

Numerous employees case study

Business



Nat should an employee do when he or she discovers that there is an error in a projection? Why do you suggest that action? Would your answer change if the error was not likely to affect other aspects of the operation such as employment? Why or “ why not? In my opinion the sooner the employee reports an error the better, regardless the error. If Daniels in our case does not report the error immediately there are consequences such as; an increase in cost of goods sold, and cost of hiring new employees to meet the production required for sale.

Numerous employees may be laid off because of the losses the company is about to encounter in the future. Ninth no accurate sale projection obviously the company’s bottom line will be affected for worse.

All employees, especially employees making sales projections which directly impact the company’s bottom line and future should act with integrity. No my answer would not change even if my Job position was at risk. A person of integrity should act out of moral principle and not expediency.

That person will do what is right even if it means the loss of a Job or client. In accounting, the public interest (I.

. , Investors and creditors) always must be placed ahead of the one’s own self-interest or the interests of others, including a supervisor or client according to the book. Speaking from my personal experience in my first year of work my tax manager tells me : Albania I need you to do a research based on this client and this tax performance for them.

After submitting my research to the manager he looked at me disappointed and said: No this is not the right answer. I replied YES IT IS. Well the client does not like this answer he said to me.

I said TOO BAD for them. I think that the greater the damage the greater the duty to let others know sooner than later. Certainly, it is more important to report errors when those errors can impact the company. The integrity of the person making the projection affects the overall reputation and trustworthiness of the individual, the department and the firm as a Manhole.

Identify the stakeholders potentially affected by what Daniels decides to do.

How might each stakeholder be affected by Daniels and decision? Use ethical reasoning to support your answer. The internal stakeholders affected by this situation are the other employees, supervisor, Daniels himself and the stockholders, the external stakeholders affected are investors, creditors, and the community. The employees and the community might be affected by loss of job positions; the sooner these groups know the better.

The creditors and the stockholders might lose actual dollars; losses for both groups can be minimized the sooner the error is known. The supervisor has an obligation to provide a work environment where employees can make, correct and learn from mistakes. It is expected from management to know how to create a culture of honesty, openness and assistance.

Assume that Daniels is both CPA and holds a CAM certification granted by the ' MA. Use the ethical standards of these two organizations to identify what Daniels should do in this situation.

Ethical standards for Spas and Camas include truthfulness, objectivity, independence loyalty and competence. To begin with, Daniels should be a responsible adult first and then responsible accountant. He has the moral duty and professional responsibility to tell the truth and face the consequences of his mistake. He should be free of conflict at interest in meeting his professional responsibilities, by putting TLS his company's interest instead of his own self-interest.