

The perception of financial - accounting profession on higher education curriculum in Romania

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Abstract

Our research objective is to determine the perception of accounting profession on the Romanian financial accounting education system. The study aims to answer a series of themes, such as: current education system as sufficient solution for the individual's training, Bologna process and the optimally implementation in Romania; a periodical reassessment of the professionals by professional bodies combined with a continual professional development acceptable from the point of view of the profession's members; the professional accountants' opinion regarding the competences importance hierarchy that should be transmitted to the graduates by the university and/or professional education curricula. The conclusions are going to the idea that Romanian accounting education should improve the education curriculum and methods in the line with the labour market: practical expertise, personal skills, and the education process of the professional accountant should reach such a level of thinking that he can found the professional reasoning mechanisms.

Keywords: Professional education, Bologna process, education system, professional bodies, professional financial-accountants.

1 Introduction

The study aims to capture the perception of financial-accounting professional bodies' members and of the ones assimilated thereto: CECCAR, CAFR, CCF, ANEVAR on the Romanian financial-accounting education system. At the same time, the

study seeks to be a starting basis for future research, which assists the management of universities and professional bodies to improve their current education systems.

This article investigates the Romanian professional accountants' position to the relation between

theoretical and practical training in the Romanian academic system (3 years of undergraduate and years of Master's degree) on one hand, and „obtaining an adequate qualification level ” by going only through the undergraduate cycle by a future candidate to get access to a liberal financial-accounting profession, on the other hand. The research results will validate or question the option of the Romanian universities' management that considered the three years of the undergraduate cycle to be necessary and sufficient for the acquisition of satisfactory knowledge, and so, of an adequate qualification level.

The study addressed to the majority of professional financial-accountants legitimate as active members in the Romanian professional financial-accounting bodies: CECCAR (The Romanian Body of Chartered and Certified Public Accountants), CAFR (The Romanian Chamber of Financial Auditors), CCF (The Romanian Chamber of Tax Advisors), and ANEVAR (The Romanian National Association of Assessors), seeking to capture, both their perceptions on the current system of access to the profession, and the problems connected to lifelong learning and selection. Research comprises an evaluation of importance attached by the interviewed professionals to the *academic education cycle* in correlation with *professional training on the job*, and also with *training within professional bodies*, attempting to appreciate the significance and relationships formed in this triad of professional knowledge. In the study, also the need of evaluation and monitoring of the Romanian academic system by professional bodies is investigated, as a main source of education in the society.

2 The work assumptions of the study

IQ1. The importance that the professional accountants attach to theoretical and practical training activities is directed to academic theoretical training and less to the skills assimilated on the (financial-accounting) job.

IQ2. What is the relation between theoretical and practical training at the university and theoretical and practical training on the job?

IQ3. If we looked for a benchmark of financial-accounting academic training in Romanian, which would this be ?

IQ4. Is there a specialization of professional accountants by branches of the profession or these are members of several professional communities at the same time? From here conclusions will be drawn regarding the contents of professional

training and logic of professional curricular diversity.

IQ5. The Romanian university system does not satisfy by the 3 year cycle the needs of professional accountants for access to the qualified labour market in Romania.

IQ6. The equivalence system of graduating from a specialized master program with access within the stage programs of professional bodies, doubled by a mechanism of continual monitoring and appreciation on the teaching and evaluation system within these, is deemed by the profession's members to be a necessary and sufficient mechanism by which access to the profession is ensured.

IQ 7. The formation within professional bodies of groups concerned with monitoring the accounting education system in the Romanian higher education, enabling a classification of universities by the quality of education performed and human resources produced by these - is required.

IQ8. The professional accountants deem to be useful the operation besides the accounting financial professional bodies (CECCAR, CAFR, CCF, ANEVAR) of some entities that deal with the completion of specialized accounting-financial education, but also with the implementation of education standards that require developments post graduation of a professional education program.

IQ9. The professional education system within professional bodies should deal both with the continual education of the profession's members, and with the evaluation and preparation of course lecturers, and also with the achievement of a continual reassessment system of the profession's members during the professional activity performance.

IQ10. The assurance by the professional bodies of a transparency in the process of the specialist accountants in the area managed by this is required, both in terms of the accounting education curriculum development, and regarding effective education of the members on probation stage and of the active ones.

IQ11. What are the disciplines on which emphasis should be placed in the dynamics of universities' education curricula, having regard to the horizon of three study years, and taking into account the descriptors recommended by the IESs produced by IFAC?

3 Literature review

The Bologna Statement from June 19, 1999 on academic education in the European environment statutes the fact that academic studies are unfolded

in a system developed into two cycles: *a cycle of undergraduate and a master cycle*. Access to the master cycle is obtained only after going through the first cycle, which should last for at least three years. The diploma obtained after the first cycle should be relevant for the labour market in Europe in terms of qualification level. The second cycle should lead to obtaining a master degree's diploma.

The implementation of a credits system, the so-called (European Credit Transfer and Accumulation System), represents an efficient measure of promoting students' mobility. Credits can also be obtained in the non-academic systems, including lifelong learning, which can be thus recognized, by obtaining university equivalences. These basic principles of the new university model structure require discussions related to the knowledge volume and general training level that the graduate from the undergraduate cycle has at the time of graduation.

Studies regarding the knowledge level and knowledge degree of the undergraduate cycle students and their relationships with the professional life have been achieved by starting from numerous premises.

Bolt Lee & Foster [3] undertook a comparative approach connected to the accounting education system. The study concluded that the academic professional organizations in the field of accounting in the United States developed a series of conceptual frameworks and numerous reports that describe the changes required in the matter of education curriculum development. The article basically compares the curricular determinations of the following bodies involved: AICPA (*American Institute of Certified Public Accountants*) - Core Competency Framework; Report of Beadford Committee; Big 8 white paper; Accounting education change commission; what the American corporations desire. By examining the comparative matrix of the five determinations, the fact noted is that accounting education in USA is subject to a permanent change and adaptation. The conclusion of each report was that the individuals entering the American accounting professional life are not adequately prepared.

AICPA has developed "Core Competency Framework" in order to enable the academics to improve the accounting education system continually. The purpose was that the universities produce highly qualified graduates that can much better turn to good account their knowledge on the market. The conceptual framework thus formed is based on a method founded on three basic elements: identification of necessary competences, establishment of training methods and choice of

evaluation instruments. In spite of this sufficiently explicit framework, the studies subsequent to its implementation indicated a decline of the accounting graduations number in the American academic system.

Koumbiadis and Okpara [7] investigated the perception of ethical behaviour by the 5th year students in accounting and their perception on the accounting profession in the 21st century. This study explored the stages of moral development theory belonging to Lawrence Kohlberg and the connection of each phase with the students' progress in their moral reason. Approximately three hundred students have been interviewed, these belonging to a five year syllabus in accounting in a sample selected by universities and colleges that had the undergraduate duration of four years in USA. The study's results have indicated that the respective students are more likely aware in what regards the ethical behaviour as a result large corporations collapse and devastating effect of such catastrophes on economy. The study's conclusion was that the syllabi in accounting should continue presenting the ethics and moral elements.

Whitefield [14] treats the issue of personal and interpersonal skills by the undergraduate programs of the Victoria University in Australia. The author treats the importance of these skills in the life of young professional accountants and of the perception of university's community from the respective university about the necessity and their manners of promoting these in the university education curriculum and their transfer mechanisms to the students by professors. The paper criticizes by its finding the attitude of university staff that do not have a vision on the objectives of materials done by these and regarding the finality of the lectures taught for the students' personal and interpersonal skills development.

Lowry & Yap [8] conducted a study on the usefulness of competences acquired during the learning process in school by the management accountants. General knowledge was classified as abilities with a very high priority, and the communication skills within them were rated as the most important ones.

Nathan & Dunn [9] presented a theoretical study on the use of business press articles to encourage personal skills development, such as: effective reading, writing, analytical, conceptual and critical thinking, problem solving, understanding organizations, knowledge in the multicultural field, solving ethical dilemmas. The study conclusions showed that such a personal skills development ensures a better understanding by the students of the

contemporary business processes in the United States or abroad. Thus, the development of such skills contributes to a richer and more efficient learning environment at the accounting classes.

Porter [10] conducted a study on the development of students' written communication skills. He found that the students have a dislike for writing assignments for themselves. This calls for a wider use of written examples to prepare students for the future profession. Also, the grammar and composition textbooks are indispensable resources in their personal libraries.

Totaro & Wilson [11] conducted a study on the perception of students' abilities and motivation. The study results show that the accounting professors are dissatisfied with the students' written or oral communication skills, and there has been no sign of improvement in this regard in the last 10 years.

Usolff & Feldman [13] developed a study on 268 students regarding the importance they attach to technical and non-technical skills, particularly the ones related to communication, leadership and teamwork skills, in achieving a successful career. The study conclusions showed that the students ranked the non-technical skills lower than the technical ones, even lower than they were ranked by professional practitioners. The authors have found that this requires the development of some education curricula that improve the role of non-technical skills on students.

Kelly, Davey & Haigh [6] presented a study on fostering accounting education in the future by the course evaluation system. The study conclusions show that the education methods are meant to encourage critical and reflexive considerations, and academic education should encourage the students to develop themselves into self-learning persons.

Tanyal, Mitchell & McAlum (1999) conducted a quantitative study, involving 129 faculties and 151 potential employers of graduates from economic studies. They investigated the perception on the desired attributes of a fresh graduate for an employer of persons at the beginning level of their career. The most important characteristics nominated by employers were the graduate's interpersonal relationships, ethics and accountability. On the other hand, the faculties nominated the following characteristics: interpersonal relationships, at the same level with the second nominated trait being ethics, followed by accountability in attitude and managerial abilities.

In their turn, Baker & McGregor [2] conducted a study on the importance of accounting students' characteristics in the employment process. The study conclusion was that the most important group

of characteristics referred to the candidate's personal integrity.

Ainsworth [1] conducted a theoretical study on the education curriculum change process. He proposed, in his study, to structure new courses and to develop a certain pedagogy for each course, by planning to develop a program for achieving it in detail.

The idea of a transparent evaluation mechanism of the Romanian financial-accounting academic system has been inspired from the Australian experience, which by *The Institute of Chartered Accountants in Australia and CPA Australia* (2009) has developed a program called: "*Professional Accreditation Guidelines for Higher Education Programs*" under which the academic syllabi from this country are accredited. The material shows the evaluation mechanism of any syllabus in accounting, in that country. This mechanism has urged us to interview the professional accountants about an evaluation and even of classification mechanism of the Romanian Universities, from the angle of financial-accounting training.

IFAC (International Financial Accounting Committee) through *IAESB (International Accounting Education Standards Board)* develops a set of accounting education standards, meant to ensure a balance and common understanding in the world on the level of education and on the accounting education curriculum that should be followed to allow a uniform accounting education of this liberal profession's members. Thus, by the education standards IES 1 – IES 8 this committee defines the general terms of accounting education at the international level [16].

4 Research Methodology

Romania of the year 2010 is a member state of the European Union, with an economy in full economic crisis, in a process of significant economic decline, after a period of economic expansion. World economy is, in its turn, at the end of centennial economic cycle, a fact that requires rethinking the business system. The globalization process of world economies is significant and irreversible, which has generated the extension of economic crisis in the United States, the main engine of global economy, to most of the world countries. Our study will also make introspection on the personal aptitudes developed by the accounting education system on the ones who want to gain access to the Romanian specialized professional community.

The first part of our research was based on a review of specialized literature, the Bologna Declaration and international accounting education standards

[17]. In the second part we conducted an empirical study using the interview technique. The interviewing mechanism involves completing an on-line form sheet managed by Google-charts, a system that allows easy access to the respondents to the on-line questionnaire. Questioning the interviewed people was performed by sending an introductory message to the email address of professional accountants declared on the official websites of the professional bodies: CAFR, CCF, ANEVAR, and CECCAR and a link in the email message by which access is granted to the on-line questionnaire. The data from the filled-in questionnaires were collected in a database on Google-charts, following that data would be processed by the resources of this statistic system. The research team identified a number of about 1000 e-mail addresses of professional accountants belonging to the four professional mentioned above.

The questions were structured into four distinct sets, namely:

A. Questions about the statistical positioning of the interviewed person.

B. Questions about the importance that the professional accountants attach to the theoretical and practical training activities.

C. Questions about the role of professional training in through the financial-accounting professional bodies: CAFR, CECCAR, ANEVAR, CCF.

D. Questions about the importance that the professional accountants attach to certain disciplines from the syllabi of the universities training professional financial-accountants.

The first category of questions allows us to localize respondents by type of professional activities, ages and academic background. Having regard to the relatively heterogeneous population to which the study refers, we made its separation by the main descriptors of the respective people: activity performed, age and academic background. Depending on this, we can conclude on the respondents' training level, age and activities performed and can make an opinion on the level of issues knowledge by the interviewed persons.

The second category of questions seeks to identify the professional accountants' perception on the theoretical and practical training process in relation to the employers' demands on the labour market for the jobs related to executive positions. We addressed those questions since the management position in the financial-accounting field involves the maximum demand level of knowledge assimilated by the professional accountant in the university education system, as well as the professional one.

The third category of questions aims to qualify the professional accountants' perception on the transition from the academic environment to the professional training performed within professional bodies, the way how these two large categories of professional trainers interact (through the perception of professional bodies' members) and to identify the evaluation and control mechanisms of the education process. At the same time, the respondents' perception is tested on the regulation of access system to professions and the way the professional education operates within professional bodies. In this category of questions, the respondents' opinion is tested on the lifelong-learning process, including the opportunity of continual evaluation of professional accountants throughout their entire active professional life.

The last category of questions seeks to evaluate through the impact studying the disciplines recommended by education curriculum proposed by IFAC via IESs on the active professional life. To this effect, the disciplines proposed within IESs for evaluation were presented at length, following that the interviewed persons would rank them according to their importance in the active professional life.

Restrictions generated by the work methodology:

Due to the fact that not all the professional accountants have declared their e-mail addresses on the websites of professional bodies, not all the persons belonging to these professions could be questioned. Particularly, the persons that do not frequently use the computer or e-mail did not have access to the questionnaire's questions. Due to the fact that the persons that are members of a professional body are also members in other professional bodies manifested in the case that a person has received the questionnaire for several times, as well as it has happened for others not to receive them at all, since they did not declare their e-mail address on the professional websites. The respondents' number related to the number of e-mails sent (of electronic questionnaires) is relatively low, affecting the representational degree of study conclusions, but the number of received answers ensures a variety, we appreciate as sufficient to make a qualified opinion in the examined field.

5 Study results and their analysis

From the analysis of the statistical positioning of the respondent persons, we notice that they are mature persons, most of them freelancers (over 40%) with higher education and at least the master's degree (43%), and 19% of these also have doctoral studies.

Their ages range between 35 and 55, so we got answers from persons in their full development of the professional career. Therefore, the respondents' training level is high, which indicates that the accounting specialists have an advanced professional training level, and their answers to the questionnaire come from this perspective, of qualified people, experienced in the financial-accounting area, in full development of the professional career.

IQ1. The importance that the professional accountants attach to theoretical and practical training activities is directed to academic theoretical training and less to the skills assimilated on the (financial-accounting) job.

In order to assess the interviewed persons' perception, we have raised the following question:

From an examination of job ads on the labour market in Romania, it has resulted that the employers require of the candidates the following categories of qualifications and professional skills.

How important are these, in your opinion, for the ideal profile of a person employed in a management position in financial-accounting? Give them ratings from 1 to 5 (1 unimportant, 5 very important):

- thorough theoretical knowledge assimilated in school

- thorough practical knowledge assimilated through experience by working in this field

- skills of living together in the society, of communication and interrelationship with people around.

The answer received from the questionnaire has been as follows:

- Thorough theoretical knowledge assimilated in school : 1 = 3%; 2 = 11%; 3 = 20%; 4 = 19%; 5 = 46%

- Thorough practical knowledge assimilated through experience by working in this field: 1 = 0%; 2 = 0%; 3 = 3%; 4 = 19%; 5 = 77%

- Skills of living together in the society, of communication and interrelationship with people around: 1 = 0%; 2 = 4%; 3 = 14%; 4 = 27%; 5 = 54%

From the examination of frequencies' series, it results that the professional financial-accountants consider important the theoretical knowledge acquired in the academic environment, but to a smaller extent than the practical skills assimilated through experience by working in this field and even the personal skills connected to living together in the society, of communication and interrelationship with people around. Thus, IQ1 assumption has been invalidated. This situation

shows the professional environment's view over academic environment, which does not fully meet the social demand of the Romanian business climate. The frequencies dynamics is indicative of the fact that, in the formation of the ideal profile of an individual candidate for a management position in the financial-accounting field, first of all, practical skills, experience assimilated through working in this field (77% of the respondents ranked this component with 5) are more valuable and secondly, the skill of living together in the society, of communication with people around (54% of the respondents ranked this component with 5). The theoretical knowledge acquired in the academic environment is in the last place as importance (46% of the respondents ranked this component with 5). This should indicate to the academic environment the need of view change on the curriculum orientation, so that also the two component considered more important by the financial-accounting profession's members should be developed besides the theoretical specialized knowledge.

IQ2. What is the relation between theoretical and practical training at the university and theoretical and practical training on the job?

We inserted the following question in the questionnaire:

How important is it, from your point of view, the assimilation of thorough theoretical knowledge during higher education and how much do you found your training on the preparation achieved by the employees on the job? Rank them from 1 to 5 (1 unimportant, 5 very important):

- theoretical training in university

- theoretical and practical training on the job;

The answer to the question was as follows:

- For - theoretical training in university: 1 = 1%; 2 = 1%; 3 = 23%; 4 = 34%; 5 = 39%

- For - theoretical and practical training on the job: 1 = 0%; 2 = 1%; 3 = 0%; 4 = 15%; 5 = 82%

By summarizing the results received to questions 1 and 2 by the syntheses represented in the charts 1-5, we can conclude about this assumption:

- The best positioned of qualifications (in the sense that the highest placement percent of the five qualifications and skills classes, recorded in the top position „5” – „very important”) are: „theoretical and practical training on the job” (82% of the respondents) and „thorough practical knowledge assimilated through experience by working in this field” (77% of the respondents). The lowest percent for position 5

is recorded in the case of „theoretical training in university” (39% of the respondents).

- If we look cumulatively at positions 4 and 5 as representing the „area of maximum interest” of the specialist accountants for the analyzed qualification, then the most important qualifications and skills remain the same: „theoretical and practical training on the job” (97% of the respondents) and „thorough practical knowledge assimilated through experience by working in this field” (96% of the respondents).
- In this „area of maximum interest”, the less important class of skills is, in the specialist accountants’ perception, the one of „thorough theoretical knowledge assimilated in school”. This is also conformed by the cumulative analysis of the „minimum interest” positions (positions 1 and 2 on a scale with 5 steps), because the highest percentage of respondents (14%) places the class of „thorough theoretical knowledge assimilated in school” on these two levels.
- From the analysis of the frequencies’ series it results that professional accountants rely more on the theoretical and practical training on the job than on the theoretical and practical training in university. Thus, 73% of the respondents consider important or very important the training in the academic environment, while 97% of these appreciate as important and very important the theoretical and practical knowledge on the job. This should worry the specialized Romanian universities whose results are somehow contested under this study, the knowledge assimilated after graduation, in a less formalized educational environment are more appreciated than the academic one.
- It results from here that the specialist accountants expect of the future employees, to a larger extent, the practical competences over the theoretical ones, focusing on the professional skills formed by working in this field or on the job.

IQ3. If we looked for a benchmark of financial-accounting academic training in Romanian, which would this be ?

The results related to this assumption are as follows:

- 65% designated the Bucharest Academy of Economic Studies (ASE)
- 12% designated the Cluj Napoca Babeş Bolyai University
- 5% designated the Iaşi Alexandru Ioan Cuza University

- 18% designated other universities.

In this respect, the position of the Bucharest Academy of Economic Studies through its Faculty of Accounting and Management Information Systems as the benchmark of financial-accounting education in Romania reconfirmed. This can be practically explained by two argumentations:

- The first refers to the subjective side, by which universities, through the number of graduates produced by each of them, gets a reconfirmation of quality due to the mere membership of the interviewed professional to the target group. Actually, ASE as the main institution of economic studies in Romania, producing the most graduates of economic higher economic, who have ever since become professional financial-accountants, is in the first place in the subjective acceptance of its graduates, that they completed the studies of the best institution in the field.
- The second refers to the objective side of the answer, by which the respondents, admitting the good quality of the academic system of the universities in Romania, recognize in ASE the standard education institution in this field, in the country.

A conclusion independent from the foregoing refers to the fact that, either subject or objective, the ranking indicates three large state education institutions with a significant history in this field as the benchmark of the Romanian academic training.

IQ4. Is there a specialization of professional accountants by branches of the profession or these are members of several professional communities at the same time? From here conclusions will be drawn regarding the contents of professional training and logic of professional curricular diversity.

For the identification of a result of this assumption, we asked the following question:

Please specify if you are member of a professional financial-accounting body and to which of these: CECCAR, CAFR, CCF, ANEVAR, none”. CECCAR = The Romanian Body of Chartered and Certified Public Accountants, CAFR = The Romanian Chamber of Financial Auditors, CCF = The Romanian Chamber of Tax Advisors, and ANEVAR = The Romanian National Association of Assessors.

The answers of the respondents were summarized in the following data:

- Structure of membership to the professional bodies of the professional accountants:

CECCAR = 68%

CAFR = 40%

ANEVAR = 42%

CCR = 52%

None = 4%

Since the respondents did not have the possibility to mark several professional bodies at the same time, we got a somewhat complete map of memberships, of the professional accountants' professional membership structure. From the analysis of the results obtained, we find that there is a high level of multi-membership of the professional accountants to several professional bodies. This results allows us to state the following:

1. There is no specialization of the professional accountants by profession branches, on the contrary, these are members of several professional communities simultaneously, a fact that leads us to the conclusion that these bodies have an artificial specialization to the labour market in Romania, where more general professional developments of the professional accountants are required. This situation can be explained by the fact that over 40% of the respondents are members of all four financial-accounting professional bodies: CECCAR, CAFR, ANEVAR and CCF.
2. The professional bodies are excessively specialized to the professional accountants' professional activity, so that these should have acted only within one professional body, not within several simultaneously.
3. The ways of access, complementary professional training and lifelong education programs will have to be harmonized by these professional bodies for the optimization of the professional financial accountants' training times.
4. A system of equivalents between the four large professional bodies and their collaboration for a unitary training of the professional accountants and the development of a complementary education curriculum in their professional training system are required.

IQ5. The Romanian university system does not satisfy by the 3 year cycle the needs of professional accountants for access to the qualified labour market in Romania.

In order to identify the professional accountants' opinion related to this matter, we addressed them the following question:

The professional accountants' professional coaching process starts as early as from undergraduate studies. Do you think that the current undergraduate education cycle with the duration of 3 years is necessary and sufficient for the access of young graduates to the exigencies required by the specialized labour market in Romania and EU?

The answers of the respondents were summarized in the following data:

- The professional accountants' opinion regarding the sufficiency of professional training in universities through the undergraduate cycle of 3 years:

Yes: 34%; No = 65%

The conclusions resulted from the analysis of questionnaire's filling-out by the respondents are:

- 65% of the professionals questioned think that the duration of 3 years is not sufficient for the graduates' coaching for the exigencies of the labour market, while 34% declare that the 3 year cycle is enough.
- This raises a deep question about the Romanian financial-accounting academic environment that, on applying the Bologna process interpreted the provisions of this treaty as: "an undergraduate cycle will have the duration of minimum three years..." by diminishing the duration of the financial-accounting education cycle to the minimum level, with serious repercussions on the quality and amount of knowledge assimilated during university studies by the professional accountants. This, having regard to the negative opinion of the profession, should be re-examined by the decision-makers in Romania that have reduced the undergraduate cycle to a period of time deemed by the professional accountants as insufficient for a serious economic training in the financial-accounting fields.
- The significant denial of the education process requires an immediate re-examination of the entire accounting education curriculum studies in universities in the sense of its extension at an acceptable level for the transmission of the knowledge required by the current developments in the Romanian financial-accounting field. Further research should determine an optimal period of time for completing the best accounting education curriculum, in accordance with the provisions of IES managed by IFAC.

IQ6. The equivalence system of graduating from a specialized master program with access within the stage programs of professional bodies, doubled by a mechanism of continual monitoring and appreciation on the teaching and evaluation system within these, is deemed by the profession's members to be a necessary and sufficient mechanism by which access to the profession is ensured.

In order to identify the professional accountants' opinion regarding this matter, we address them the following questions:

Question 1. Do you find it necessary and sufficient the completion of a master's program with the duration of 2 years that comprises among the study subjects the ones selected for access to the probation stage, so that the respective master's program completion is accepted as equivalent of the access examination to the probation stage within the auditor's, expert accountant's, tax advisor's or assessor's profession?

Question 2. Do you think that a mechanism of education process monitoring in master programs, exploited by universities in order to permit the equivalence of such a master program with the access to the probation stage by professional bodies, is necessary?

Question 3. Are you familiar with the concerns of IFAC (The international body of professional accountants) related to founding a uniform education curriculum in the world accounting education?

The answers to the questions above are represented in the following charts:

Access to the probation stage by completing an accredited master program – answers to question 1 :

Yes 55%; No 43%; I don't know 2%

Need of a mechanism monitoring the education process – answers to question 2 :

Yes – 73%; No – 27%

Knowing the concerns of IFAC connected to the accounting curriculum standardization– answers to question 3 :

Yes – 45% No – 55%

From the analysis of the answers above, it results that, in general, the opinion of the professional accountants in Romania is a favourable one to the equivalence of master programs that include in their syllabi the subjects necessary for access to the liberal accounting professions of expert accountant, financial auditor, assessor, tax advisor. Thus, 55% of the respondents declare to be favourable to the respective equivalence. This situation is due to the fact that the succession of examinations they are subject to during their career has marked them profoundly and they share repulsion for the professional examination system. However, the relatively great number of persons that disagree with the equivalence system comes to justify the positive answer to the question related to the need of master program's monitoring by professional bodies in order to avoid the cases of abuse and superficiality in the selection and teaching process. On the other hand, the fact that only after completing a specialized master program we can talk about access

to the active professional life of young graduates is admitted. We can also conclude that the only Romanian education system cannot censor itself, since there is a deep distrust in its own mechanisms of access and self-assessment. In this respect, the Romanian universities will have to develop their educational self-control systems and control of education process quality, so that these can become credible again for the labour market in Romania.

Further, by correlating the answers to these questions with the one to assumption 5, we draw the conclusion that a cycle of minimum 5 years of study (the current undergraduate 3 years to which 2 years of master studies are added) is deemed necessary for the graduates' access to an active professional life. In fact, the master program changes into a compulsory stage to go through in the accounting education process and it does not represent an education threshold complementary to the basic education system. In this respect, a reconsideration of the undergraduate studies cycle duration at the five years level, followed by a master program cycle for other two years. This supports the general opinion of the professional accountants that the knowledge amount and the minimal knowledge degree to enter the active professional environment would be finalized in a longer cycle of time, which would allow the treatment of study subjects and the assimilation of necessary knowledge in an optimal rhythm and time period from the active professional financial accountants' point of view.

As to the answers about knowing the concerns of IFAC regarding the accounting education standardization, we notice ignorance in terms of international concerns for the need of equivalence of the Romanian professional accountants' training level with the one in the other states affiliated to IFAC. In this regard, more concern of the professional bodies affiliated to (CECCAR and CAFR) is required, to promote the need of a uniform accounting education at global level.

IQ 7. The formation within professional bodies of groups concerned with monitoring the accounting education system in the Romanian higher education, enabling a classification of universities by the quality of education performed and human resources produced by these - is required?

In order to identify the professional accountants' opinion regarding this matter, we addressed them the following question:

Do you think that a mechanism of the accounting education system monitoring in the Romanian higher education that allows a ranking of universities according to the quality of education

and human resources produced by them, is necessary?

The answer to this question is represented in the data below:

- *The professional accountants' opinion related to the need of a mechanism of the accounting education system monitoring in the Romanian higher education: Yes 80%; No 9%; I don't know 9%*

From the analysis of the questionnaire results, we can conclude as follows: 80% of the specialists agree with this hierarchy. This should be taken into consideration by the professional bodies when creating a transparent mechanism for the Romanian universities' hierarchy depending on the quality of education and human resources produced by them. But from the sociological point of view, also the relatively large amount of non-answers („I don't know") - 9%, is relevant herein, which shows that the universities hierarchy is a remoter topic from their concerns or a dilemmatic issue.

As to the assumption stated above, we asked the professional accountants about a qualitative aspect of the professional body-university relation, namely: *Do you think that an institutional dialogue between the existent professional bodies and the Romanian university system is necessary, in what regards the monitoring of the specialized faculties' education curricula?*

The answer to this question is represented in the values below:

- *The professional accountants' opinion regarding the need of an institutional dialogue mechanism between the existent professional bodies and the Romanian university system in what regards the monitoring of the specialized faculties' education curricula: Yes 95%; No 4%.*

The answer to the respective questions leads us to the following conclusions:

- in a proportion of 95%, the specialists consider that such a dialogue is opportune, which makes us give the suggestion for the creation of an inter-institution communication and cooperation network on the issue of students' training.
- the professional bodies should develop in the future the institutional dialogue process with the main source of new candidates to the access to managed professions: universities.

A general conclusion related to this assumption consists in the fact that the establishment of market arbitrators that rate the participants' performances is required, as we also encounter in other competitive social systems. Thus, depending on a series of quality parameters set for the universities' evaluation, these working groups should rate

universities according to a series of key indicators. In this way, by a transparent selection process, mediocrity promotion in the academic training process would be avoided. For the young candidates wanting to access to professions related to the financial-accounting segment, to have a periodical objective quality evaluation of the products created by the specialized universities, would be fundamental. Thus, this would be an approach for quality in the higher education and objective hierarchy, eliminating unfair competition of some private universities which, giving up a minimal qualitative scale, attract students by facile mechanism of graduating and obtaining a diploma. In this approach, mainly the specialized professional bodies: CECCAR, CAFR, ANEVAR and CCF have a fundamental role, orienting the young candidates by such an evaluation mechanism, to an objective qualitative approach in the education process.

IQ8. The professional accountants deem to be useful the operation besides the accounting financial professional bodies (CECCAR, CAFR, CCF, ANEVAR) of some entities that deal with the completion of specialized accounting-financial education, but also with the implementation of education standards that require developments post graduation of a professional education program.

In order to identify the professional accountants' opinion regarding this matter, we addressed them the following questions:

Do you think that the existence within professional bodies of entities that supervise the evolutions in terms of education standards of IFAC (international bodies) and make proposals about its own professional education system's development is useful and necessary?

The answer obtained after questioning, was: YES – 88%; NO - 12%

Given the current budgetary restrictions that the academic institutions are facing, do you think that the functioning, besides the professional financial-accounting bodies, of an entity that deals with both the completion of the specialized financial-accounting education and implementation of education standards requiring post graduation developments of an academic program is useful? (See IES 7 Lifelong learning).

The answer obtained after questioning, was: YES – 74%; NO - 26%

Do you think that the current professional continual training programs unfolded within professional bodies in which you are acting, are useful?

The answer obtained after questioning, was: YES – 78%; NO - 22%

Therefore, in this context, the specialists interviewed agree:

- in a proportion of 88% with the establishment, within the professional bodies, of entities that supervise the developments in terms IFAC standards and propose to universities changes based on these standards. In this respect, a social demand is noticed on the part of the professional accountants to their professional bodies to act more actively on the accounting education market and require rules and benchmarks according to which these are guided in the future education process;

- in a proportion of 74% with the establishment, besides the professional bodies, of entities that support the lifelong professional training programs, an opinion consolidated by the fact that most of the respondents declare that the current contents of continual professional training programs are useful (78%).

In conclusion, the professional bodies are requested vehemently to act more actively on the accounting education market through autonomous, postgraduate, professional institutions, by which to complete the specialized training of the young candidates to financial-accounting liberal professions, but also to ensure the lifelong professional training and education institution framework of the professional financial-accountants. Therefore, a significant social demand is opening for the professional bodies in question, to found a rigorous postgraduate education throughout their professional career.

The assumption tests an alternative for the improvement of the current accounting education system. To the extent to which the academic system refuses or finds it impossible to make a step to quality and financial-accounting education curricula reconstruction, both in terms of contents, and particularly of temporal extension.

IQ9. The professional education system within professional bodies should deal both with the continual education of the profession's members, and with the evaluation and preparation of course lecturers, and also with the achievement of a continual reassessment system of the profession's members during the professional activity performance.

In order to identify the professional accountants' opinion regarding this matter, we addressed them the following questions:

Do you appreciate as useful the professional capacities revaluation system of the existent members of expert accountant's, auditor's, assessor's and tax advisor's profession?

The answer obtained after questioning, was: YES – 69%; NO - 31%

Do you think that the existence of an education curriculum revision mechanism dedicated to professional training within professional bodies where you are acting is necessary in the context of the current social developments?

The answer obtained after questioning, was: YES – 85%; NO - 15%

Do you think that the existence of an exigent and permanent process of lecturers' coaching that deals with continual professional occupation within professional bodies is necessary?

The answer obtained after questioning, was: YES – 95%; NO - 5%

By analyzing the results of the answers to questions, we can conclude:

The professional accountants admit, in general, the fact that the professional education system within professional bodies should deal with the continual education of the profession's members (95%). Further, these agree that the professional bodies should involve themselves in the course lecturers' evaluation and coaching (95%), but also in the creation of a continual revaluation system of the profession's member throughout the professional activity performance (69%). The 69% per cent of the respondents that agree with a professional skills revaluation of the professional accountants demonstrates that a large part of these are aware of the need for a continual selection and training of the profession's active members, but also of the stoppage of the cases when a series of members, relying on the experience acquired in the past, remain active in the profession, without updated the knowledge necessary for the specialized works, doing a major disservice to the profession in general, by the poor quality of the works done. In this respect, the performance of some expert accountants is known, who, even if they have a very advanced age and an extremely small capacity of understanding some complex economic cases, they make accounting expertise reports that do not solve the customers' requests. By an annual revaluation process, agreed by a good many members of financial-accounting liberal professions, an objective selection system of these would be created, in this way maintaining a qualitative standard tailored to the market's demands. The assumption in this case is valid by the answers received from the interviewed professionals.

IQ10. The assurance by the professional bodies of a transparency in the process of the specialist accountants in the area managed by this is required,

both in terms of the accounting education curriculum development, and regarding effective education of the members on probation stage and of the active ones.

In order to identify the professional accountants' opinion regarding this matter, we addressed them the following question:

Do you think it is necessary that professional bodies should ensure a transparency in the professional coaching process of the professional accountants in the area managed by these both in terms of accounting education curriculum development and of effective education of the active members and the ones on probation stage?

The answer obtained after questioning, was: YES – 95%; NO - 5%.

By analyzing the result of the answer to this question, we can conclude that the assumption is confirmed, and the professional bodies should be more transparent in what regards the mechanisms of accounting education curriculum development, both for the active members and for the ones on probation stage.

IQ11. What are the disciplines on which emphasis should be placed in the dynamics of universities' education curricula, having regard to the horizon of three study years, and taking into account the descriptors recommended by the IESs produced by IFAC?

In order to identify the professional accountants' opinion regarding this matter, we addressed them the following questions:

Please rank with ratings from 1 (unimportant) to 5 (important) the importance and usefulness in a professional accountant's practical life of the information assimilated by students by studying the disciplines existent in the financial-accounting syllabi and recommended by the international professional body of the accountants IFAC, shown below:

Table 1 representing frequencies of the importance attached by the respondents to competence descriptors. (see table 1)

From the analysis of the results to this category of questions, the following conclusions were drawn:

The respondents were kindly asked to evaluate, on an ordinal scale with 5 values (where 1 means „unimportant” and 5 means „important”), the usefulness of the information provided by a series of disciplines in the students' syllabi at the specialized faculties, recommended by IFAC.

The conclusions are as follows:

A) For the category: *Accounting and finance knowledge*

- In the values 4 and 5 cumulated (area of „maximum usefulness”), the following disciplines are detached with the best scores:

a. *financial accounting* - level 4 has 73% – this result is somewhat surprising by the fact that we would have expected such a better rating of this knowledge position. However, the result comes to confirm a top position of these knowledge categories in the professional life of the professional financial accountants.

b. *financial reporting* - level 3 has 70% - this result places this package of knowledge in a relatively low position. This is explained, either by the insufficient understanding of this descriptor's contents, relatively rarely used in the nomenclature of study disciplines in Romania, or due to the fact that, indeed, the knowledge involved by this discipline descriptor is not frequently used in practice.

c. *management accounting and internal control* - level 2 has 65% - this result is explained by the weak development of the management accountant profession in Romania.

d. *taxation* - level 1 has 72% - this indicates a weak use in practical life of the taxation knowledge acquired in university and its marginality, because it requires a series of often changes due to legislative amendments.

e. *business law and commercial law* - level 4 has 50% - this discipline is therefore recognized as one of a relatively high importance in the Romanian business environment, given the constant turmoil taking place within it.

f. *audit* – levels 3+4 have 77% - confirms a median position in this discipline's applicability in the specialists' everyday professional life.

g. *finance and financial management* – levels 1+2 have together 84% positioning this knowledge in the lowest places in the importance pyramid of the studied disciplines e.

B) For the category: *Knowledge of business and business organization*, we can issue the following findings:

a. *Economics* – levels 5+4 have together 69% - which places this knowledge on a scale of importance in a favourite place, surprisingly for a prevalently theoretical discipline. Thus, we should recognize the dominant position of a discipline that founds the thinking structure and social action of the students in the financial-accounting academic environment.

b. *Business environment* – levels 4+5 have together 64% - confirming the importance of the disciplines

of a general nature in the professional accountants' coaching.

c. *Corporate governance* – levels 3+4 have together 60% - placing this discipline, relatively new in its language and financial accounting knowledge scope, in an important position, worth analyzing in the founding of the future universities' accounting education curricula.

d. *Business ethics* – only level 5 has 53% proportion, and level 4 other 24% – this result comes to confirm the appeal to morality and trust in business vehemently required by the accounting profession world in the recent period, seriously affected by the general trust crisis that marks the entire society. The appeal to ethics denotes a mature generation of professionals that denies opportunism and immorality in business and returns to the stability ensured by ethics and good-faith, even in business.

e. *Financial markets* – levels 3+4 have 52% proportion – localizing this discipline in an average place, more likely given by the incapacity of the Romanian financial market to assert itself as a financing source of local economy.

f. *Quantitative methods – econometrics* – levels 3+4 have 68% proportion – this confirms the spreading of the complex mathematical instrument in the area of financial-accounting liberal professions and the opening of financial-accounting professions to the need for complex mathematical simulation.

g. *Organizations' conduct* – levels 3+4 have 66% proportion – imposing this discipline as a recent necessity in the financial-accounting education curriculum, not being only a representation of purely formal ideas, but it is established as a real and necessary social demand.

h. *Management and decision-making* – levels 4+5 have 63% proportion – confirming that the stock of knowledge transmitted through this discipline has a very important role in the subsequent practical professional life of the professional accountants.

i. *Marketing* – levels 3+4 have 56% proportion – marking the importance of thorough assimilation of basic disciplines and their subsequent reflection in the practitioners' professional life. Marketing asserts itself as a set of knowledge by which the professionals make themselves known in the economic environment where they are acting, and the marketing techniques are finally the instrument of their promotion in the society.

j. *Globalization and international affairs* – levels 4+5 have 53% proportion – this denotes the maturity of the questionnaire respondents that admit the importance of knowing the global economic

mechanism and the international tendencies to which we are economically connected as nation.

C) For the category: *Knowledge and competences of management information systems*

- in values 4 and 5 cumulated (area of „maximum usefulness”), the best scores were obtained by: Knowledge of using information systems (86%), General IT knowledge (81%) and Knowledge of information systems control (69%).

- in value 1 (level of „minimum usefulness”), the scores are low (below 5%) in all indicated elements, which shows that this knowledge and these competences are rather in the area of usefulness than in the one of uselessness.

This confirms to us once more the importance in practical life of mastering the management information systems' competences, which have a special significance in everyday life of the professionals in the financial-accounting field. Thus, the need of studying the information skills thoroughly in universities by the students trained in specialized faculties is reconfirmed.

D) For the category: *Professional aptitudes and competences*

- depending on the ranking in values 4 and 5 cumulated (area of „maximum usefulness”), the hierarchy is made from the best score to the poorest one, as follows: intellectual aptitudes (97%), interpersonal aptitudes (89%), personal aptitudes (87%), technical and functional aptitudes (84%) and managerial aptitudes (79%).

- these aptitudes are extremely well rated in terms of importance attached by the professional accountants, requiring in fact the change of attitude and work methods in the academic environment, so that from a student's personality development based on knowledge, a transfer should be made to a personality development based on attitude. In fact, that not the mere assimilation of knowledge contributes to the healthy professional development, but the paradigm of self transformation, the graduate's social attitude, his capacity to turn to good account acquired knowledge at behaviour level, making the difference and imposing the individual's and guild's professional progress, is reasserted.

E) For *General education*

As a confirmation of the conclusions above, the professional accountants rate this knowledge descriptor on the importance scale with 5 in a proportion of 54%, reconfirming the approach of financial-accounting profession change to a society's over-educated grouping, which should a benchmark of contemporary culture and civilization. In fact, the appeal to general education comes to

confirm the superior level of studies and professional training of the Romanian financial accounting specialists, who in their great majority, have both completed undergraduate studies and at least a specialized master program.

F) For *Professional values and appropriate ethical attitude*

The level 73% for indicative 5 assigned to this descriptor comes to reconfirm the general opinion of the professional accountants, that an assimilation of these values is required, the only ones designed to safeguard the fundamental edifices of accounting-financial professions: social trust in the work done by these guilds in the society.

G) For *Specialized practical training*

This element confirms the practical orientation of financial-accounting professions that can only be complete through an application toward specialized practice. Thus, we explain the usefulness attached by respondents to this descriptor by which rate 5 was assigned by 98% of the respondents.

6 Conclusions

The importance that the professional accountants attach to the thorough practical knowledge assimilating through experience by working in this field can be explained on one hand by the fact that holding a management position requires a lot of practical experience, and on the other hand by the Romanian specialized education's incapacity to provide sound theoretical and practical knowledge for the graduates' training. The distrust in the Romanian economic education system is strengthened by the very much weight of the answers that the professional accountants have given related to the importance of theoretical and practical training on the job (very important 82%). Most of the respondents (66%) considered that the current undergraduate education cycle with the study length of three years is not sufficient for the access of young graduates to the exigencies required by the specialized labour market in Romania and EU. Completing two years of master's degree seem to ensure an acceptable level of knowledge, but the professional accountants' doubt in what regards the education system by the answers they gave related to monitoring the education process in the master programs exploited by universities to allow the equivalence of such a master's degree with the access to the stage by the professional bodies (73% of the respondents consider that such a mechanism is needed).

As to the majority professional accountants' opinion, these accept an equivalence of the access

system to the expert accountant's, financial auditor's, tax advisor's or assessor's profession respectively, by the equivalence of some specialized master programs, but this equivalence should be conditioned on the respective master programs' monitoring by working groups specially formed within professional bodies for the purpose of eliminating abuses.

Despite all suspicious in what regards the Romanian economic education, the study confirms the appreciation that the graduates have for the university centres with tradition in the economic education from Bucharest, Cluj and Iași.

Professional bodies should be more involved both in monitoring the accounting education system in the Romanian higher education, but particularly in what regards the dialogue with the specialized education institution, in order to adapt the education curriculum to their own requirements. Also in this respect, of professional education programs development, the need for an entity existence within professional bodies that deals with the completion of the specialized financial-accounting education and with the implementation of education standards requiring post graduation developments of an academic program was supported. The professional accountants appreciate to a large extent (95%) the fact that professional bodies need to ensure transparency in the professional coaching process in the area managed by these, both in the accounting education curriculum development, and in what regards the actual education of the active members and the ones on probation stage.

Howieson [5] examines the competences required of the professional accountants in the context of the existent tendencies in the business environment at the beginning of the 21st century and their implications on accounting education. One of the study conclusions states that the objective of students' training for permanent coaching cannot be limited only to the universities level. The predictions related to the rapid changes in the areas of knowledge and technology, as well as the practitioners' desire to improve in order to give an impetus to their career, suggest that permanent professional coaching is another area whose activity will become more significant than it is now. Universities can be capable to position themselves as providers of high quality professional training, but will face a potential competition on the part of the employers and professional associations.

Celik & Ecer [4] highlight the lack of efficiency in using resources within the university accounting education in Turkey.

The professional accountants are aware, like in Kohlberg's theory, of the need to go through all the morality stages by the graduates of university education processes. By the education process, the professional accountant should reach such a level of thinking that he can found the professional reasoning mechanisms not only on thorough theoretical knowledge and exquisite practical skills, but particularly on an ethical foundation based on ethical principles subsequent to universal principles of morals. In this context we assist to a reconfirmation of Kohlberg's theory related to the human thinking stages applied to financial-accounting professions.

In spite of the fact that this questionnaire was addressed to persons in the practice area, however, these have an extremely exigent attitude to the profession they belong to and are sufficiently well-trained players to issue interesting conclusions connected to the development of the study subjects in the accounting education curriculum. Without denying the importance of basic disciplines, such as Economics or Management, these do an excellent analysis of the orientation directions of the financial-accounting education system in the time to come. Thus, guided by the importance weights they attach averagely to the various disciplines, we can reorient the time amount allotted to them, so that the new graduates of the Romanian economic school can be better trained for the professional challenges.

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