Enron heats up classes

Scandal studied at universities

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They’re sad Enron collapsed, but glad because of the energy it’s bringing to their classrooms.

Business professors in South Florida — and across the nation — are jazzing up classes on auditing and accounting with heated discussions on the ongoing tale of the energy firm’s downfall. The classes are focusing on accounting firm Andersen’s role in Enron’s audit.

“I’m sorry it’s people’s misfortune allowing us to have a good time,” said Robert Taylor, a Florida Atlantic University accounting professor. “I do believe it’s helped this course become a better course. It’s real. They know it’s real. They also know how devastating it could be if accounting isn’t done well.”

As the Enron debacle thrusts an unwelcome spotlight on the accounting profession, some future accountants are reconsidering their career paths. Others are eager to restore faith in a field suffering from a lack of credibility.

In a classroom at the University of Miami, students study the latest bulletin from the Security and Exchange Commission on reporting requirements for companies audited by Andersen.

“Talk invariably turns to the infamous shredding.”

“What law are you breaking when you shred documents?” “Shredding?” wonders a male student in a UM School of Business Administration T-shirt. Obstruction of justice, replies Paul Munter, chairman of UM’s Department of Accounting. “Shredding happens all the time,” argues a young woman who’ll be interning at Anderson this summer. Later, she worries aloud about putting the intern-in-charge on her resume.

“They’re going to say, ‘You used to work for Arthur Andersen. Hmmmm…”’ said MBA student Nichelle Welcome, 22.

Anderson CEO Joseph Berdina, who resigned Tuesday, held a conference call a few weeks ago with professors nationwide to answer their questions and to reassure them that the company is still a good place to work.

The company hires 6,000 graduates and recruits annually for full-time positions.

“We have 30 offers made, and haven’t reneged on any of them,” said Tom Bradley, an audit partner in the Fort Lauderdale office. He said “maybe a couple” of the students have rescinded their acceptance of an offer.

“Enron has been a good friend to the school over the years,” said Dana Fournier, director of Florida International University’s School of Accounting. But, he adds, “Frankly, I’m concerned, I would not be real optimistic at this point.”

Graduates may have to broadened their options beyond Big Five — or the Final Four — firms.

“I’m still going to be an accountant,” said Court Haas, 21, who is graduating in May. Haas had job offers from Ernst & Young and Andersen. People have been saying, “Nice job for choosing Ernst & Young,” Haas said.

Students say others now perceive accountants as more than bean counters.

“They used to be the idea that accounting used to be so staid and boring,” says Abel Fernandez, 25.


Professors and students have been busy keeping tabs on the action.

Taylor has been pinning articles on Enron on his office door and a bulletin board. He included questions on Enron in two of his exams this semester.

“Who had primary responsibility for financial statement?” and “What do you think will be the final implication the Enron debacle will have on this profession?”

“I hope they will say there will be more regulation and oversight of the accounting profession in the future,” Taylor said.

At FIU, a full course originally titled “Forensic Accounting and Auditing” is now “Forensic Examining.” Enrollment is expected to be high.

While Enron is a hot topic, it’s not the only one that has taken up class time, says Randi Simas, associate professor of business ethics at Nova Southeastern University. History is full of them. Simas said, and no one knows how long Enron will stay current. Says Simas: “People have already forgotten about Microsoft.”

Herbal business writer Dale K. DePaul contributed to this report.