

# Ethics in finance and accounting assignment

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BUSTER**

Ethics in an organization is very essential whether it is in the area of finance, marketing, customer service or accounting. According to Wikipedia, ethics can be define as “ a major branch of philosophy in the study of values and customs of a person or group. It covers the analysis and employment of concepts such as right and wrong, good and evil, and responsibility”. Ethics can be divided in three areas, the meta-ethics (the study of the concept of ethics), the normative ethics (the study of how to determine ethical values and the applied ethics (the study of the use of ethical values)....

An article that is written by Richard A Bernardy and David F Bean title Ethics in “ Accounting Education: The Forgotten Stakeholders” talks about comments that were received from the National Association of State Boards of Accountancy (NASBA) that need to be review and address appropriately. The NASBA request for 30 students from a private college in New York State to give his or her ideas on ethics and to support their decisions if ethics should be teach in school.

On a two-to-one ratio the students who are involved in accounting were in favor of the NASBA proposal for additional ethics courses to be teach in colleges so that it gives an individual the opportunity to have the good values when he or she venture out in the corporate world. Some of the students that were involve in this survey had different views whether ethics should be taught in school. In the opinion of a working individual, ethics should be taught in school due to a person will be able to accept the values and customs of work ethics and of each other.

This will create a more subtle environment for everyone to communicate and be treated with respect. At Aetna, ethics is very important in the workplace. Every employee are treated with the respect and the custom as well as the value are recognized of each individual. The managers as well as the supervisors has to have good ethical values when addressing issues that may arise within the organization; however, employees view on issues may differ but it is address on an ethical standpoint.

For Aetna to improve on the ethics standpoint, management will need to be more attentive when issues arise within a department. Prior in hiring an individual he or she should be given a test on how much they understand the job he or she is inquiring about. This will enable management to review the result and also it will give a better view on how much this individual know about his or her job. Aetna should be able to screen these individual so that later on there would not be problems that may arise.

An example of such, is where two individual in a department were interview and they were hired to perform a job function at Aetna. At first, these individuals were performing their job very efficiently and produce the work given; however, after being in the job for two months, these individuals started to show unethical behavior, causing problem within the department, reporting the supervisor for minor issues, does not assist when additional work is given, takes 40 minutes breaks which exclude their lunch and leave when they feel like it.

These individual was showing the wrong values and attitude to the other employees. Eventually, this issue was resolve to an extent where the

manager and the supervisor talk to these individual and offer their views of what is going on and also reprimanded them on what was done. Decision making in any field of study such as accounting and finance is very important. In this field a person has to be able to make the right decision when a problem arises. He or she will have to be able to recognize money problems and be able to balance a worksheet.

Individuals in the finance field would have to be able to communicate with customers to ensure the result is successful and to concentrate when under pressure. The Sarbanes-Oxley Act also called the SOX or Sarbox was enacted in 2002 by President George Bush. This act is known as the Public Company Accounting Reform and Investor Protection Act and which was passed in response to a number of companies that had major corporate and accounting scandals in the United States. Such companies are Enron, Tyco International, WorldCom, and Peregrine Systems.

According to Wikipedia it states “ the first and most important part of the Act establishes a new quasi-public agency, the Public Company Accounting Oversight Board, which is charged with overseeing, regulating, inspecting, and disciplining accounting firms in their roles as auditors of public companies”. With this law being enforce it will enable the accounting and finance department within an organization to recognize issue and address the proper decision when an issue arise.