



Y-CPA BUZZ!



By Fiona Stephenson

Wear your CPA badge with honour, and in so doing honour the profession to which you have gained entry

Ethos

In the words of Aristotle, *“Men acquire a particular quality by constantly acting in a particular way.”*

Learning the difference between right and wrong is fundamental to human existence the world over. As children we are coached in ethics by our parents, guardians and teachers, who guide our thoughts, words and actions. It is how we practise these lessons in morality, our deeds, which in turn define our character as adults; and it is from the Greek word, “ethos”, meaning, “character”, that we derive, “ethics”.

Profession

A code of professional ethics is one of the hallmarks of a profession. Before the turn of the 19th century, only nine occupations were considered to be occupations in the United States. These included surveying – incidentally, George Washington, Thomas Jefferson and Abraham Lincoln were all land surveyors before entering politics - medicine, actuarial science, law, dentistry, civil engineering, logistics, architecture and accounting.

The American Institute of Certified Public Accountants (AICPA) and its predecessors have a history dating back to 1887, when the American Association of Public Accountants (AAPA) was formed. Forty-five years later the Hawaii Society of CPAs was founded, which means that members of HSCPA have been representing our profession on the islands for over 80 years.

Ambassador

As we go about our daily activities, our actions demonstrate not only the integrity of our own

character, but that of our profession. Traditionally, ambassadors are official envoys usually representing one State (or country) to another. In more modern terms, we see Hollywood stars acting as ambassadors for charitable organizations and athletes as ambassadors for their sport.

Oprah Winfrey’s interview with Lance Armstrong at the beginning this year illustrated the extent to which an individual can cause damage to their profession. Following years of vehemently denying doping allegations, and suing people for millions of dollars over their accusations, Lance Armstrong admitted to doping. His actions called into question the integrity of his entire profession.

It could be argued that in modern sport that the pressure from the fans and the club create an atmosphere in which otherwise honest people feel necessitated to act unethically. However, as Thomas Jefferson advised: “In matters of style, swim with the current; in matters of principle, stand like a rock.”

Whistle-blowing

In recent years we have seen examples of brave individuals in our own profession speaking out where they feel the code of ethics has not been adhered to, for example with the Enron scandal.

However, in such scandals it is not always clear-cut as to whether an individual is a whistle-blower or otherwise. We have seen here in Hawaii the case of Edward Snowden who is celebrated by some as a whistle-blower, and vilified by others as a traitor. Edward Snowden is a former intelligence analyst for the United States government who leaked details of several top-secret United States and British government mass surveillance programs to the press. Snowden’s disclosures are said to rank among the most significant NSA security breaches in United States

history. United States federal prosecutors charged Snowden with espionage and theft of government property. However, Snowden defended his leaks as an effort “to inform the public as to that which is done in their name and that which is done against them.”

Code of Professional Conduct: Protecting You and Our Profession

Those tasked with ensuring the ethics of our profession are involved with setting and enforcing our standards, and educating every member. Our code of conduct serves to protect the integrity of our profession by ensuring that we are worthy ambassadors to the Institute and Hawaii Society of CPAs. In turn, the profession should be one that we are proud to represent. In the event of the need for whistle-blowing, our training in integrity should also hold us in good stead to be brave and do the right thing.

Whilst most of us probably feel we have a good handle on right from wrong, from the nurturing we received in our childhood days, it is important to be reminded that as CPAs, we do not merely act alone, but also in the name of our profession.

The final words go to Mahatma Gandhi, who said, “There are seven things that will destroy us: Wealth without work; Pleasure without conscience; Knowledge without character; Religion without sacrifice; Politics without principle; Science without humanity; Business without ethics.”

Ethics CPE

If you were unable to attend the HSCPA Annual Conference in June and missed the August offering of Business Ethics by the HSCPA, there are two further opportunities to gain your ethics CPE credits, on November 19 and December 6: www.hscpa.org/cpe/index.php