Enron Assignment

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1. It introduced a lot of accounting regulations concerning data retention that IT has to enforce. Influenced standards on transparency.

Increased amount of automated reporting required. Auditing everywhere. Offsite backup requirements.

1. Makes it illegal for a company to destroy evidence. CEOs are now held criminally responsible for the actions of the organization.

An act in the USA with most countries having a similar law. Very strict auditing. Checking logs and security permissions.

1. Allow private corporations to run the market and control the price of energy. Can be manipulated, for profit companies are now in control.

Government gets out of the way.

1. ERP provide built in reporting systems to export data in standardized ways. They provide audit trails on all data. They provide a single view of the truth. Access to data can be restricted which helps prevent tampering. Accounting data can quickly be balanced and checked.

Standardized accounting modules built on best practices. Many people seeing the same screens at the same time. Not possible to delete data. Limit access when not needed.

1. Everything in an ERP system has audit trails. All money being transferred in and out is accounted for.
2. Setting the value of an asset based on what that asset will be worth in the future instead of its current value.
3. A financial market in which share prices are rising, encouraging buying.
4. Manipulating their stock price, commodity trading through market manipulation.

Artificially limiting supply. Playing futures. Falsified reporting to increase stock price. Transfer money in and out of shell companies.

1. They bought and held Enron assets on a short term so that Enron's bottom line would appear better than it was. This was unethical because it misrepresents the company’s financial state to shareholders.

By giving their stock a high rating despite all indications to the contrary.

1. By keeping an audit trail and requiring backups of data. IT systems encourage accountability since all changes should be logged. IT also needs to ensure that information can be accessed only by those who need it.
2. By creating artificial shortages Enron was able to increase the prices of energy by lowering supply.