General Instructions on Report Writing

- Students can solve one of the four case problems mentioned below.

- To find solutions to case problems, students can use secondary data (e.g., publicly available data) and/or primary data (e.g., interviews). If students use primary data, they are responsible for securing appropriate ethical approval.

- Case solutions should be submitted as a written report with a maximum limit of 2,500 words (excluding references, tables, figures, and appendices). For ease of reading, 1.5 line spacing and Times New Roman in a 12-point font are recommended.

- Submit reports to accounting.socialimpact@aut.ac.nz

- While submitting your reports, clearly mention the names of your team members.

Case Problems

Case Problem #1: COVID-19, company profitability, and social impact goals

Eat My Lunch is a New Zealand-based social enterprise whose mission is to harness the power of business to alleviate child hunger in New Zealand. The company operates on a "buy one, give one" model, where every time a customer buys any of its meal offerings (e.g., breakfasts, lunches), it gives a lunch to a child in need. However, like many other companies, Eat My Lunch has also been hit hardest by the COVID-19 pandemic, and eventually went out of business in December 2022 due to insufficient revenue to survive. The founder and CEO, Lisa King, notes that the "buy one, give one" business model was "killed almost overnight" during the pandemic. She further states: "The buy one, give one model that we were using relies on people being in the office. We were really hoping that this year people would be going back into the office and revenue would bounce back, but that's just not happened."

Requirements:

Prepare a report detailing your proposed cost reduction and/or revenue increase solutions that the company could adopt during COVID-19 to survive the crisis better. Clearly articulate the assumptions that underlie your proposed solutions. Also, demonstrate how your proposed solutions would help Eat My Lunch deliver its social impact goals (i.e., alleviating child hunger).

Case Problem #2: Accounting and artificial intelligence (AI)

Hall Chadwick is a mid-size accountancy firm based in Australia. The firm offers several services, including audit & assurance, business advisory, corporate finance, forensic accounting, and taxation. At a recent industry event, the firm's Chairman came across the idea of using artificial intelligence to benefit accounting and related activities. After a few sleepless nights, the Chairman is interested in using artificial intelligence to improve the firm's current services (e.g., audit & assurance, business advisory). However, he is unsure whether doing so would be a good idea or if it will ultimately backfire.

Requirements:

Prepare a detailed report addressing the Chairman's concerns. In your report, clearly articulate any assumptions that underlie your answers.

Case Problem #3: Accountants, ethics, and technology

A Chartered Accountant of a manufacturing company was negotiating with three suppliers to install a new computer accounting system. Bids were submitted by two registered suppliers (Alpha & Beta) who have previously provided their service, and one from a newly formed computer firm (Cosmo). All the bids were similar, and the features of the new computer accounting software they offered were very similar. The registered supplier, Beta, is willing to provide a free half-day workshop for staff members. The newly formed computer firm (Cosmo) informed the accountant that their company would offer one-week free training on the use of the accounting system in Singapore (including travel, accommodation, food, and all other expenses) to the accountant if the contract is awarded.

The Board of Directors approved the bid of the newly formed computer firm, given the justifications provided by the accountant. However, the accountant did not disclose the offer of free training offered to him to the Board of Directors.

Requirements:
If you were the accountant facing the above situation, evaluate the appropriate course of action you would take. In your answers, clearly explain whether you would act the same way the accountant did or would act differently and why. Clearly articulate any assumptions that underlay your answers.

Case Problem #4: Sustainability and artificial intelligence (AI)

Fonterra, a New Zealand-based dairy cooperative owned by around 10,000 farmers, is responsible for approximately 30% of the world's dairy exports. Despite its worldwide prominence, Fonterra has faced scrutiny for its environmental impact, particularly regarding water pollution and greenhouse gas emissions. The dairy farming processes contribute to water pollution, while the methane emissions from cattle significantly contribute to greenhouse gases. These environmental issues seriously threaten the company's sustainability and public image. Recognizing these challenges, Fonterra has committed to sustainability and has initiated measures to lessen its environmental footprint. Recently, it has leveraged artificial intelligence (AI) to enhance the efficiency of its dairy farming operations. The company has been trialling an AI-powered platform, Intelligent Dairy Assistant (IDA), that uses sensors and machine learning algorithms to monitor the health and productivity of cows. The system collects data on factors such as a cow's activity levels, eating habits, and milk production and uses this information to optimize the cow's health and diet. This can help Fonterra increase the efficiency of its dairy farming operations, reduce costs, and improve the quality of its products. The CEO believes AI could improve operational efficiency, reduce waste, and optimize resource use. However, some board members are concerned about the potential challenges and risks associated with AI implementation, including issues related to data privacy, high implementation costs, and workforce impact.

Requirements:

Prepare a comprehensive report addressing these concerns. In your report, discuss the potential benefits and challenges of implementing AI in Fonterra's operations. Include an evaluation of how AI could contribute to Fonterra's sustainability goals, particularly in mitigating its environmental impact. Also, consider the potential impact of AI on the company's workforce and discuss strategies to manage any negative impacts. Clearly articulate any assumptions that underlie your report.

Notes: The above case problems have been prepared by Dr Syrus Islam, Dr Zahir Ahmed, and Dr Nirupika Liyanapathirana from the Department of Accounting at the Auckland University of Technology, New Zealand.