

Enron: the smartest guys in the room

[Business](#), [Company](#)



In the movie Jeff Skilling suggest that money is the only thing that motivates people, and I agree with him. Money might not directly motivate everybody but it plays a part in everybody's motivation. Money is the reason people stay in school longer than required, the reason people work, and the reason why people get out of bed in the morning. It motivates people to work harder and longer. People want a house, car, clothes, and food, which you need money in order to purchase.

Money motivates people, which motivate a company, which motivates another company to bring in more money than their competitor. This cycles is what builds our economy, and by building our economy we boost our country and by doing so we start competitions with other countries. And these cycles prove that money is what motivates people, cities, states, and countries. What happened at Enron was both morally and legally wrong. They not only committed fraud but they drained thousands of people's retirement funds.

I don't think one person is to blame for the whole scandal at Enron. I do think that Ken Lay, founder, chairman, and CEO of Enron, had a major part that led to the bankruptcy. When Enron stock reached \$90 he told them that the price would keep climbing and that everybody should be investing in Enron, but Ken had started to sell his stocks because he knew that the stock was going to drop. When he found out that Enron was in financial difficulty he should have tried to figure out ways to fix it instead of trying to save his money and properties.

He was selfish and immoral and he played a very big part in the bankruptcy on Enron. Auditors also played a part in Enron's Bankruptcy. Within days of Enron's bankruptcy, revelations about the company's finances showed that Arthur Andersen, the accounting company hired to audit Enron's books, had kept quiet about Enron's shaky condition. At the same time it was handling Enron's audits, Andersen was being paid millions of dollars by Enron as a consultant on new business.

When the bankruptcy hit, Andersen employees, and their counterparts at Enron, began shredding documents to keep them from falling into the hands of federal investigators. Bethany McLean believed that the Enron scandal was a true human tragedy that merely involved greedy men, I agree with her statement. I think the top people working at Enron started out wanting to make a profit but as time went on and they started fudging little things here and there they realized that they could make an even bigger profit, and nobody noticed these little changes.

This is what I think turned them into the greedy men that destroyed thousands of people's jobs and money. I also believe that another company like Enron is right around the corner, but it will be harder to catch on to what they are doing because they can reference what worked and what didn't work for Enron making them smarter in how they are going to turn a bigger profit. The Enron fiasco is a lesson that our country learned the hard way about how easily the truth can be hidden but it also taught us to question when something seems too good to be true.