evolving faster which has also created a large number of opportunities for growth. However, India being one of the largest producers of “medicines and generic drugs, it is very important for the sector to ensure “ethical practices and decision making”.

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