

Criteria for sarbanes-oxley

Business



The Sarbanes-Oxley act is meant to deal with the ethical issues by steering business transactions to high places of integrity, which in this case resided in the keeping of records by both sides of the case. At the present, business firms are subject to intense government regulation.

In fact, every act that a firm takes from how it contacts its business deals to hiring and firing their personnel, and selling their products in the market is subject to statutory law, as well as regulations issued by administrative agencies (Miller and Hollowell 2008). Thus, the Sarbanes-Oxley law serves best as a yard stick of what was expected of it in relation to how it handled the dispute. Legal Issues and Violations Involved When evaluating the legality of a planned action, it requires that decision makers stay informed of the latest developments in the law. Even small firms should seek legal advice before embarking on important business decisions, because the consequences of one violation of regulatory statutes may prove to be quite costly to the firm. In many instances, the firm can project with a good level of accuracy a given action would be legal (Miller and Hollowell 2008).

This does not apply to every situation, though, there are sometimes when the legality of a particular action may not be clear. The uncertainty usually occurs in times of application of a law to a complicated situation in the ideal business environment. They may apply to specific factual situations, and this has been exacerbated by the rise of the cyber age. The Exello case had its controversy in the withholding of information on payment records.

Unfortunately, the timing of this endeavor by the attorney on their side, and the reaction by the plaintiff represents a gray area.

It is of course, unethical to withhold crucial data, but it is still vaguely legal, depending on the timings of the procedures. In short, business decision-makers and technical support need to proceed with caution when evaluating an action and its consequences from the ethical point of view (Miller and Hollowell 2008). If a company has the ability to satisfy other parties that it can handle all its businesses in an ethically and acceptable manner, whichever set of circumstances and then it has a better chance of defending the actions that it took in a court of law. Every individual with an ethical dilemma engages in a process of ethical reasoning. This is the situation where the person in question links his or her moral convictions and principles and compares them with the present situation.

Some suggest that ethics rarely counts in business, but one ought to be transparent and accountable in handling business transactions. Ethical standards relating to the way in which business is handled can be categorized into two categories. The first approach defines ethical behavior in relation to the terms of duty, which suggests the terms of rights (Miller and Hollowell 2008). The other approach determines what is ethical relating to the consequences or the outcome of the given actions. The duty-based ethics are often from the revealed truths used as precepts from religious leanings.

In the Judaeo-Christian religion provides a universal code of dealing with other people even outside the business arena. Thus, business dealings ought to build their decisions around this golden rule. They also constitute some parts in form of the abject phrases in the American constitution, which were based on the Christian faith and traditions. The other approach is the <https://assignbuster.com/criteria-for-sarbanes-oxley/>

outcome-based ethics that focuses on the consequence of the outcome itself rather than the nature of the action itself. Those who apply this set of ethics believe that an action is morally good when among the people it affects, it causes the greatest good for the majority. It is morally wrong when it affects the majority in an adverse manner (Miller and Hollowell 2008).

This employs the philosophical thought that the majority is always right and is sometimes common with companies like Exello. Reason being, corporations like this sometimes falsify or withhold important information on their structures from the public, such that what no