

Business ethical decision making and cases - the sarbanes- oxley act

[Business](#)



The Sarbanes-Oxley Act is also significant because it changed the rules businesses had to play by. Now, they have to answer to a public oversight board run by the government, so the stakes are a lot higher if they act in ways that are unethical.

Some other ways the Act changed business is in the ways it eliminated conflicts of interest with auditors, and in the enhanced protection it allowed for whistle-blowers, which “ prohibit the employer from taking certain actions against employees who lawfully disclose private employer information” in the case of fraud (Ferrell, Fraedrich, Ferrell, 105).

Three of the public oversight board’s duties are the registration of public accounting firms, the inspection of accounting firms, and the enforcement of compliance with accounting rules of the board, professional standards, and securities laws relating to the preparation and issuance of audit reports and obligations and liabilities of accountants (Ferrell, Fraedrich, Ferrell 104-105).