

■ Editorial



Since we just returned from the EAA's 35th Annual Congress, I would like to thank Aljoša Valentinčič and his team for seamlessly organising this great and logistically complex event for all of us to enjoy. The Congress in Slovenia was a great success, both academically and socially. Many thanks, too, to Begoña Giner, President of the EAA, for her unwavering contributions to ensuring that the Annual Congress continues to be the EAA's flagship event.

Many important decisions were made in various committees that met at the EAA in Ljubljana. Ann Jorissen was appointed President –Elect for this year, to become the EAA President as of the Annual Congress next year in Paris. Saverio Bozzolan was appointed EAA Book Review Editor. From 2013, book reviews will begin to appear in *Accounting in Europe*, and selected "Have you read?" items will be featured in the EAA Newsletter. Congratulations to Ann and Saverio! In her letter in this issue, Begoña will tell us more about various other developments in the EAA and decisions taken in Ljubljana.

Please also read more about the insights and impressions on the Annual Congress in the two travel reports on pages 12 and 14. As usual, we have a report on Accounting Traditions in this Newsletter, this time focused on Romania, by Cătălin Nicolae Albu and Nadia Albu.

I wish you all the very best for summer!

Yours,

Hanna Silvola

Hanna.Silvola@tse.fi

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Letter from the president, Begoña Giner

Dear Colleagues,

Following in the footsteps of yet another wonderful congress, at the outset I wish to thank once more the organizers, and in particular the Chair of the congress, Aljosa Valentinčič, for organizing such a great event. Indeed the Slovenian team is an extremely accomplished one, not least because they have been able to keep under control such a large group of accountants, but also entertain us so admirably over three consecutive days. Everything went exactly according to plan for the sessions and the social activities, indeed better than planned I would have to say, as even the weather turned to be exceptional.

Despite the difficulties that some universities are now facing in this difficult economic climate, the fact that there were about 1100 delegates from more than 50 countries shows just how important the EAA is considered internationally. Thus when academics are making their decisions about where to go, they continue to rate the EAA congress most highly. The scientific part of the congress gathered a large number of activities. It is difficult in a short letter such as this to give a complete picture of each, but let me briefly comment on a small selection of them without implying that the others were not equally interesting.

The 11 symposiums went really well and attracted a numerous audience. The EAR symposium on Political Forces, Financial Reporting and Capital Market Activity was a great success. As a result I hope that the deep and diverse analysis made by the panelists encourages many scholars to work in this field, so that the call for papers of EAR on this topic may attract a lot of submissions. The FRSC Committee also had an interesting symposium on the Effects of Accounting Standards. The theme of Auditing and Corporate Governance was the focus of interest for no less than three

symposiums. This year there has been one symposium, with two sessions, on the IFRS Framework-Based Teaching Approach, which was also very successful. Education was also the topic of another very attractive symposium, which linked Research, Teaching and Practice.

Regarding the 670 papers discussed during the congress, half were presented in parallel sessions, of which 46 had a discussant, and the other half in the less formal research forum. I would like to highlight the key role that the Scientific Committee, led by Herve Stolowy, has played in the selection of papers, the organization of the sessions and the allocation of discussants; there was a general consensus on the high quality and good matching of papers in the sessions. Thanks too to all authors, reviewers, discussants as well as delegates who attended the sessions.

As for the social events, I have to congratulate the local organizers on their excellent selection of venues and activities. The reception on Wednesday took place in a perfect setting, Ljubljana Castle, which commands a wonderful view of the city, and the gala dinner in Cankarjev dom, a modern cultural and congress centre with an excellent auditorium, where we enjoyed a remarkable concert, had a great dinner, and then ended the conference with good music and dancing.

I have been told that the Doctoral Colloquium, which took place before the conference in Bled, was also excellent. The presentations were of a very high standard and as in other years two PhD students, Anna Elsilä from Finland and Delphine Gibassier from France, will go the Colloquiums of the AAA and AFAANZ, respectively. Thanks once more to the Co-Chairs and Faculty for devoting their precious time to the Colloquium. As for the venue, all attendants highly recommended it as a place to visit. Thus, perhaps it would be a good idea for some of us to make a return trip to Slovenia and take in some of the splendid sights on offer.

This year the General Assembly that took place at the end of the congress approved the proposal of the Management Committee and the Board of Ann Jorissen as the new President Elect. Ann, of course needs no introduction, as she has been deeply involved in the EAA for many years. She was co-editor of the EAR at the very beginning and was member of the EAR Board afterwards. In 2004 she became Chair of the EAA Conference Committee, and subsequently was a member of the EAA Publications Committee, where she also served as Chair. She was also involved in the organization of the 1998 EAA Congress in Antwerp, where she is professor. Ann has represented her country at the EAA Board three times. In brief she has a perfect knowledge of the association from many different perspectives, and has an extremely good reputation among her own colleagues. I am more than happy to pass on to her the leadership of the EAA in due course.

But along with the President Elect comes the end of the term for the Past President, and so I have to give my tribute to yet another exceptional woman: Aileen Pierce, the Past President. She has served EAA for a long period of four years. I have to express my sincerest thanks to her for her strong commitment to the EAA and for the enormous contribution she has made to the EAA, and on a more personal note for her most positive and cheerful attitude towards any challenge. I genuinely hope she will remain active within the EAA and perhaps she will be keen to help us out whenever we might need to call upon her.

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Letter from the president (cont'd)

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Other new members have joined the Management Committee. Martin Messner and Martin Walker are both well known faces within the EAA, and will bring the new blood and experience that the EAA needs as we move forward. Moreover Martin Messner will take over the role of Treasurer of the Association on Aileen Pierce's departure. And so in the same way, we must also bid farewell to two other colleagues, Lucia Lima Rodrigues and Chris Humphrey, who have served the EAA for a three year period, the maximum allowed under our governance guidelines for MC members. I would like to thank them for all their effort and contribution to the development of the association.

On the other committees there are important changes too. The Conference Committee has been completely renewed, thus Gunnar Rimmel and Riccardo Tiscini are replacing Frank Hartman and Matias Laine, respectively, and on the Doctoral Colloquium Committee, Keith Robson replaces Jan Mouritsen. I want to extend a warm welcome to newcomers, and on behalf of the EAA offer those leaving our sincerest gratitude for the services provided. I am very pleased to inform you that following the advice of the Publications Committee, Saverio Bozzolan has been appointed as the first Book Review Editor. He will deal with this section in both AiE and the Newsletter. I earnestly wish him the best of luck with this new endeavour.

In the last meetings of the Management Committee, as well as the Board, before the congress itself, we

discussed a number of new ideas and plans for next year, which will hopefully benefit all EAA members. The development and support of doctoral activities and the website remain to the fore of our agenda. I hope I will be able to report some exciting proposals and changes in the near future.

At this moment all that remains for me to say is to wish you a good end to the academic year, and hope you can enjoy a well-earned rest this summer, or perhaps advance a little further in your research. Once again let me give you my e-mail address just in case you have any ideas you might like to share with me: begona.giner@uv.es. As always I appreciate your thoughts and contributions.

*Begoña Giner
EAA President*

Call for applications

Invitation to apply for Academic Fellow positions in the IASB's education initiative

The IFRS Foundation

The IFRS Foundation is looking for candidates for the **position of Academic Fellow** in the IASB's education initiative for 2013 and 2014. It is envisaged that the posts will be filled by IFRS Academics on sabbatical leave from the universities. Exceptional candidates will also be considered to fill the post for a period of 6-months.

The invitation to apply for those vacancies is available at

<http://www.ifrs.org/The+organisation/Vacancies/AcademicFellowEduc.htm>.

The deadline for applications for the 2013 is **29 June 2012**. The deadline for applications for the 2014 position is 1 March 2013.



News on European Accounting Review

Forthcoming articles in the EAR:

The Stewardship Role of Analyst Forecasts, and Discretionary Versus Non-discretionary Accruals, Peter Christensen, Hans Frimor and Florin Şabac

Sooner or Later? - Paradoxical Investment Effects of Capital Gains Taxation under Simultaneous Investment and Abandonment Flexibility, Rainer Niemann and Caren Sureth

Do Joint Audits Improve Audit Quality? Evidence from Voluntary Joint Audits, Mikko Zerni, Elina Haapamäki, Tuukka Järvinen and Lasse Niemi

Do Managers Trade on Public or Private Information? Evidence from Fundamental Valuations, David Veenman

Designing Management Control Systems to Foster Knowledge Transfer in Knowledge-Intensive Firms: A Network-Based Approach, Angelo Ditillo



News on Accounting in Europe

Issue 9(1) appeared in electronic form in time for the EAA congress.

By the end of the year, the **top 10 articles** downloaded in 2011 were as follows:

Brian A. Rutherford: *Accounting Research and Accounting Policy: What Kind of Gap?* Issue 8(2).

Paul André, Anne Cazavan-Jeny, Wolfgang Dick, Chrystelle Richard, Peter Walton: *Fair Value Accounting and the Banking Crisis in 2008: Shooting the Messenger*. Issue 6(1).

Susana Callao, José Ignacio Jarne: *Have IFRS Affected Earnings Management in the European Union?* Issue 7(2).

Andrew Lennard: *Stewardship and the Objectives of Financial Statements: A Comment on IASB's Preliminary Views on an Improved Conceptual Framework for Financial Reporting: The Objective of Financial Reporting and Qualitative Characteristics of Decision-Useful Financial Reporting Information*. Issue 4(1).

Brian Singleton-Green: *The Communication Gap: Why Doesn't Accounting Research Make a Greater Contribution to Debates on Accounting Policy?* Issue 7(2).

Jannis Bischof: *The Effects of IFRS 7 Adoption on Bank Disclosure in Europe*. Issue 6(2).

Lisa Evans, Guenther Gebhardt, Martin Hoogendoorn, Jan Marton, Roberto Di Pietra, Araceli Mora, Frank Thinggard, Petri Vehmanen, Alfred Wagenhofer: *Problems and Opportunities of an International Financial Reporting Standard for Small and Medium-sized Entities. The EAA FRSC's Comment on*

the IASB's Discussion Paper. Issue 2(1).

Peter Fiechter: *Reclassification of Financial Assets under IAS 39: Impact on European Banks' Financial Statements*. Issue 8(1).

Alain Burlaud, Bernard Colasse: *International Accounting Standardisation: Is Politics Back?* Issue 8(1).

Jens Wuestemann, Sonja Kierzek: *Revenue Recognition under IFRS Revisited: Conceptual Models, Current Proposals and Practical Consequences*. Issue 2(1).

A call for the next editor of Accounting in Europe, whose term will begin in 2014, has recently been circulated.

Upcoming EIASM Events

Here are some of the upcoming EIASM events. For a full list, please visit www.eiasm.org.

4th Workshop on Audit Quality, September 27-28, 2012, Santa Margherita Ligure, Italy

8th Interdisciplinary Workshop on "Intangibles, Intellectual Capital & Extra-Financial Information" September 27- 28, 2012, Grenoble, France

6th Workshop on Management and Accounting in Historical Perspective, December 6-7, 2012, Warsaw, Poland

8th Conference on New Directions in Management Accounting Practice and Research, December 12-14, Brussels, Belgium

Call for papers

Regulation and disclosure of executive compensation

European Accounting Review

Guest Editors:

Fabrizio Ferri, Columbia University

Robert F. Goex, University of Fribourg, Switzerland

In an attempt to improve the corporate governance in public firms and to mitigate potential conflicts of interest between shareholders and directors, legislators and regulators all over the world have adopted a wide range of regulatory activities regarding the remuneration of executives in listed firms. For example, the European Commission has issued several recommendations to the Member States of the European Union in order to encourage the implementation of appropriate remuneration policies and compensation practices, more detailed disclosure requirements, as well as a higher level of control for independent directors and shareholders within the pay setting process. More recently, the European Commission has paid particular attention to the pay structures within the financial service sector and its suggested impact on the risk-taking incentives of relevant decision makers in financial institutions. In the United States, new accounting rules for equity-based compensation were introduced in 2004. In 2007, the SEC revamped the rule governing compensation disclosures. In 2008, the US Treasury Department imposed restrictions on executive pay at firms receiving funds under the TARP program. More recently, the Dodd-Frank Act has mandated the adoption of “say on pay” votes, following the example of the United Kingdom and other European countries. Moreover, there are important international differences among the regulatory measures (even within the European Union). The diversity of regulatory approaches makes the analysis of the subject challenging and raises the question how differences in regulatory design affect compensation decisions, accounting and stock performance as well as other economic variables.

This special issue of *European Accounting Review* aims to examine the (potential) consequences of the different regulatory measures and disclosure requirements that have been proposed or adopted in various countries. Appropriate research topics for the special issue include, but are not limited to, the following:

- Relation between detailed compensation disclosure and the intensity of competition
- Impact of detailed remuneration disclosure for individual directors on firms’ compensation decisions and the level of executive pay
- Compliance with compensation disclosure and firm performance
- Economic effects of disclosing information on compensation peer groups, compensation consultants, perks, performance measures and targets.
- Impact of board and compensation committee composition on compensation structure, compensation levels and compensation disclosure
- Consequences of “say on pay” on firms’ compensation practices and disclosures, with emphasis on differential effects across countries
- Impact of limits on the structure and level of compensation on executives’ incentives
- Effects of differential taxation of individual pay components such as a bonus tax
- Relation between compensation structure and risk-taking in financial institutions
- Role of clawbacks and deferred performance pay in compensation contracts
- Impact of regulatory differences on firm performance
- Role of supervisory authorities in regulating pay in financial institutions

- Effect of media coverage, governance rating agencies and proxy advisors on executive pay practices
- Effect of compensation-related regulation on the executive labor market
- Market reactions on the introduction of regulatory changes

EAR is committed to publishing innovative and original work that meets the highest standards of methodological rigor. Emerging scholars are especially encouraged to submit their work (to the Young Scholars Track). EAR welcomes papers regardless of research paradigm or disciplinary foundation. Papers using analytical approaches (both mathematical modeling and qualitative reasoning), experimentation, field study methods, surveys, and empirical-archival methods will be considered.

Papers submitted to this special session will be subject to a double blind review process. Authors are encouraged to contact the guest editors in advance should there be any matters on which they require clarification or guidance (ff2270@columbia.edu or robert.goex@unifr.ch). Authors should submit manuscripts via the ScholarOne manuscript submission site: <http://mc.manuscriptcentral.com/rear>. To assure a timely handling of manuscripts, authors should not submit papers before April 1, 2013.

The final deadline for submissions is August 31, 2013.

There are plans to hold an EAR Symposium on the topic at the 2013 European Accounting Association Annual Meeting in Paris, France.

■ Call for papers

European Accounting Association 2nd Workshop on Writing to Publish in International Accounting Journals

University of Economics, Prague, 7-8 September, 2012

Members of the European Accounting Association are frequently required to publish in highly ranked English language journals to secure tenure and/or to improve their promotion prospects. Employing institutions compete in a global environment that increasingly pursues accreditation and other recognized indicators of perceived quality which are based on, among other things, the research output of their academic staff. As part of its mission, the European Accounting Association aims to support and improve the quality of accounting research undertaken by its members and to improve the chances of its publication and impact.

In response to requests from members, the Association is organizing a workshop on writing and publishing in international journals, initially restricted to members based in Eastern Europe*. The workshop aims to attract participants who wish to enhance their writing skills and publication effectiveness. Although the workshop will prioritize scholars at the early stages of their academic career, the faculty facilitating this workshop is happy to consider other applications from the targeted geographic region.

In order to ensure an interactive workshop, the number of participants is limited to 18.

* Countries targeted by this initiative are Albania, Belarus, Bosnia-Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Macedonia, Moldova, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Turkey, and Ukraine. Although priority will be given to scholars established in these countries, scholars originally from these countries, but currently affiliated with academic institutions in other countries, will also be considered.

Organization of the Workshop

The Workshop will be held in the premises of the University of Economics, Prague, Czech Republic on September 7-8, 2012. It will start on September 7 at 1.30 pm and will finish on September 8 after lunch. The Workshop will consist of faculty presentations on the critical success factors for publishing in international journals. Moreover, experienced Faculty will explore potential research opportunities and contributions arising from institutional uniqueness of Eastern European settings and topics of particular relevance to economic, professional and educational development in the region. These presentations will provide guidance on best practice for writing and publishing, with particular reference to *European Accounting Review* editorial policies, publication process, how to handle the review process, as well as offering insights into common mistakes. Moreover, the workshop will require presentations by participants, addressing the challenges they face when writing and pursuing publication in English language journals. Finally, the workshop will include small group mentoring to improve writing aspects of participants' current research projects.

The European Accounting Association will liaise with the University of Economics at Prague to provide the workshop venue. Furthermore, the European Accounting Association will cover participants' tuition fee for the workshop as well as lunches and refreshments during the workshop. Participants are expected to cover their own transportation and accommodation expenses.

Faculty

Salvador CARMONA. IE Business School (Spain).

Katerina HELLSTRÖM. Stockholm School of Economics (Sweden).

Jiri NOVAK. Charles University in Prague (Czech Republic)

Aljoša VALENTINČIČ. University of Ljubljana (Slovenia)

Local Organizers

Marcela ŽÁROVÁ. University of Economics. Prague

Ladislav MEJZLIK. University of Economics. Prague

Applications

Scholars interested in participating in the Workshop should submit one copy of their résumé to salvador.carmona@ie.edu, the paper they intend to present at the workshop as well as a short statement of how the Workshop could specifically help their work-in-progress. The deadline for submissions is **June 4**, 2012. A decision will be made by July 2, 2012.

Call for papers

8th Interdisciplinary Workshop on “Intangibles, Intellectual Capital & Extra-Financial Information” + School for young European Researchers and Doctoral Students Grenoble, France, 27-28 September, 2012 (Younger Scholars 24-29 September)

Background

For its 8th edition the EIASM Interdisciplinary Workshop on “Intangibles, Intellectual Capital & Extra-Financial Information” takes place, for the first time, in France, in Grenoble. The choice of this location is highly significant, as it sounds in tune with the Alps capital’s positioning in intangible economics, especially through technology-focused initiatives.

The location of the hosting Business School, in the heart of the forthcoming GIANT innovation cluster, as well as its historical management of technology mindset, is an occasion to privilege such an orientation. Patent valuation, industrial innovation, knowledge driven clusters and the financing and treatment of R&D are welcome paper subjects in such a geographical area. But we cannot also ignore the context of the long lasting crisis as another typical feature of our times. Generally seen as drivers for conquest and competitive advantage, intangible assets and intellectual capital might also harbour some defensive virtues, which might help companies and institutions to weather the storm.

Call for papers

According to some scholars, we might even hold, through our pretension to measure the immeasurable, some responsibilities in the growing risky volatility of the last years. Thus, articles questioning not only how we measure, but also why, are especially welcome.

According to the well established spirit of the Workshop and its vibrant scientific community, papers from all management disciplines and methodologies are very positively considered, provided they aim to push forward the boundaries of our understanding of intangibles and intellectual capital issues.

To present a paper authors should submit a max. 2 page abstract by **June 15, 2012**. To be acceptable, proposals **MUST** be submitted only through the EIASM website http://www.eiasm.org/frontoffice/event_announcement.asp?event_id=880 All submissions must be in English.

Venue:

The Workshop will take place at Grenoble Ecole de Management, 12 rue Pierre Sépard, 38003 Grenoble Cedex 01 – France, (just behind the train/bus station) Tel. +33 4 76 70 60 60 - Fax +33 4 76 70 60 99

Program

The event attracts generally an academic audience which ranges between 70 and 120 delegates, with a large presence of young researchers. From 60 to 90 scientific papers are generally presented and discussed. Key note speakers have come from the world of companies, profession and institutions, as well as from academia.

This year, in the 8th edition of the Workshop, we plan to have an Inaugural Plenary Session in the morning of 27 September 2012 devoted to the scientific and institutional advances in France in the field of intangibles measurement and management. In particular, we envisage the presence of important representatives from the Observatoire de l’immatériel (www.observatoire-immateriel.com), French Universities and, possibly, the French Ministry of Economy and Finance.

In the Conclusive Plenary Session to be held on 28 September 2012 in the (early) afternoon we would like to present the views on the topic of Intangibles reporting and measurement and the associated issues and challenges by a relevant Director of the DG Enterprise of the European Commission, a

top corporate manager (Mr. André Gorius, Innovation Excellence Director at Solvay-Rhodia), and a distinguished academic.

Journals

There are also two international journals that have associated a special issue with the Workshop: *Financial Reporting* guest-edited by Professor Stefano Zambon and *Management International* guest-edited by Professors Corinne Bessieux-Ollier, Alain Schatt, Elisabeth Walliser and Daniel Zéghal.

Young Scholars

There will also be the **3rd edition of this School for Young European Researchers and Doctoral Students on "Visualising, Measuring and Managing Intangibles and Intellectual Capital"** in Grenoble **24-29 September 2012**.

The Faculty is composed of *Marco Di Tommaso*, Professor of Industrial Economics, University of Ferrara and China-Italy School of Policy; *Baruch Lev*, Professor of Accounting and Finance, Stern School of Business, New York University; *Giovanni Schiuma*, Associate Professor of Management, University of Basilicata and Cambridge University; *Manfred Schwaiger*, Professor of Marketing at the Institute of Market-Based Management, Ludwig-Maximilians-University (LMU), Munich; *JC Spender*, Professor of Organization Theory and Strategy, ESADE, Barcelona, and Lund University; and *Stefano Zambon*, Professor of Business Economics, University of Ferrara (Coordinator).

For more information see http://www.eiasm.org/frontoffice/eden_announcement.asp?event_id=889.

■ Call for papers

IX Workshop on Empirical Research in Financial Accounting & V Research Forum of the Spanish Journal of Finance and Accounting

Gran Canaria, Spain, 3-5 October, 2012

We are happy to announce that the IX Workshop on Empirical Research in Financial Accounting together with the V Research Forum of the Spanish Journal of Finance and Accounting will take place in Gran Canaria, Spain, 3-5 October 2012.

The aim of the IX Workshop on Empirical Research in Financial Accounting is to discuss high quality papers in all topics related to empirical financial accounting research. All papers are peer reviewed prior to acceptance for the workshop, and there is a discussion of the accepted papers after the presentation by the authors. As in previous editions, we will enjoy the attendance of relevant researchers in the area of financial accounting, acting as main speakers Lakshmanan Shivakumar (London Business School) and Joachim Gassen (Humboldt University, Berlin).

We welcome empirical papers in all areas of Financial Accounting research. Topics include, but are not limited to, the following:

- The introduction of IFRS
- Accounting Information and Valuation Models
- Relation between Accounting Information and Capital Markets
- Information Disclosure
- Intangible Assets
- Accounting Choice and Earnings Management
- Accounting Information and Corporate Governance
- Financial Analysts and Accounting Information
- Auditing
- Accounting Information Systems and Information Technology
- Public Sector Accounting
- Any other contribution to Financial Accounting research will be also very welcome.

As regards the V Research Forum of the Spanish Journal of Finance and Accounting, a selection of papers currently under review in the journal will be presented by their authors and there will be a discussion after their presentation in order to spread and improve the work in progress. This discussion represents an additional review round.

The deadline to submit your paper is June 1st, 2012.

For more information please visit our website:

<http://ixworkshopaccounting.ulpgc.es>
or contact ixwsaccounting@ulpgc.es

The organizing committee

University of Las Palmas de Gran Canaria (Spain)

The Spanish Journal of Finance and Accounting REFC (<http://www.aeca.es/pub/refc/refci.html>)

Registration open

PMI® Research and Education Conference

Limerick, Ireland, 15-18 July, 2012

Registration is now open for the PMI® Research and Education Conference 2012, 15-18 July, Limerick, Ireland, a premier international project management research and education event that brings together scholars, senior practitioners and students of project management and allied disciplines. The conference will provide attendees with opportunities to discuss new project management research findings and teaching methods and to generate ideas that can be applied to project management practice. For more information on this event, please visit the conf. website <http://congresses.pmi.org/ResearchConf2012/>

The conference will feature over 70 sessions that include proffered paper, poster, incubator, symposia presentations and plenary speakers listed below (more speakers to be announced):

Raymond E. Levitt, PhD Director, Collaboratory for Research on Global Projects and Academic Director for Stanford Advanced Project Management Program, Stanford University

Dr. Levitt's presentation, "Toward Project Management 2.0," will address why key assumptions underlying PM 1.0 are frequently not valid, and will describe key elements for evolving PM 2.0 approaches to project management in various industries.

Christoph H. Loch, PhD Director, Cambridge Judge Business School, Cambridge University. Dr. Loch is the winner of the PMI 2011 PMI Research Achievement Award.

His address, "Ensuring Strategic Guidance for Projects," will focus on key challenges of major projects, uncertainty and stakeholder agreement on goals. Dr. Loch will describe strategies for obtaining sufficient project information, setting targets and measuring progress, responding to surprises and motivating team members.

For questions contact Jake Williams at: jake.williams@pmi.org

Call for papers

Accounting Research: Diversity within Unity

Frankfurt/Main, Germany, 14 – 16 February, 2013

Organized by Accounting Section of the German Academic Association for Business Research (AS-VHB) together with the International Association for Accounting Education and Research (IAAER).

Hosted at the office buildings of Ernst & Young, Germany, Frankfurt/Main - Eschborn.

In the aftermath of the financial crisis of 2008, accounting researchers, regulatory accounting bodies, and accountancy organizations all over the world focus on the need to create an augmented awareness and a deepened understanding of how today's business challenges can be addressed. At the same time, accounting research is faced with a broad number of research strands, covering financial as well as managerial accounting and control issues not only with traditional analytical and empirical/archival research methods, but also increasingly with behavioral approaches. With this conference, we aim at bringing together the multitude of research facets within accounting.

Papers are invited on managerial and financial accounting and auditing, including national and international accounting regulation, standard-setting, management control, corporate governance, ethical issues, financial management, risk management, tax accounting, accounting history, accounting education issues, behavioral accounting as well as other related topics in the private and public sector. Authors are invited to submit theoretical as well as empirical and normative papers. Independent reviewers will referee all submitted papers. **Symposia** with distinguished keynote speakers will cover important areas in financial accounting as well as managerial accounting and control, thus bringing together conference participants for vivid discussions and exchanges on the multiple facets of modern accounting research and policy-making.

To be eligible for presentation, **full papers** must be written in English and submitted via our ad hoc paper submission system **no later than September 15, 2012**. Please follow the instructions on the conference website www.rech2013.de. Authors will be notified of acceptance by October 31, 2012. **Best Paper Awards** will be provided for both papers in the financial accounting/auditing and managerial accounting/management control track.

Fast-track review processes will be provided for submissions to selected high-quality accounting journals, i.e., Accounting Education: An international journal, Business Research (BuR), Journal of International Financial Management and Accounting (JIFMA), and Journal of Management Control (JoMaC).

Scientific Committee

Stefan Dierkes
Christina Elschner
Martin Glaum
Robert F. Göx
Thomas Günther
Axel Haller
Frank Hartmann
Bernhard Hirsch
Martin Hoogendoorn
Hans-Jürgen Kirsch
Jennifer Kunz
Edgar Löw
Anne Loft
Teemu Malmi
Stefan Reichelstein
Katherine Schipper
Donna Street
Ann Tarca
Wim van der Stede
Alfred Wagenhofer
Barbara E. Weißenberger (Chairwoman)
Stefano Zambon

Preliminary Program

Thursday, February 14, 2013

14.00 – 14.45 Welcome address

14.45 – 16.15 Symposium 1: Looking Back and Looking Ahead – Future Directions for Financial Accounting (Chair: Hans-Jürgen Kirsch, University of Münster)

16.45 – 18.45 Concurrent session 1

18.45 Welcome reception

Friday, February 15, 2013

09.00 – 10.30 Concurrent session 2

11.00 – 12.30 Symposium 2: Getting Things Done – Research Issues and Directions in Management Accounting and Control (Chair: Thomas Günther, University of Dresden)

14.00 – 15.30 Concurrent session 3

16.00 – 17.30 Symposium 3: Behavioral Theory – A Silver Bullet for Accounting and Auditing Research? (Chair: Bernhard Hirsch, Bundeswehr University München)

19.30 Conference dinner

Saturday, February 16, 2013

09.00 – 10.30 Concurrent session 4

11.00 – 12.30 Symposium 4: Capital-Market Based Accounting Research – What Type of Research Do Capital-Market Participants Need? (Chair: Martin Glaum, University of Gießen)

Conference Fee and Accommodation

The conference fee of € 180 € includes the welcome reception, all lunches/coffee breaks and the conference dinner on February 15, 2013. Doctoral students are entitled to participate in the conference at a reduced fee of 150 €. Selected hotels are available at reduced fees.

For further information, paper submission and registration, please check the conference website on

www.rech2013.de

■ Call for papers

Management Accounting Research Group Conference in association with the Management Control Association

Aston Business School, Birmingham, 15-16 November 2012

This is the first call for the annual MARG / MCA conference, to be held on Thursday 15th and Friday 16th November, 2012 at Aston Business School, Birmingham. Papers are invited that address any area of research and practice into management accounting or management control. Papers addressing the application, or refinement, of management accounting/control processes and techniques in practical settings are encouraged. Academically-oriented papers from practitioners in such settings are especially welcome.

The conference will commence at 10.30am on the first day and will consist of plenary presentations. Presenters will include a number of high profile contributors to the management accounting literature. Speakers at last year's conference included Professors John Burns and Stuart Cooper.

The first day ends with a conference dinner where delegates will have the opportunity to meet and discuss their research interests and practice developments in a relaxed setting. The second day will consist of parallel sessions and may be especially appealing to early career researchers, many of whom may still be completing their PhD.

Full papers (or extended abstracts) should be submitted to the organisers by **17th Sep 2012**. For the plenary presentations preference will be given to full papers.

For queries please contact Alan Lowe: a.d.lowe@aston.ac.uk or Melina Manochin: m.m.manochin@aston.ac.uk

✉ Aston Business School, Aston University, Aston Triangle, Birmingham, B4 7ET.

We gratefully acknowledge funding from the ICAEW's charitable trusts that enables us to offer a **limited number of free of charge places for doctoral students** who have papers accepted for presentation at the conference.

To other presenters who have papers accepted: free of charge places include conference attendance, refreshments, lunches and conference dinner. However, accommodation is **not included** and presenters will be required to pay for accommodation should they wish to use this facility. The support of the Management Control Association is gratefully acknowledged.

Delegates who are not presenting will be required to pay a conference registration fee of £99. This will include lunch on both days, refreshments and conference dinner. This fee does not include accommodation.

Call for papers

7th Asian Pacific Interdisciplinary Research in Accounting Conference (APIRA)

KOBE, Japan, 26-28 July, 2013

KOBE 26-28 July 2013 & APIRA 2013 Emerging Scholars' Colloquium (25 July 2013) is organised in association with Accounting, Auditing & Accountability Journal.

The triennial APIRA conference now moves to the "City of Port" Kobe, following on from its predecessors in Sydney (1995), Osaka (1998), Adelaide (2001), Singapore (2004), Auckland (2007) and Sydney (2010).

APIRA is the premier interdisciplinary accounting research conference in the Asia-Pacific region, rotating in a three year cycle with the Interdisciplinary Perspectives on Accounting conference (IPA 2012, Cardiff, UK) and the Critical Perspectives on Accounting conference (CPA 2011, Florida, USA). Together, these conferences provide an

international forum and showcase for research on the social, political, and institutional aspects of accounting theory and practice.

APIRA 2013 will be held at the Kobe Convention Center in Kobe, Japan.

The conference's plenary speakers will include:

- Professor Jeffrey Unerman (University of London, Royal Holloway, UK)
- Professor David Cooper (University of Alberta, Canada)
- Professor Garry Carnegie (RMIT University, Australia)
- Professor Takahiro Fujimoto (University of Tokyo, Japan)
- Professor Liyang Wang (Peking University, China)

Deadline for electronic submission of papers (only full papers considered for refereeing) is **31 January 2013**. Submissions must be made through the submissions form page (will be available after November 5, 2012).

For full conference and colloquium details, access the APIRA 2013 website now: <http://www.apira2013.org/>

For further enquiries, please contact: info@mail.apira2013.org

Conference Chair: Professor Katsuhiko Kokubu, Kobe University

Scientific Committee Chair: Professor Norio Sawabe, Kyoto University

IT Committee Chair: Professor Manabu Sakaue, Hosei University

■ Call for papers

Special issue on Cooperatives: a mode of governance and accountability for a better world?

Journal of Accounting & Organizational Change

2012 was declared by the United Nations Organisation international year for cooperatives. Cooperatives are celebrated because of their contribution to eradicating poverty, creating employment and allowing for social cohesion. Today, the cooperative world counts on 800 million members, employs 100 million workers in 96 countries worldwide and aids 150 million people. As voluntary and autonomous organisations, cooperatives are mostly active in the development of local communities. For all these reasons, the United Nations is appealing to the international community to recognise, promote and foster the growth of this important segment of our society.

A cooperative is viewed as a private sector company owned by its stakeholders, e.g. employees, suppliers, customers. Therefore like most companies, stakeholders have a vested interest in decision making, be they creditors seeking loan assurances or profit-motivated shareholders. However despite the economic importance of cooperatives, industry commentators have noted a dramatic lack of understanding of the conceptual and theoretical foundations of cooperative practices. Cooperative research attracted some attention in the 1970s but academic interest has since dwindled. At a time when financial capitalism is called into question and calls for more humane capitalism are articulated, it seems more than appropriate to provide citizens, political and economic leaders as well as actors from the cooperative world with concepts and theoretical frameworks that enable understanding, modelling and dissemination of cooperative practices.

This special issue welcomes submissions aimed at providing conceptual and theoretical insights into the specificities of cooperatives as well as functional understandings that can be translated from the cooperative world to the

public, not-for-profit and private sectors. The special issue welcomes papers with a theoretical contribution to the modelling and understanding of cooperatives and or accounting, covering the following issues.

1. Cooperatives as a credible alternative perspective on capitalism

- a. Cooperatives, capital and profit
- b. Cooperatives, new forms of accountability and governance
- c. Cooperatives, controls, hierarchy and management
- d. Cooperatives, labour and professional identity

2. Cooperatives and their contribution to a better world

- e. Cooperatives and accountability for social cohesion
- f. Cooperatives and accountability for company's perennial grant
- g. Cooperatives and accountability for local development

These themes are only indicative. Papers on other themes associated with cooperatives with relevance to understanding of accounting, accountability, controls and the functioning of organisations are welcomed. **Deadline for submissions is 31 March 2013.** Authors will be notified by 1 July 2013 on the acceptance or rejection of their manuscripts. Deadline for final revisions (where needed) will be 31 December 2013. Accepted papers will be published in 2015. Enquiries for this special issue should be sent to Dr. Vassili Joannidès. Manuscripts must be submitted via online using the submission site at <http://mc.manuscriptcentral.com/jaoc>. Authors intending to submit a paper should contact the guest editors via email before 30 October 2012.

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Report on the
EAA Doctoral Colloquium and 35th Annual Congress
 Bled, Slovenia, 5-8 May 2012 and Ljubljana, 9-11 May 2012



In May 2012 European Accounting Association Doctoral Colloquium as well as the Annual Congress were hosted by Slovenia. As a doctoral student I had a unique opportunity to participate in both of them.

The Doctoral Colloquium was held in Bled, the scenic corner of Slovenia, situated on the bank of the Lake Bled, approximately 50 km north from Ljubljana. There were a total of 36 doctoral students presenting their research projects in four concurrent tracks. Due to the additional track there was a space for nine more doctoral students as compared to prior years. The sections were classified by the topic: Financial Reporting Research, Financial Analysis Research, Management Accounting Research and Social & Organizational Accounting Research. Prof. Jan Mouritsen and Prof. William Rees served as co-chairs of the Doctoral Colloquium. Apart from the co-chairs, the Faculty consisted of ten worldwide-known academics, including professors Chris Chapman, Beatriz Garcia Osma, Joachim Gassen, Wayne Landsman, Frank

Moers, Fabrizio Panozzo, Peter Pope, Keith Robson, Cathy Shakespeare, and Michael Shields.

A huge amount of time was devoted to doctoral students' presentations: each of them lasted for one hour and 15 minutes. One might think: what to discuss about my research during such a long time? Yet, in the course of the Colloquium this question was not relevant. The presentation time elapsed quickly and often was not enough. The discussions were critical, but constructive and extremely useful, often making us, doctoral students, to think about own research from the different perspective. From my experience, this was a more in-depth feedback and the research guidance as compared to other research seminars I attended before, and I am especially thankful to prof. Cathy Shakespeare, prof. Wayne Landsman and prof. Joachim Gassen for commenting my research project. I also learnt a lot by listening to other students' presentations and to Faculty's comments.

Each of the three days of the Colloquium ended with the plenary sessions. On the first day prof. Chris Chapman held a speech about the practical relevance of the accounting research. The second plenary session given by prof. Joachim Gassen was about the importance of addressing causality in the accounting research. The final day and the whole Doctoral Colloquium Program was concluded with the discussion by the Editorial panel, consisting of prof. Chris Chapman and prof. Peter Pope, on how to publish in scientific journals.

The Colloquium was not only about formal presentations. The more informal communication continued during the lunch and dinner time, as well as during jogging and walking around the lake. In the evenings participants got together in the downtown.

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Report on the EAA Doctoral Colloquium (cont'd)

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At the end of the Colloquium the Faculty nominated two doctoral students to represent European Accounting Association in the doctoral colloquiums in Australia and in the United States. Delphine Gibassier (HEC School of Management Paris) was selected to be a European ambassador in the Australian Doctoral Colloquium. Congratulations to her! The other nominate to represent Europe in the American Accounting Association Doctoral Consortium was me. Frankly speaking, I am very excited to participate in this event and thankful to the Doctoral Colloquium Faculty for providing me with this opportunity!

Another news announced at the end of the Colloquium was that Prof. Jan Mouritsen steps down from the chairmanship of the Doctoral Colloquium after serving for several years. We are grateful to him for being in this role and for his dedication to the research!

After the Doctoral Colloquium all the participants headed to Ljubljana in order to attend the main EAA Congress. Some of the doctoral students also presented their papers there and for those the excitement lasted for several more days. The presentations in the main congress were however easier after a rehearsal at the Doctoral Colloquium.

A total of 670 papers were presented in the EAA Annual Meeting at the University of Ljubljana. In the course of the Congress several topics were discussed especially vividly. For example, despite the official passage of the financial crisis, banking-industry related topics together with fair value accounting received a considerable attention in the financial accounting sessions. Many papers in management accounting sessions were related to the idea of thinking about management control systems as a package rather than as separate systems. Additionally, research interest increased towards sustainability accounting. Congress participants were also discussing a lot issues related to the diversity of accounting research and journal rankings.

During the EAA Congress socializing went on. Despite different nationalities, we, researchers, have much in common. It was therefore interesting to talk both about the research and about everyday life, and our jokes were understandable to each other. I think that most of the researchers are very enthusiastic about their work, therefore topics to discuss did not run out quickly.

Finally, I would like to mention a couple of words about the congress venue. First, the organization of the Congress was excellent. Second, in my opinion, Slovenia is underestimated as a tourist destination. Ljubljana is built in the style of other Central European capitals, yet has a spirit of its own. Slovenia has a unique natural diversity, varying from snowy Alps to sea resorts within a relatively small territory. And of course, Slovenian people are very friendly and hospitable. I truly would like to return to this country once again!

Last but not least, I would like to recommend to all doctoral students to apply for the EAA Annual Congress and especially for the EAA Doctoral Colloquium in the future. Not only gives participation in these events the constructive feedback on own dissertation projects, but also something more – inspiration to conduct the research and feeling oneself a part of the bigger international research community.

*Anna Elsilä
Ph.D. Student
University of Oulu*

■ Report on the
EAA Annual Congress: “Don’t trust the title”
 University of Ljubljana, 8-11 May 2012

As a recently started doctoral student I had a chance to attend the 35th Annual Congress of EAA. This year the event was held in Ljubljana, the beautiful and sunny capital of Slovenia. It was my very first visit to an international congress in accounting so you can only imagine my enthusiasm.

As a beginner I thought the most important thing for me was to get as much experience as possible. But how could I take the most out of the congress in just three days? That’s when it hit me. Why not ask someone who’s done it before! Here are some good advice and interesting thoughts I collected during my visit.

“Meet as many people as you can and enjoy yourself.” The former president of EAA and an outstanding dancer professor Aileen Pierce’s advice are something that I heard quite often from other congress visitors as well. The advice sound attractive and perhaps even obvious, but I must say, for a congress novice they weren’t always that easy to follow. How to start an intelligent conversation with all these smart professors and doctors? I admit it takes some courage to approach new people. What I soon found out was that the people in the congress were extremely friendly and open to new ac-

quaintances. Actually, surprisingly many seemed to be happy to share their thoughts with a younger researcher. I also found out that it was easier to follow Aileen’s advice after I had a couple of questions or opening lines ready in my mind.

“Don’t hang around (only) with the Finns.” This slightly provocative idea came from the Finnish professor Seppo Ikäheimo. It doesn’t mean that the active group of Finnish congress visitors should be avoided at any cost by everyone. Even though congresses seem to often be the best places to meet our dear colleagues from home, we should occasionally expose ourselves to colleagues from other countries as well.

“Don’t trust the title.” This very practical piece of advice I received from professor Peter Walton. The EAA Annual Congress is a huge happening; there are lots of interesting presentations to be heard. According to professor Walton, one shouldn’t go after a presentation just because it has a promising title. There is a serious risk of getting disappointed. You should at least read the abstract. Because of the enormity of the event, research presenters should also be prepared for an audience of abstract readers only. A

friendly Norwegian professor Erlend Kvaal told me that it often the process of preparing the presentation that helps to develop one’s research further. Since there is only a limited time for presentation, one really has to crystallize the main ideas. Good preparation helps to clear one’s thoughts and possibly reveals the weaknesses of the research.



City view

“Enjoy the wine.” When attending the welcome reception at the impressive Ljubljana castle I had a chance to briefly shake hands the AOS Associate Editor, professor Michael Shields. Yes, he’s one of the “rock stars of the industry” and me – just plain nervous. Perhaps it was just because of my nervousness why he gave me a friendly grin and encouraged me to enjoy the local wine. Back home, in the spirit of qualitative research and a constructivist worldview, I reflected professor Shield’s advice over and over again. I realized that wine was actually something very typical of the Slovenian culture. That’s it! One should explore different places outside the hotel room whenever possible and enjoy the various cultural delights that the many EAA congress venues have to offer. I must admit the Slovenian congress organizers succeeded with their cultural offerings beautifully. And I don’t mean just the wine.



Prof. Lisa Evans, Accounting in Europe Editor, Johanna Rämö, and Prof. Peter Walton

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Report on the EAA Annual Congress (cont'd)

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Left: Prof. Stephen Zeff encouraged Johanna, among other young researchers, to spend a year abroad.

Above: Aldonio Ferreira, Simon Čadež, Johanna, and Hanna Silvola

Many people told me that the EAA Annual Congress is an excellent place to get the overall picture of what's going on in different research areas at the moment. The hot topics, so to say. Professor Jan Mouritsen advised me that this congress is also a good place to find out what kind of research one's interested in. As a first timer I sensed that the question of how to maintain enough research diversity under the pressure of journal rankings seemed to be a current puzzle for many researchers. Quite a few told me that one of the thrills of the EAA Annual Congress is the rare opportunity to explore something unexpected and totally different from one's own subject area. Enough versatility in the research topics and methods seems to be of great value.

Looks like the EAA Annual Congress is the event to attend year after year; to meet colleagues and get inspired by the intelligent atmosphere. Just like professor Stefano Zambon who has been a regular attendee since 1988. What a track record for us beginners to catch up!

Many thanks to all of you I had a chance to meet at the EAA Annual Congress in Ljubljana this year! Since I have a vast collection of friendly faces without names in my head, I'm sorry can't thank you all individually. Special thanks for support and advice go to professors Aileen Pierce, Seppo Ikäheimo, Peter Walton, Lisa Evans, Erlend Kvaal, Michael Shields, Jan Mouritsen and Stefano Zambon.

I'm also very thankful for the inspiring conversations with professors Stephen Zeff, Teemu Malmi and Lasse Niemi along with Aldonio Ferreira, Silvia Jordan, Simon Čadež, David Bedford, Jani Taipaleenmäki and Mikko Sandelin. My instructor and mentor, professor Kari Lukka, I thank for encouraging me to attend the congress. And the last but definitely not the least, thanks Hanna!

Johanna Rämö

*A Finnish 1st year doctoral student
from Turku School of Economics.*

■ European traditions in accounting

Accounting tradition in Romania: Challenges and opportunities in a changing environment

Cătălin Nicolae Albu and Nadia Albu



With a population of around 20 million inhabitants, Romania is the seventh largest member of the European Union, and has the largest GDP in South Eastern Europe. A number of fundamental changes occurred in Romania over a relatively short space of time. Therefore, Romania is an interesting case to discuss the process of change, starting from the economic and political level, and continuing with accounting regulation and practice. Accounting education and research had to keep the pace with these changes and reinvent in order to respond to the challenges of each period of time.

Evolution and change of the country's accounting model

The pre-communist period

Beginning with the 16th century, Romanian territories were under the influence of the Great Powers, i.e. the Ottoman, the Habsburg and the Tsarist Empires. The Romanian territories' struggle for independence, the combats and the conflicts resulted in a late economic development, despite a very favorable position for commerce (the Romanian territories being a bridge between Central Europe and the Far East). Independence was gained only in 1877, and the first strong signs of economic development became visible. Accounting developments were in line with the economic and political ones. The first accounting books in Romanian were written in the late 1830s, as translations from German,

French or Italian, and the first original book of a Romanian author (Theodor Ștefănescu) was published in 1873. Accounting education also developed in the same period.

Advancements were more obvious after 1918, when the modern Romania was created by the unification of the Romanian provinces. The increasing role of accounting, the prior knowledge accumulation and the country's economic development permitted the progress of accounting practice and theorization. **This is the time of refinements, personal contributions, and scientific debates.**

In 1908, the first Romanian accounting journal was created – General Journal of Commerce and Accounting (ro. *Revista Generală de Comerț și Contabilitate*); in 1913 the Academy of High Commercial and Industrial Studies (ro. *Academia de Inalte Studii Comerciale și Industriale*, the current Bucharest Academy of Economic Studies, ro. *Academia de Studii Economice din București*) was established in Bucharest, while the Body of Chartered Certified Accountants and Authorized Accountants of Romania (ro. *Corpul Contabililor Autorizați și Experți*, the current Body of Expert and Licensed Accountants of Romania, ro. *Corpul Experților Contabili și Contabililor Autorizați din România - CECCAR*) was established in 1921. In 1940 discussions on the topic of accounting regulation emerged, the plan being to have a strong orientation towards the chart of accounts (as developed by Schmalenbach). But these developments were not continued, and the regulation of accounting was a plan never finalized under the intended conditions.

The communist period

After the Second World War, Romania entered the Soviet Union's influence,

which led to the switch to a planned and centralized economy. The theoretical and methodological basis was the "Soviet experience", and Soviet accounting books were translated into Romanian. Under the communist regime, a form of Soviet accounting was introduced, in which prices were regulated by the State, and accounting was merely a means for gathering information by and for the State. CECCAR was dismantled in 1951, and 'undesirable' academics were removed from their chairs.

Consequently, for 40 years **during communism Romanian accounting had a low status and was largely a matter of clerical bookkeeping.** As regards accounting research and education, the Soviet experience had to be followed, and little room remained to develop the pre-communist legacy.

The post-communist period

After the fall of communism in December 1989, Romania underwent a number of dramatic economic and accounting reforms that better reflected western business principles. Until today the Ministry of Public Finances remains the accounting regulator. In terms of accounting (financial reporting) model, there were three main steps in the accounting reform.

The first step of reform was based on **the French accounting model**, given the historical, economic, political and cultural considerations. The French model revived some concepts and theories used in Romania before the communism. For example, Romania, like other European continental countries, had a tradition of using the *patrimonial* (from the fr. *patrimoine*) view in accounting.

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Accounting tradition in Romania (cont'd)

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However, the economic problems after 1990 led Romania to consider applying for and ultimately secure several agreements with the World Bank and International Monetary Fund. As a prerequisite of these agreements, IASs were adopted starting 1999 for all large entities. This second wave of reform was carried out under the auspices of the British Know How Fund, and therefore it is called **the Anglo-Saxon influence** on the Romanian model. The IASs and the then existing IASC's Framework (with a few carve outs such as consolidation and inflation accounting) were translated and included in the national regulations, along with a chart of accounts and other provisions in line with the European Directives. The empirical research conducted regarding that period found a reduced level of IASs application in practice. IASs' complexity, the importance of taxation or the lack of demanding users were the main explanations for this state of affairs. For example, Bucharest Stock Exchange was established in 1995, had and still has a relatively small number of listed entities. The small and medium sized entities benefited from simplified regulations, in line with the European Directives.

In 2005, in order to prepare the EU membership, new accounting regulations were issued. This third step of the accounting reform represented **the enactment of the European Directives**. Currently IFRSs are mandatory for listed entities in consolidated financial statements and financial institutions (starting 2012, banks use only IFRSs and some other public entities are required to prepare a second set of financial statements under IFRS).

Accounting profession

Dismantled by the communist regime very quickly, **CECCAR** was recreated immediately after 1990, and has today more than 55,000 members. Also as a

request of the International Monetary Fund and of the World Bank, the Chamber of Financial Auditors of Romania (ro. Camera Auditorilor Financiari din România - **CAFR**) was established in 1999, this professional body having today over 2,500 individual members and 800 firm members. Both professional bodies are IFAC members.

Besides these national professional bodies, a significant role is played by the **ACCA** (Association of Chartered Certified Accountants). By entering the Romanian market in the early 1990s and by promoting a strong education curriculum, ACCA is regarded as providing a high level qualification. Very recently, two other international bodies, **ICAEW** and **CIMA** entered the Romanian market, but despite their international recognition, the local market is more familiarized with the ACCA qualification.

A significant role in the accounting profession is played by the **big accounting firms**, which contributed with knowledge and resources to facing the challenges of the accounting reforms, especially concerning IFRS application. While the professional bodies had and continue to have a close relationship with academia, there seems to be a certain gap between practice and academic research. However, recent improvements have been made, such as for example the KPMG Romania Professorship program started in 2011, and various collaborations regarding students' internships and training exist.

The accounting profession was negatively influenced by the communist inheritance, in terms of a low status and inadequate competencies for a market economy. There still is a shortage of skilled labor, and in terms of roles and competencies there seems to be a slow movement from bookkeeping towards consultant and business analyst. **The profession is emergent and continuously changing**, and clear correlations between job title, respon-

sibilities, required experience or training, remuneration, size of the entity cannot be established.

Accounting education and research

Accounting education

Accounting education is delivered in Romania in more than 35 universities, of which the most prestigious are the public ones. A Romanian Accounting Association was created in 1994, but it is not active and therefore the community of accounting educators and researchers is not well connected. We estimate that there are over 350 accounting academics affiliated with Romanian higher education institutions, working in accounting or finance departments.

The Bucharest Academy of Economic Studies (ASE) is the largest Romanian university providing education in economics, with around 26,000 students. ASE is also recognized as a leader in the accounting education and research, the World Bank considering that the accreditation of the Faculty of Accounting and Management Information Systems by the ACCA is an example to follow for other Romanian universities.

Academia

The **academic hierarchy** in Romania traditionally comprises five positions: junior assistant, assistant, lecturer, associate professor, and full professor. Promotion criteria are established by the Ministry of Education, Research, Youth and Sports, and the associate professor and professor positions are also validated by the Ministry. These criteria are also used by universities for internal evaluation, usually with very small differences. Academics must be evaluated at least once every five years against the criteria in use at that time for the position they occupy.

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Accounting tradition in Romania (cont'd)

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For this internal evaluation, especially in the last years, the criteria used are a little bit easier than those issued by the Ministry (compensations can be made for some of the requirements). Faculty members have to fulfill both research and teaching criteria, because for the time being there is no separation between teaching and researching positions. Usually accounting academics remain and promote in the same university they graduated from (which is common across all the fields of education in our country).

For 10 or 15 years after the fall of communism in 1989, the role of accounting academics was especially to write books and prepare teaching materials in order to keep the pace with the rapid changes in the business environment and in the accounting regulations. The orientation was towards introducing new accounting techniques and ideas (such as the substance over form principle, IAS/IFRS, Activity-Based Costing, Balanced Scorecard etc.). In that period, evaluation criteria were based on the teaching activity and the number of books and papers (irrespective of the type of journal).

Only starting 2005 attention started to be paid to the **ranking of universities and journals**. A national journal ranking was proposed, including only Romanian journals and without making differences between domains. The criteria used for classification were quantitative and referred to the databases in which the journals were abstracted or indexed. The most prestigious journals are considered those listed ISI (Thomson Reuters Web of Knowledge).

In 2011 a new set of promotion criteria was established. In accordance with these criteria, Romanian academics are required to publish in ISI journals with a relative influence score greater than 0.25 (which is more restrictive than the journal's impact factor). Qualifying

accounting journals are, according to the list used in Romania, Abacus, Accounting Organizations and Society, Accounting Review, Auditing - A Journal of Practice & Theory, Contemporary Accounting Research, Journal of Accounting and Economics, Journal of Accounting Research, Journal of Business Finance and Accounting, and Review of Accounting Studies. To date, no accounting academic affiliated with a Romanian university published in one of these journals.

Timid developments in terms of international publications are made, and the efforts will eventually pay off but over a longer period of time. The drastic change in orientation from writing books and publishing in professional journals to getting published in international top journals demotivated most Romanian accounting academics, especially that various ways to fulfill these quantitative criteria can be found on the short run.

Research methodology became a part of the doctoral studies only for the last decade, and had a general character. **The changes in the promotion criteria** and the quantitative approach did not recompense the commitment of accounting academics to improve their research skills. For example, the evaluation system encouraged participation at conferences publishing conference proceedings, eventually with ISBN number (similar to the case of other countries in the region). This could be an explanation for the still reduced (although increasing) number of Romanian academics attending the annual congress of the European Accounting Association or other prestigious international accounting conferences worldwide. Also, the system did not require the publication of papers in accounting journals, and did not encourage increasing the international visibility within the field. As a consequence, to date there is a reduced number of papers published by Romania-based authors in international accounting journals.

Under these circumstances, most accounting publications are still mainly theoretical and descriptive, with empirical research starting to be developed over the last years. Besides the difficulties in gathering data for research (lack of databases with financial data, reluctance of practitioners to answer questions or to provide data), there is a pressure for quick publication and a quantitative approach in evaluating research (based on number of papers, not on research quality), which demotivates most researchers to engage in thorough research projects.

There is only one Romanian academic journal dedicated to the field of accounting ("Journal of Accounting and Management Information Systems", published by the ASE), but the current journal ranking system or evaluation criteria do not distinguish between academic or professional journals or between domains. Therefore, many publications of accounting academics occur in generalist journals or even in journals outside the economic domain. On the other hand, the changes in accounting and in the economic environment provide a lot of research opportunities. Little is known in the international literature about the case of Romania, and besides this need to produce research results with international visibility, the business environment might benefit from the results of more practice oriented research.

Opportunities and challenges for the future

The initiatives to improve the current system include a sustained effort of Romanian accounting academics over the last years to attract international scholars and to **create the conditions for improving the research skills of Romanian academics**.

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Accounting tradition in Romania (cont'd)

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Internationally renowned accounting researchers regularly attend accounting conferences organized in Bucharest by the ASE (the International Conference on Accounting and Management Information Systems, organized annually, already at the 7th edition in 2012) and in Cluj-Napoca by the Faculty of Economics and Business Administration of the Babeş-Bolyai University of Cluj-Napoca (Accounting and Audit Convergence Convention, organized every other year).

A major support for the International Conference on Accounting and Management Information Systems is provided by the International Association for Accounting Education and Research (IAAER), ACCA, IFRS Foundation and KPMG, in terms of organizing or sponsoring IFRS teaching sessions and paper development workshops in conjunction with the last 4 editions of the conference.

Professor Donna Street (University of Dayton, former President of IAAER and currently its Director of Research and Educational Activities), with assistance from the ACCA, played the leading role in these events by launching a program to enhance the research and teaching skills of scholars in emerging economies, one of the centers chosen to implement this program being Bucharest. These efforts are presented in an ACCA's magazine as "**sowing the seeds**", with potential high long term benefits, also based on the perpetuation of the circle of knowledge and research.

Given the fact the academics' behavior is a direct result of evaluation criteria, a **major reform is needed**, with long term objectives and stable and fair criteria. Decisions in these areas are to be made at the university level, but also at the national level (Ministry of Education and other institutions managing the research funds). The current



Bucharest Academy of Economic Studies

challenges involve the adjustment of promotion criteria into ones that would stimulate long-term performance, the development of internal evaluation criteria, the separation between teaching and research positions (with separate evaluation criteria) and the encouragement of increasing international visibility in the accounting domain, but also the relevance for accounting practice.

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