

Behind Closed Doors at WorldCom: 2001

Kay E. Zekany, Professor; Lucas W. Braun; Zachary T. Warder

+ Author & Article Information

Issues in Accounting Education (2004) 19 (1): 101-117.

<https://doi.org/10.2308/iace.2004.19.1.101>

Share ▾

Tools ▾

Cite ▾

WorldCom was a large telecom company that enjoyed an almost meteoric rise during the 1990s but ran into trouble in the early 2000s. 2001 was particularly difficult. This case gives future generations of accountants the opportunity to study the largest accounting scandal in history from an internal financial accounting perspective. To the extent possible, this case uses the actual “voices” of participants to gain an understanding of their viewpoints and motives. We get a chance to see some participants at their best and others at their worst.

While our primary focus throughout this case is on the financial accounting issues, we also briefly touch on some of the safeguards available in preventing accounting fraud: internal controls, internal audit, external audit, and the Audit Committee. Throughout this case, you should ask yourself, “How would I respond if I were the corporate decision maker?”

This content is only available via PDF.

American Accounting Association

You do not currently have access to this content.

Sign in

Don't already have an account? [Register](#)

Member Login

[Log in](#)

Pay-Per-View Access

\$25.00

AAA Members: Please log in for free access to content. Note, Teaching Notes are a full member benefit and are not available to student members.

 Buy This Article



[View Metrics](#)

Citing Articles Via

Google Scholar

CrossRef (20)

Email Alerts

Article Activity Alert

Publish Ahead of Print Alert

New Issue Alert



Print ISSN: 0739-3172 Online ISSN: 1558-7983

[Skip to Main Content](#)

[Information for Authors](#)

[Authorship Policy](#)

Plagiarism Policy

Data Integrity Policy

Citing Corrected Articles Policy

Minimizing Overlapping Decision Rights Policy

Prior Publication Policy



[Cookie Policy](#) [Accessibility](#) [Terms & Conditions](#) [Get Adobe Acrobat Reader](#)

© Copyright 1998 - 2025 American Accounting Association. All rights reserved.