**Question:**

Recently, you have been hired to manage all of the accounting duties for a local hardware store. This is your first job, since graduating. The Harper Hardware Store is a local family-owned business that has operated for more than three decades: it is a staple of the community. The organizational polices are “understood”, but often ignored. It is not uncommon for staff to extend credit to friends without conducting a credit check. Thus, the outstanding receivables balance continues to grow. You have also noticed that one of the employees (a family member) has been pilfering cash. A thorough analysis of the company’s financial performance over the last five years shows that key financial rations have been trending downward, consistently.

**REQUIRED:**

**Include at least two sources, appropriately cited and referenced. 500 word minimum.**

**NOTE:** The following questions are not in any particular order. ORGANIZE your discussion in a logical manner.

Discuss the ethical implications and demonstrate your decision-making processes for the above scenario. Below are questions that may help guide your discussion. The questions are a guide (a sentence or two answering each question is insufficient) You should provide a well-organized thoughtful discussion of the ethical situation and the business problem that the company faces.

What ethical dilemma does the accountant face?

What business problems(s) does the company have?

Who are the potential stakeholders and how might they be affected by the decision of the accountant?

What choices does the accountant have? Evaluate the choices, i.e., who benefits or who is hurt by the choice(s).

What action would you recommend, i.e., how do you believe the business problem should be resolved? How should the ethical dilemma be resolved?

Going forward, what should the company do regarding organizational ethics?