Leigh Ann Walker graduated from a major state university in the spring of 1989 with a bachelor's degree in accounting. During her college career, Walker earned a 3.9 grade point average and was involved in many extracurricular activities, including several student business organizations. Her closest friends often teased her about the busy schedule she maintained and the fact that she was, at times, a little too "intense." During the fall of 1988, Walker interviewed with several public accounting firms and large corporations and received six job offers. After considering each of her offers at length, she accepted an entry-level position on the auditing staff of a "Big Six" accounting firm. Walker was not sure whether she wanted to pursue a partnership position with her new employer. But, she believed that the training programs the firm provided and the breadth of experience she would receive from a wide array of client assignments would get her career off to a fast start.

Walker spent the first two weeks on her new job at her firm's regional audit staff training school. On returning to her local office in early June 1989, she was assigned to work on the audit of Saint Andrew's Hospital, a large sectarian hospital that had a June 30 fiscal year-end. Walker's immediate supervisor on the Saint Andrew's engagement was Jackie Vaughn, a third-year senior. On her first day on the Saint Andrew's audit, Walker learned that she would be responsible for auditing the hospital's cash accounts and that she would assist on the audit of accounts receivable. Walker was excited about her first client assignment and was particularly pleased that she would be working for Vaughn. Vaughn had a reputation in the local office as being a demanding senior who typically brought her engagements in under budget, but also as being a senior who was fair and knowledgeable and had an excellent rapport with clients.

1. This case is based upon a true set of facts; however, the names of the parties involved have been changed. Much of the information incorporated in this case was provided by an employee of a job placement firm. This firm had been retained by the student identified in this case as Leigh Ann Walker.
Like many newly hired staff auditors, Walker was apprehensive about her new job. She understood the purpose of independent audits and had a general understanding of the nature of the work performed by auditors; however, she was not sure that her two-week staff-training seminar and her one college course in auditing had adequately prepared her for her new work role. After being assigned to work under Vaughn's supervision, Walker was relieved. She sensed that Vaughn was an individual who, although demanding, would be patient and understanding with a new staff auditor. More important, she believed that she could learn a great deal from working closely with Vaughn. Walker resolved that she would work hard to impress Vaughn and had hopes that Vaughn would choose to be her mentor through the first few years of her career.

Early in Walker's second week on the Saint Andrew's engagement, Vaughn casually asked over lunch one day whether she had taken the CPA examination in May. After a brief pause, Walker replied that she had not but was planning to study intensively for the exam during the next five months and then take it in November. Vaughn indicated that was a good strategy and offered to lend Walker a set of CPA review manuals—an offer that Walker declined. In fact, Walker had returned to her home state during the first week of May and sat for the CPA exam. Because she was concerned that she had not done particularly well, she had decided not to tell her co-workers that she had taken the exam. She realized that most of her peers would not pass all sections of the exam on their first attempt. Nevertheless, she wanted to avoid the embarrassment of admitting throughout the remainder of her career that she had not been a "first timer."

Walker continued to work on the Saint Andrew's engagement throughout the summer. She completed the cash audit within budget and thoroughly documented her work. Vaughn was pleased with Walker's work and was quick to compliment and encourage her. As the engagement was winding down in early August, Walker received her grades on the CPA exam in the mail one Friday evening. To her surprise, she had passed all parts of the exam. She called Vaughn to tell her the good news and was disappointed when her superior's response was much less than enthusiastic. At that point, Walker recalled having earlier told Vaughn that she had not taken the exam in May. Walker immediately apologized and explained why she had chosen not to disclose that she had taken the exam. Following her explanation, Vaughn still seemed annoyed, so Walker decided that it was best to drop the subject and pursue it later in person.

The following week, Vaughn spent Monday through Wednesday with another client, while Walker and the other staff assigned to the Saint Andrew's engagement continued to wrap up the hospital audit. On Wednesday morning, Walker received a call from Don Roberts, the office managing partner, who was also the Saint Andrew's audit engagement partner. Roberts asked Walker to meet with
be dismissed from the firm because of the lack of integrity that she had demonstrated. Roberts then told Walker that he and the other audit partners agreed with Vaughn. He informed Walker that she would be given sixty days to find another job and that he and the other partners would not disclose that she had been “counseled out” of the firm if they were contacted by employers interested in hiring her.

QUESTIONS

1. In your opinion, did Vaughn overreact to Walker’s admission that she had been untruthful regarding the CPA exam? If so, how would you have dealt with the situation if you had been in Vaughn’s position? How would you have dealt with the situation if you had been in Roberts’ position?

2. Vaughn obviously questioned Walker’s personal integrity. Is it possible that one can fulfill the responsibilities of a professional role while lacking personal integrity? Why or why not?