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[**ETHICS CASE**](https://bb.cod.edu/webapps/assignment/uploadAssignment?content_id=_6990966_1&course_id=_231703_1&group_id=&mode=view)

**ENRON ETHICS CASE STUDY**

Enron Corporation was one of the widely publicized Companies whose unethical business and accounting practices led to bankruptcy, shareholder lawsuits, and an investigation by the SEC.

As a consequence of this scandal, legislation was enacted to expand the accuracy of financial reporting for public companies and accountability for audit firms to remain unbiased and independent of their clients.

Review the Enron scandal and prepare a 5-page typed report focusing on the following:

* + The nature of Enron’s business
	+ Focus on some of the unethical business and accounting practices that lead to their downfall
	+ What fundamental ethical principles were violated and how were they resolved.
	+ Your thoughts and reactions to how this scandal was resolved.

You will be evaluated on the quality of your research and the depth of your responses. Make sure your paper contains proper citations.

You should use at least 3-6 sources to assure you get different perspectives and enough information to allow you to thoroughly answer the questions in this analysis.

You are required to complete an ethics case in order to sensitize you to the type of situations you may encounter in your career. Some ethical dilemmas are simple and easy to resolve while others are not and require making difficult choices among allowable alternatives.

Since doing the right thing is not always easy or obvious, I am providing you with some fundamental principles you can use as guidance in resolving these ethical dilemmas:

* + **Integrity**– describes a person’s level of honesty, moral commitment, and willingness to do what’s right. A professional accountant should be straightforward and honest in all professional and business relationships.
	+ **Objectivity**– avoid bias (an inclination to present or hold a partial perspective and refusing to consider the merits of alternative points of view), and do not allow a conflict of interest or undue influence of others override professional or business judgment.
	+ **Professional Competence & Due Care**– a duty to maintain professional knowledge and skills at a level required to do a competent job as well as act diligently in applying technical and professional standards.
	+ **Confidentiality**– respect the sensitivity of information acquired through business relationships and not disclose to third parties without authority unless there is a legal mandate to do so. Confidential information should never be used for personal advantage.
	+ **Professional Behavior**– a professional accountant should comply with relevant laws and regulations and should avoid any action that discredits the profession.

In addition, you may want to be alert to situations that may inappropriately influence your judgment or behavior:

* + **Self-Interest**– a financial or other interest that could cause you not to be objective.
	+ **Advocacy**– promoting a position (usually your employers) to the point your objectivity is compromised.
	+ **Familiarity**– a close relationship with someone which makes you too connected to that person’s interest or accepting of their work.
	+ **Intimidation**– actual or perceived pressures to exercise undue influence over your being objective.