

Tyco's problem essay



**ASSIGN
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Tyco's job was a consequence of top executives and members of the board non supervising what was legal and what wasn't within their company. CEO's Kozlowski and CFO Swartz failed to unwrap 1000000s of dollars of low involvement and involvement free loans they received from Tyco. The executives unethical behaviour resulted in stockholders benefits being written off which ended the company traveling into a monolithic debt. The top executives displayed greed formoney.

1. What do you believe Kozlowski motive for seeking to avoid gross revenues revenue enhancements on his art purchases was? Kozlowski motive was power and greed for money. Kozlowski knew that he was in a top place of authorization. and most likely believed that no 1 was traveling to oppugn his place or the incorrect things that he was going involved in. There was besides no existent answerability nowadays or trueness to Tyco. Kozlowski realized that if he purchased the graphics with Tyco finacess and so falsified the records. so he wouldn't have to pay the revenue enhancements out of his ain pocket and took a great hazard that no 1 would happen out. He abused Tyco's assets for his ain pecuniary addition.

2. Explain the construct of commingling assets with regard to the Tyco instance Commingling assets is and is the act of blending the finacess belonging to one party with those of another party. particularly when one party has duty to maintain the finacess separate for the other party. Tyco used this as a manner to travel around the system for its on personal additions. concealing the true purposes of its executives. Commingling personal with concern assets is overall a hapless concern determination. The executives treated the company's money as if it were your ain. Besides. the

executives used Tyco's concern assets for their ain personal addition by buying graphics. multiple existent estate belongingss. jewellery. and other dearly-won points for personal usage. By commingling assets. the executives caused attending from revenue enhancement governments and SEC and other condemnable probes due to their delusory behaviours.

3. Would it hold been possible for the board of managers to see the accommodations taking topographic point in the different plans at Tyco? The board members could hold found the unlawful accommodations taking topographic point. but non really likely in this instance. In a sense. the board of managers is every bit much at mistake as the piquing executives because if they played a more proactive function in the concern operations. so the executives may non hold gotten away with every bit much as they did for the long period of clip. If they had taken a more active function. they would hold found deceptive paperss and fraud strategies that were go oning manner Oklahoman than when they were finally discovered.

As a consequence of the board non taking an active function. the executive's actions went on for some clip without any notice. The executives knew what they were making was incorrect and illegal. being involved in revenue enhancement equivocation. hyperbolic net incomes and commingling assets. The executives were besides passing out illegal unauthorised fillips. They besides become involved in paying off functionary to be quiet on the affair. Overall. the incorrect actors of the company knew that their actions were illegal. unethical. and dearly-won to Tyco. but they risked all of these things for their ain personal addition. They believed that no 1 would catch on to

their actions. but like all offenses that condemnable commit. it finally catches up with them.