

## ROMANIAN DOCTORAL RESEARCH – PERSPECTIVES ON INTERNATIONAL ACCOUNTING HARMONIZATION

**Raluca Valeria Rațiu**

**Adriana Tiron Tudor**

Babes Bolyai University, Economics and Business Administration Faculty,  
Cluj-Napoca

(Received May 2014; accepted August 2014)

### **Abstract**

The purpose of this study is to analyze the interest of Romanian accounting doctoral researchers regarding the process of international accounting harmonization. We analyzed the research outcomes, doctoral dissertations, with the subtopic on international harmonization for the period 2000-2010, from the most important Romanians research and doctoral schools of accounting. The results of our quantitative study confirm our hypothesis, showing that there is an increasing trend concerning the interest in accounting harmonization, and the results of our qualitative study confirm our second hypothesis showing that the research topics represent sensitive issues of the accounting harmonization process.

Our findings conclude that the Romanian accounting research environment is in line with the international accounting research environment on the topic of accounting harmonization and its subtopics.

**Key words:** accounting research, doctoral dissertations, international harmonization, Romanian researchers

**J.E.L. Code:** M41

### **1. Introduction**

Accounting harmonization by IFRS adoption is one of the most debated issues in the latest accounting literature (Haller, 2002; Francis et al., 2008) and the opportunities for conducting international accounting research are many and growing ( Diaconu and Coman, 2008).

An important role in accounting harmonization is played by accounting research because the outcome it offers has the power to explain and predict the process evolution and to facilitate the adoption process. Brown (1996) emphasizes the importance of influential accounting researchers, Ph.D. granting institutions, and faculties on topics and methodologies selected for publication in top research journals. These influences help define what subjects and research methods will be employed by those entering academia, and thus doctoral dissertations.

The scope of the paper is to analyze the interest of Romanian accounting doctoral researchers regarding the process of international accounting harmonization. While European countries are moving to harmonize their accounting standards with IFRS, research is needed to provide updated assessments of convergence and impediments to its progress (Larson&Street, 2004).

There are several reasons for choosing this topic for our study. The first reason is that Romania is a country with a transition economy and as Albu et al. (2010) mention, Romania is an interesting case study of the process of accounting change, in our particular interest the harmonization with international accounting standards. Romania has been one of the Eastern European countries which have undergone significant barriers and difficulties with regard to the political, social and the economic environment when they changed from a centralized national system to a decentralized one. Accounting harmonization application became a real challenge especially in those countries where accounting culture is still going through its development stage as is the case of Romania (Mutiu, 2010).

The second reason is that in Romania, due to the existing transitional economy, there is a need to build research capacities and one significant element with future impact is considered to be researches developed by PhD students.

Doctoral education is a major priority of a university. It forms the first phase of young researchers' careers and is thus central to the drive to create a Europe of knowledge, as "more researchers need to be trained than ever before if the ambitious objectives concerning enhanced research capacity, innovation and economic growth are to be met" (Winckler, 2008).

An initiative to support research teams in transitional economies to build research capacities has been launched by IAAER (the International Association for Accounting Education and Research) and ACCA (the Association of Chartered Certified Accountants). Addressing the program, Professor Barry Cooper – Chair of the ACCA Research Committee – said, "These initiatives are making a real difference. The IAAER/ACCA consortia and seed grant programs are actively supporting the development of early career researchers, as well as the future development of the profession. We are already beginning to see concrete results such as papers presented during IAAER/ACCA consortia evolving into publications in internationally recognised journals" (Cooper, 2010, ACCA IAAER inaugural speech). As coordinator of the IAAER/ACCA consortia and seed grant programs, IAAER President Professor Donna Street, believes "providing early career accounting researchers in transitional economies the opportunity to develop and build their research and teaching skills capacity is vital" (Street, 2010).

Motivated by the status-quo presented above, we conduct the first study in Romania which analyses at a quantitative and a qualitative level, doctoral dissertations for a period of ten years.

We have structured the remainder of the paper as follows: in the second part of the paper we present the literature review, the third part comprises the methodology used, the fourth part presents the findings and the last part is focused on the conclusions.

## **2. Literature Review**

Big challenges for accounting research are identified for the next period, taking in consideration the global need of harmonization in accounting. Some of them, linked with the main topic of international accounting harmonization were

frequently debated in the last period by top researches. Our study is aimed at quantifying how much Romanian doctoral research follows the international trend. The research based on IFRS implementation and accounting harmonization has pro and con supporter groups which rank IFRS on a scale that is highly controverted. To a certain point, Ball (2006) places himself on the pro side and concludes that "extraordinary success has been achieved in developing a comprehensive set of 'high quality' IFRS standards, in persuading almost 100 countries to adopt them, and in obtaining convergence in standards with important non-adopters (notably, the US)". But Ball also identifies major problems with the current fascination of the IASB (and the FASB) especially where 'fair value accounting' is concerned. Schipper (2005) considers there are several implementation effects associated with the mandated adoption of IFRS promulgated by the IASB in the European Union. She underlines a possible increase in demand for detailed implementation guidance and for a single European securities regulator. Schipper (2005) also discusses the research setting that considers the relative influences of standards versus incentives as determinants of financial reporting outcomes, and describes two standard setting challenges that may become more pronounced.

Economic consequences of mandatory International Financial Reporting Standards (IFRS) reporting around the world were examined by Daske et al. (2008). They analyse the effects on market liquidity, cost of capital, and Tobin's  $q$  in 26 countries using a large sample of firms that are mandated to adopt IFRS. Their results show that, on average, market liquidity increases around the time of the introduction of the IFRS system.

A broad consensus in accounting favours principles over rules to guide creation of a uniform high-quality set of standards to be used everywhere, and granting monopoly power to a single body for this purpose. If implemented into policy, this consensus will discourage the discovery and evolution toward better methods of financial reporting; will make it difficult to conduct comparative studies of the consequences of using alternative methods of accounting; will promote substitution of analysis and thinking by rote learning in accounting classes; will help discourage talented youth from collegiate programs in accounting; and will probably endanger the place of accounting discipline in university curricula. Because the presumed benefits in the form of increased comparability of financial reports internationally or stateside are unlikely to be realized, the wisdom of undertaking these burdens remains questionable. This argument calls for a re-examination of the accounting consensus, according to Sunder (2009).

Taking into consideration primary that IFRS became mandatory in European Union countries for listed companies and secondly that listed companies are in general multinationals, the concept of transferability across cultures becomes a research subject for accounting harmonization researchers.

Analysing cross-cultural accounting studies, Patel (2004) contributes to cross-cultural research by identifying the theoretical and methodological strengths and weaknesses of selected previous research related to accountants' values and judgments. The objective of the study is to inform and guide both the theoretical

specification and treatment of culture and its operations and methodology. It is argued that enhancement in the quality of cross-cultural research in accounting can be accomplished by providing greater insight into the depth, richness and complexity of cultural and cultural similarities and differences between and across nations by complementing the quantified dimensional based cultural measures with relevant historical, sociological and psychological literature. Methodological recommendations include the need to establish content equivalence in the accounting constructs or issues being examined, the potential influence of non-controlled contingency variables, such as differences in organizational cultures and socialization processes across firms being compared, and the importance of measuring and controlling any social desirability response bias.

Transferability concept was applied also to true and fair view by Albu et al. (2010) in their study concerning the case of Romania.

State governance, or the role of the State, is another topic which has been discussed in the academic researches. The first forms of state interventions in accounting regulations were mentioned in "Colbert period" of Louis XIV's reign, 1661–1683. This was a significant period of innovation for private enterprise accounting, and for a range of practices of government.

Twenty years ago, Miller (2010), observed these issue which are meant to demonstrate the importance of examining the interrelations of accounting and the state. There has been little explicit attention regarding the ways of thinking about the nature of the linkages themselves, and the concepts that might be used to analyze them. Approaches that rely on an implied exteriority between accounting and the state are argued to neglect these interrelations. The theoretical limitations of "functional" and "external factor" approaches are discussed as a way of highlighting the importance of these issues. A framework is proposed that differs from these models. This focuses on linkages and interdependencies between the practices and rationales of accounting on the one hand, and the state defined as a loosely assembled complex of rationales and practices of government on the other. The theoretical framework suggested centres on a distinction between two aspects of the governance of the States. Firstly, the programmatic and abstract field or rationales, statements and claims that set out the objects and objectives of government, and that is termed "political rationalities". Secondly, the range of calculations, procedures and tools that materialize and visualize processes and activities, and that is termed "technologies" (Miller, 1990).

About the governance of the State in accounting regulation, Daske et al. (2008) show that the capital-market benefits occur *only* in countries where firms have incentives to be transparent and where legal enforcement is strong. This shows the central importance of firms' reporting incentives and countries' enforcement regimes for the quality of financial reporting.

In times of disorder it seems that state intervention may be avoided or minimized, through intensified debate and the formulation of accounting norms. When a messenger exists who shows that a solution is possible, together with an association of individuals and a representative expertise that form a sounding board

for the debate, accounting finds a role through regulation. Academics arrive late to legitimize already accepted principles. Given an acceptable norm, compliance can be expected in due time. The state may grow stronger by not intervening states Jonsson (1991).

From another angle, some researchers consider that the inability of the economics-finance literature to say anything definitive about the appropriate form of accounting regulations, highlights the need to augment neoclassical economic analysis with socio political considerations. After a brief overview of radical theories of the state, Thinker (1984) suggests that replacing—not refurbishing—neoclassical state theory is the most plausible strategy for accounting researchers.

Users of financial statements and their needs in different national contexts is one of top subjects of research in the context of international accounting harmonization. The efficiency and competitiveness of global capital markets depends on the ability of financial statement preparers to communicate effectively with investors through financial reports. Rezaee et al. (2010) discuss the convergence in accounting standards from the perspectives of academicians and practitioners regarding convergence to a set of global accounting standards. They conclude that effective convergence to a set of globally accepted accounting standards would be beneficial to preparers, users, auditors, analysts, and standard setters. Convergence in accounting standards can require extensive and possibly costly changes to the standard-setting infrastructure and enforcement process in the US and other countries, and will also require proper training for management, auditors, and investors.

Comparing mandatory and voluntary adopters, Daske et al. (2008) find that the capital market effects are most pronounced for firms that voluntarily switch to IFRS, both in the year when they switch and again later, when IFRS become mandatory. Many adopting countries make concurrent efforts to improve enforcement and governance regimes. Consistent with this interpretation, the estimated liquidity improvements are smaller in magnitude when analyzed on a monthly basis, which is more likely to isolate IFRS reporting effects.

An important role in international accounting harmonization is played by the accounting profession. The widespread acceptance of IFRS makes it timely to examine their technical determinants as well as their implications for the accounting profession and the process of accounting harmonization. Carmona et al. suggest that the principles-based approach to the standards and its inner flexibility enables the application of IAS/IFRS to countries with diverse accounting traditions and varying institutional conditions. Furthermore, the principles-based approach involves major changes in the expertise held by accountants and, hence, in their educational background, training programs, and in the organizational and business models of accounting firms. Finally, they submit that the standards set by the IAS/IFRS constitute a step forward in the process of accounting harmonization, although there is still a long way to go in the comparability of accounting measures across countries and regions.

How are IFRSs applied in different countries? This is a question to which many researches tried to find answers. The compulsory use of IFRS for the consolidated statements of listed companies in the EU and elsewhere, and the convergence of IFRS with US GAAP, might imply the end of 'international accounting' as an important field of study. However, there are motives and opportunities for international differences of practice to exist within IFRS usage. Some of the original motives for international accounting differences may still be effective in an IFRS context, though in different ways. The opportunities for different IFRS practices are divided into eight types under Nobes (2006) and for each type he proposes hypotheses related, and some ways of testing them. Nobes (2006) notes some implications of the existence of different national versions of the IFRSs.

Ball (2006) considers that there will inevitably be substantial difference among countries in implementation of the IFRSs, which now risk being concealed by a veneer of uniformity. The notion that uniform standards alone will produce uniform financial reporting seems naive. In addition, we express several longer run concerns. Time will tell.

Larson and Street (2004) examine the impact of the EU's decision which required that, beginning 2005, all listed companies will be compelled to apply IFRS. They review the progress and perceived impediments to convergence in the most recent European Union countries decision and European Economic Area (EEA) countries directly affected by the EU's. The expectations in following this new rule are that most countries will require only listed companies to comply and leave it to the independent choice of non-listed companies to comply to IFRS regulations or not. This raises the concern of a "two-standard" system: IFRS based accounting and for most countries, tax-based national accounting system, along with concerns regarding underdeveloped national capital markets- for the recently accepted countries in the EU- and insufficient guidance and prior experience to apply IFRS efficiently.

Specific country-based studies were conducted by different researchers. An important factor of country differences is considered to be the culture. If culture is seen as a way of life that remains viable by "inculcating in its constituent individuals the cultural bias that justifies it", Thompson et al. (1990), then one would expect to find differences in accounting norms between countries that could be explained by reference to cultural traits. Holding the culture variable fixed and comparing the development of accounting norms in different accounting areas could give clues as to what aspects of the cultural context are relevant to accounting regulation. Definitions of the situation, and the kind of arguments used by actors in trying to persuade colleagues about the benefits of a certain type of regulation, could be culturally based.

Wallace and Gernon (1991) suggest that the accounting research theories should be examined in countries other than those in which they were developed in order to verify their sustainability. Non-U.S. companies, using IFRS are permitted to list their securities on U.S. stock exchanges without reconciling those statements to U.S. Generally Accepted Accounting Principles (U.S. GAAP) (McEnroe&Sullivan,

2011). The Securities and Exchange Commission (SEC) is currently considering a proposed rule that would require all U.S. issuers to employ IFRS by 2015. McEnroe and Sullivan (2011) paper reports on the results of a survey of individual investors' attitudes toward this potential change. It concludes that U.S. investors are satisfied with the current U.S. accounting model and do not desire a movement toward the adoption of IFRS.

The EU Regulation 1606/2002, applied in EU countries, requires application of International Financial Reporting Standards (IFRS) by companies which are publicly listed on the market. This requirement has proved challenging to most companies in EU member countries. The actual adoption of IFRS in 2005 has had visible effects on comparability and the relevance of financial reporting. While expectations were high that comparability improved, Callao et al. (2007) find that local comparability has worsened, on their sample of IBEX-35 companies, precisely because of the use of both IFRS and local accounting standards in the same country at the same time.

The case of Germany case was intensely debated by Haller and Eierle (2004), and Hellmann et al. (2010). They discuss accounting strategies applied by the government and focus on the macroeconomic benefits of adequate accounting regulations, while also taking into account a public interest and the information function of accounting, and especially on consolidated accounts. The conclusion they reach is that the accounting reform strategy of the German government can be characterized as being slow, conservative and reactive, following a marginal step-by-step approach (Haller&Eirle, 2004).

Economic consequences for UK firms of the European Union's decision to impose mandatory IFRS were analysed by Cristensen et al. (2007) taking into consideration the hypothesis that the impact varies across firms and is conditional on the perceived benefit. They conclude that mandatory IFRS adoption does not benefit all firms in a uniform way but results in relative winners and losers.

Other authors conducted national research about accounting harmonization with IFRS: in Turkey, Yalkin et al. (2008) and Alp and Ustundag (2009); in Greece Ballas et al. (2010); in Romania, Feleaga et al. (2009), Filip (2010), Albu et al. (2010).

In this section we have reviewed topics in the accounting literature which are covered by the Romanian doctoral dissertations and we have investigated what positions accounting academics take with regard to each topic.

We further develop the research methodology of our study.

### **3. Research methodology**

Our study is conducted to test two hypotheses. We organize our tests in two parts. We first conduct a quantitative analysis in which we employ hand collected data for Romanian doctoral dissertations for 2000-2010. We then conduct a qualitative analysis of the dissertations studied for the abovementioned period, based on a content analysis of the dissertations.

In this study, the hypotheses we test are as follows:

H1: Romanian researchers' interest in accounting harmonization has increased in the last 10 years.

H2: Romanian researchers study actual themes of accounting harmonization.

Our expectations are to validate both hypotheses.

In order to test the hypotheses, we collected data from the universities' websites. In doctoral school section all universities presents data about doctoral dissertations like author, doctoral dissertation title, keywords and a short or an extensive abstract. To confirm that all doctoral dissertations are analyzed in our study, the collected data are validated by analysing the Romanian National Library doctoral dissertations centralizing volumes", "Bibliografia nationala romana. Teze de doctorat", edited yearly since 1995.

In Romania there are seven doctoral schools, five are traditional schools of accounting and two of them are new, founded in the last five years.

For the period 2000-2010, 404 doctoral dissertations were investigated. After analyzing the dissertations we have eliminated the ones which approach other subjects than accounting harmonization to a reminder of 68 dissertations. The identification of doctoral dissertations concerning accounting harmonization was based on the analysis of titles, abstracts, key words and the content of the research. Studies focused on similar topics used specific keywords in their investigation. It is the case of research done by Baker and Barbu (2007) regarding the trends in research on international accounting harmonization.

To the keywords criteria we also added the abstract and where it was possible, the content criteria. We chose to use the content criteria as well because we considered that the possibility to lose significant dissertations would be high if the authors didn't use the keywords we were looking for. Therefore, we also considered for our research dissertations with an apparently irrelevant title for this research but which contained the accounting harmonization topic in one or more chapters.

The analysed doctoral dissertations were from the following accounting doctoral schools:

1. Academy of Economic Studies , Bucharest (ASE)
2. Faculty of Economics and Business Administration, Babes Bolyai University, Cluj Napoca (UBB)
3. Faculty of Economics and Business Administration, West University Timisoara, Timisoara (UVT)
4. Faculty of Economics and Business Administration, Alexandru Ioan Cuza University, Iasi (UAIC)
5. Faculty of Economics and Business Administration, University of Craiova, Craiova (UCV)
6. Faculty of Economic Sciences, University Valahia, Targoviste (UVT)
7. Faculty of Sciences, 1 Decembrie 1918 University, Alba Iulia (UAI)

The first five accounting doctoral schools are the traditional ones and the last two are new.

Regarding the first group of accounting doctoral schools it is important for our study to mention that there are two types of entities: the first entity is an Academy



with a separate faculty of accounting (36 doctoral supervisors) and the follows are just faculties, each of them with an accounting chair (3- 5 doctoral supervisors).

The research is divided in two parts. The first one is a quantitative study that aims to find how many doctoral dissertations in accounting related to accounting harmonization as a main or secondary topic were published, what research methodologies were used, what the research goal was and which was the researcher's belonging university. The second one is a qualitative research that evaluates and shows the relationship between all the observed materials, particularly the topics.

Descriptions of the topic and research methodology categories are described in following paragraphs.

### **Topics**

Dissertations were divided into two categories: with accounting harmonization main or secondary subject and in seven major harmonization subtopics.

The seven harmonization subtopics that were identified based on Albu et al. (2010) perspectives on international accounting harmonization topics of interest are:

- IFRS: virus or wonder drug?
- Concept transferability across cultures
- Accounting and the governance of the State
- Users of financial statements and their needs in different national contexts
- The accounting profession and the international accounting harmonization
- How are IFRSs applied in different countries?
- Specific country-based studies

These topic areas were no further divided into sub-topic areas.

### **Research Methods**

Based on previous studies like Prather and Rueschhoff (1996), dissertations are also categorized based on the primary research methodology used. Methodology categories are: empirical, experimental, cases and field studies, descriptive and theory and models.

Empirical research is based on observation or experience.

An experiment in the social sciences involves people and direct access by the researcher to the subjects. According to Wallace (1991) this implies that the researcher collects evidence that arises from actual judgments made by the subjects in a controlled environment.

Case method is a terminology brought from educational and social science research. This method entails the complete analysis and understanding of the situation and its particularities related to a small number of entities. We consider research to be case studies when the number of entities analyzed was not larger than five.

In this paper a merely descriptive model without mathematical formalization is named as "descriptive". A model is some representation of reality that is simpler than what is being emulated but is expected to have some explanatory power.

Wallace (1991) identifies in his paper different models which may be descriptive or theoretically derived.

Finally, we included in the category of "theories and models" those dissertations that developed a theory based on a descriptive model.

#### ***Country***

Dissertations are classified by country based on the subject of research. Its inclusion in this study helps in following some trends.

#### ***University***

Universities are divided into two groups for the purpose of this paper. Using Brown's (1996) classification, one group is made up of the more prolific universities that have granted the most doctoral degrees in the last ten years (ASE). The other group is made up of another 4 universities that are regarded as "top schools".

#### ***Public/private sector***

The accounting harmonization topic generally refers to private sector but also in public sector there are in the past periods a lot of academic debates about it.

#### ***Listed/non listed entities***

Many highly ranked journals in accounting have traditionally encouraged capital markets research. This type of research lends itself to econometric/empirical techniques using public databases.

#### ***Special topics***

Inflation and consolidated financial accounts were two special topics we considered was necessary to observe, since both of these issues are utterly important with regard to harmonization.

## **4. Results**

### **4.1. Quantitative study results**

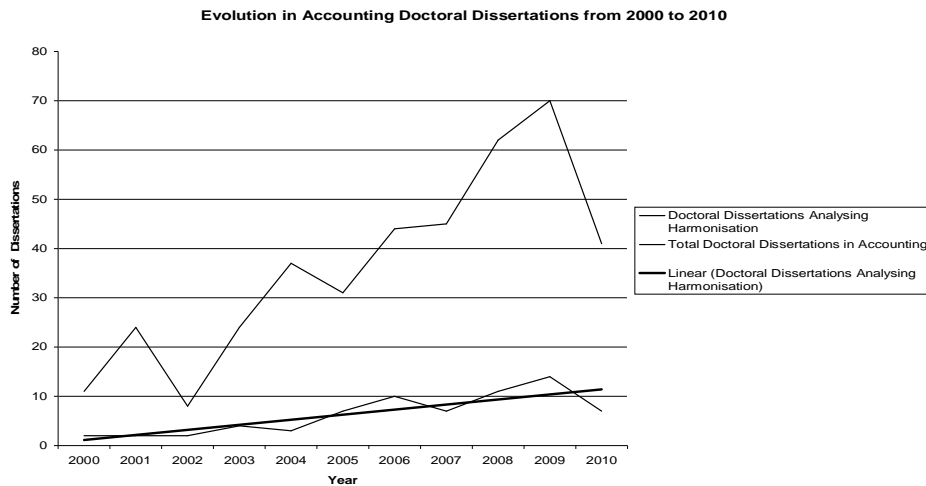
The quantitative analysis was conducted to test the first hypothesis of this study.

The first step in our research was to gather all the doctoral dissertations finalized and officially presented on accounting harmonization in Romania for all the seven accounting doctoral schools, between 2000 and 2010.

This study examines accounting doctoral dissertations from the Romanian National Library Doctoral Dissertations Centralizing Volumes for the period of 2000 through 2010. During that time, the number of dissertations produced in the field of accounting has increased steadily- as shown by the bolded line- every year, from 11 in 2000 to a maximum of 70 in 2009, but slowly decreased to a number of 41 doctoral dissertations in 2010, as depicted in Chart 1.

With regard to the topic of harmonization, the distribution of dissertations has followed the same pattern as the total number of dissertations, steadily growing from 2 per year in 2000 to 14 in 2009, slowly decreasing to 7 in 2010. Overall there is a positive trend line in the evolution of the dissertations analysing harmonization for the specified period (see Table 1). We were able to see from the beginning that 25 doctoral dissertations in our study have harmonization as a main topic, and 43 have harmonization as a secondary topic.

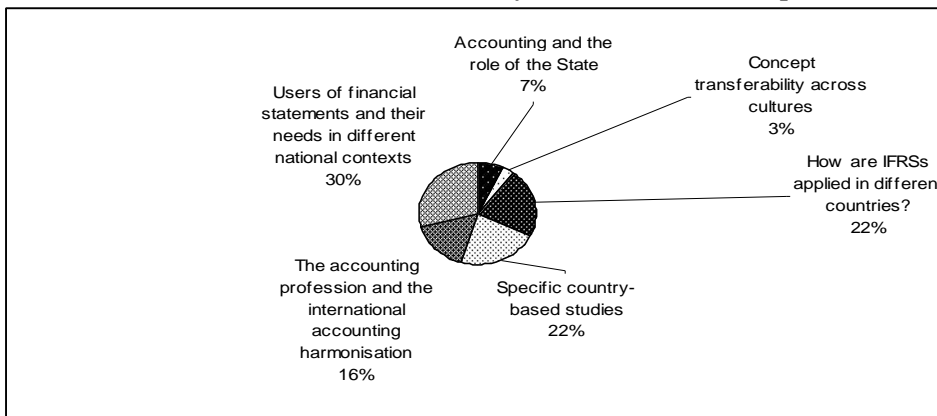
**Chart 1 Evolution in Accounting Doctoral Dissertations from 2000 to 2010**



Source: authors’ view

In terms of the seven major topic areas that were identified, the results our study reveals are presented in Chart 2.

**Chart 2 Doctoral Dissertations by Harmonization Subtopic**



Source: authors’ view

With 30%, the topic “Users of financial statements and their needs in different national contexts” is the most used harmonization topic, while the least used topic, with only 2%, is “Concept transferability across cultures” (see Chart 2).

Table 1 shows the distribution of doctoral dissertations by University and Harmonization Subtopic. More than half the dissertations were written by students from ASE, followed by UBB and an almost even distribution between the rest of the dissertations from UAIC, UCV and UVT. ASE students’ most popular topic for

dissertation was “Users of financial statements and their needs in different national contexts”, followed closely by “Specific country based studies”.

**Table 1 Doctoral Dissertations by University and Harmonization Subtopic**

University/ Subtopic	ASE	UAIC	UBB	UCV	UVT
Accounting and the governance of the State	1	1	1	0	2
Concept transferability across cultures	1	0	0	0	1
How are IFRSs applied in different countries?	8	2	5	0	0
Specific country-based studies	11	0	0	2	2
The accounting profession and the international accounting harmonization	4	1	3	1	2
Users of financial statements and their needs in different national contexts	16	2	1	1	0
TOTAL	41	6	10	4	7

Source: authors' view

As presented in Table 1, the “Specific country-based studies” subtopic is the next most used harmonization subtopic, closely following “Users of financial statements and their needs in different national contexts”. We observed in our study which countries are considered for a case study. Our findings are that the most used case studies are based in Romania, more than 16%, followed by the European Union and countries within the European Union, with 11%, and with 1% Egypt, the United States or Moldavia. More than 65% of the studied dissertations do not mention any country as a reference for their study.

Table 2 illustrates methodology used in doctoral dissertations at each of the universities in our study. ASE in Bucharest has the highest proportion of case study based dissertations, 56%, the highest proportion of empirical dissertations, 69%, and is the only university with a paper we could not find any information with regard to the methodology used. The UVT in Timisoara has the highest proportion of descriptive based dissertations, 44% (see below, Table 2)

**Table 2 Doctoral dissertations by Methodology and by University**

University/Research Methodology Used	ASE	UBB	UAIC	UVT	UCV	TOTAL
Case Study	56%	25%	13%	6%	0%	100%
Descriptive	22%	0%	22%	44%	11%	100%
Empirical	69%	14%	10%	5%	2%	100%
Not specified	100%	0%	0%	0%	0%	100%

Source: authors' view

Empirical is the methodology which appears to be most popular for the period we analysed, followed by the case study method and last the descriptive method. A distribution of the dissertations over the period analyzed can be observed in Table 3.

**Table 3 Research Methods Used in Doctoral Dissertations by Year**

Year/Research Methodology Used	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	TOTAL
Case Study	0	0	1	1	0	0	2	3	4	4	1	16
Descriptive	0	1	0	0	0	2	2	0	1	3	0	9
Empirical	2	1	1	2	3	5	6	4	6	7	5	42
Not specified	0	0	0	1	0	0	0	0	0	0	0	1

Source: authors' view

In terms of public or private sector, the dissertations in our study mostly analyze the private sector, where the accounting harmonization is more tangible, but we could also find some papers analyzing how and whether the public sector is harmonized in matters of accounting. Here are the results: 92.6% out of the 68 dissertations we studied focus their attention on the private sector, whereas only the reminder 7.4% do so on the public sector. Since research based on listed companies tends to be more encouraged in esteemed accounting journals, we considered it proper to make this analysis in our study as well. The results presented in Table 4 show that 25 dissertations out of 68 use the example of companies listed on a stock market in their studies.

**Table 4 Doctoral Dissertations Analyzing Companies Listed on a Stock Market**

Dissertations analysing companies listed on a stock market	25
Dissertations not analysing companies listed on a stock market	43

Source: authors' view

A special observation which we included in our study, was the number of dissertations with the topic of inflation and the number of dissertations which refer to groups of companies in their content. We considered this to be an important observation, since the harmonization topic includes and covers both of them. Our results are presented bellow in Table 5 and Table 6.

**Table 5 Doctoral Dissertations Studying Inflation as a Subtopic**

Dissertations analysing Inflation as a Subtopic	4
Dissertations not analysing Inflation as a Subtopic	64

Source: authors' view

**Table 6 Doctoral Dissertations Analyzing Groups of Companies**

Dissertations analysing groups of companies	10
Dissertations not analysing groups of companies	58

Source: authors' view

Table 5 shows that out of 68 doctoral dissertations, 4 have inflation as a subtopic. Table 6 shows that 10 papers out of 68, consider it important to study groups of

companies. Results presented in this section confirm the validity of our first hypothesis.

#### **4.2. Qualitative study results**

The qualitative analysis was conducted to test the second hypothesis in our study.

To conduct the qualitative study we follow the criteria described in the literature review part.

Some foreign and Romanian PhD students developed in their doctoral research specific country-based studies regarding the IFRS implementation in their origin country or another country: premises, difficulties and consequences of the application of the international accounting norms or standards- case of Jordanian quotes companies, (Wasfi, 2003), accounting of traded stock investments in accordance with the accounting standards frame and Egyptian stock exchange regulations, (Tamer, 2008), the impact of IFRS under financial reporting, case study Telecom Italy, (Grosu, 2009) and policies and options regarding the enterprise accounting in the Arab Republic according to the IAS, (Farouk, 2010).

Other Romanian and foreign PhD students prefer a comparative approach using two or more countries and analysing different subjects related to accounting harmonization: way to improve the Romanian accounting based on a comparative analysis of French and English accounting systems, (Neag, 2000), comparative study about the accounting systems in Romanian and Moldova Republic, (Grumeza, 2003), new accounting dimensions of financial and performance position of entities from Romania and Germany, (Glavan, 2007), international accounting harmonization and national accounting practices case studies for Romania and Italy, (Cristea, 2007), Conceptual and empirical research about financial reports in Romania and Hungary, (Fekete, 2008), the Role of Accounting in Corporate Governance: Comparative Approach between Romania and Nigeria, (Damagum, 2009).

Accounting harmonization topic as the main topic was chosen by PhD students in the analyzed period in the following papers: "International Accounting Harmonization", (Bogdan, 2004), "Globalization And Accounting Developments" (Megan, 2006) and with reference to Romanian accounting harmonization: "International And Harmonization In Romanian Accounting", (Caloianu, 2004), "Romanian Accounting Evolutions In International Context", (Bunget, 2005), "Accounting Harmonization With UE Directives And IFRS", (Manolescu, 2006) and "Romanian Accounting And Accounting Systems At International Level", (Mircea, 2007).

The accounting harmonization measurements were analysed by using different measurement systems for international accounting harmonization and diversity – between necessity and spontaneity, (Mustata, 2008), also the uniformity of financial statements disclosure was assessed for UE member states companies, (Popovici, 2005).

The accounting harmonization was studied by some PhD students in connection with the financial audit activity: "Financial Audit in the Context of Accounting

Harmonization with IFRS", (Bogdan, 2005), "Developments Concerning The Accounting and Financial Audit Regulations in Romania", (Pisica, 2008).

The relationship between accounting and the State was analysed from a normative constructive angle, (Stefan, 2010), in the context of triangle of normalisation, regulation and jurisprudence in Romanian accounting, (Jalba, 2006), or in the context of normalisation- regulation binomial in accounting, (Dima, 2009).

A significant number of PhD research paper debate a single issue taking into consideration the international accounting harmonization context. And we mention some of them: "Consolidated Financial Statements Or Group Accounts – Base For Analysis And Diagnostic", (Bostan, 2009), "The Financial Audit Specific", (Florea, 2006), "Developments Of Full Consolidation", (Muller, 2010), "Aspects About Investments In Subsidies, Associates And Join Entities", (Tanase, 2010), "Business Combinations In The Context Of Globalisation", (Rapcencu, 2010), "Basic And Alternative Accounting Treatments" (Zuca, 2007), "Preparing Consolidated Financial Statements In Romanian Accounting System", (Pitulice, 2006, Goagara, 2008) and "Financial Management Of Multinationals Public Listed Companies" (Kiss, 2009).

With regard to inflation accounting we have the papers of Tugui (2000), Mutiu (2002), and "Financial Information in Hyperinflations Economies", (Suciu, 2006) or "Accounting management in the inflation condition in Romania", (Brabete, 2008). And with reference to lease contracts we identified the papers of Andreica (2006), Achim (2004), tangible assets Ilincuta (2009) and financial instruments, Bonaci (2009).

Public sector accounting harmonization is also analysed by PhD researchers. "Convergences and Harmonization on Public Institutions Accounting Research", (Alecu, 2009) describe the degree of convergence of national accounting norms for the public sector and European regulations and International Public Sector Accounting Standards (IPSAS). The result of the research is presented in the form of convergence tables for the financial statements (balance sheet, economic result account, budget execution account, cash flows, annexes), regarding accounting policies, errors, the events after the reporting date; presentation of assets and liabilities in balance sheet; and presentation of revenues and expenses in economic result account. In the end the author concludes with suggestions for improving the national accounting norms by increasing the convergence with IPSAS, that will have as a result better quality and reliability of accounting information at the lowest level and, as an extension, a better quality and reliability of information presented in national accounts according to ESA'95 (European System of Accounts) presented to European Commission and other international organizations. Following the same idea but not so extended, some authors analysed aspects of accounting harmonization in public sector in the higher education institutions, (Nistor, 2005, Blidisel, 2006), local governments, (Bolos, 2005) and health institutions, (Miron, 2009).

Users of financial statements need of information and the financial information offer were analysed, (Minu, 2002), the quality of financial information in a market

base economy, (Ionescu, 2003), information offered by the balance sheet, (Negescu, 2005), by the profit and loss account, (Bogdan, 2006) and cash flow. The investors' and managers' needs of information were debated, (Mitu, 2008, Parinc, 2009).

A significant group of PhD researchers analysed the options and accounting policies influence over financial statements, (Cernusca, 2004, Popescu, 2008, Tamer, 2009) and how preparers of financial statements should optimise financial statements, (Bunea, 2004) different accounting treatments, (Zuca, 2009).

Following this extensive content analysis we conclude that our second hypothesis is confirmed.

## 5. Conclusions

Like the majority of UE countries, Romania has been going through an authentic harmonization process which offers PhD researchers huge opportunities to be explored in their dissertations. The PhD students cover especially the theoretical frame, the reporting entities, the financial statements, the assets, the financial instruments, the leasing operations, the enterprise associations and the consolidation, and the public sector particularities in some subsectors in their final papers.

The purpose of our paper is to analyse the interest of Romanian accounting doctoral researchers regarding the process of international accounting harmonization. To achieve this we analyzed the research outcomes, doctoral dissertations with the topic on international harmonization for the period 2000-2010, from the most important Romanians research and doctoral schools of accounting.

The results of our quantitative study confirm our hypothesis, showing that there is an increasing trend concerning the interest on accounting harmonization. Analysing the number of PhD dissertations produced in each Romanian doctoral school it is obvious the supremacies of ASE Bucharest due to the high number of PhD supervisors in general and in this particular topic of interest.

The results of our qualitative study confirm our second hypothesis showing that the research topics represent sensitive issues of the accounting harmonization process.

Our findings conclude that the Romanian accounting research environment follows the trend of the international accounting research environments regarding the accounting harmonization topic and its subtopics.

Out the total number of 68 PhD dissertations analysed in our study, 29,41 % deal with the users of financial statements and their needs in different national contexts, 22,96% with Specific country-based studies and another 22,06% with IFRSs application in different countries followed with 16,15% by implication of the accounting profession in the international accounting harmonization. The subject of accounting and the governance of the State obtained a 7,36% of interest and on the last position was situated the concept transferability across cultures with 2,94%.

At this point we must present our research limits due to the ranking of PhD dissertations in the international harmonisation topic and in its subtopics, and maybe



some PhD dissertations were not included in our study and were not mentioned in this study because there were not enough information about them on the doctoral schools websites or were not available to be studied thoroughly.

Going further, with previous mentioned limits we think that the present paper can be considered a relevant study of the total number of issues related to the process of harmonization of accounting which were debated in the Romanian doctoral accounting schools in the period 2000-2010.

The added value of this research is given by the fact that it should be considered a first comprehensive study about the trends in Romanian PhD research on international accounting harmonization and should be helpful for further PhD researchers to find here a starting point for their research.

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**Acknowledgement:** This work was co-financed from the European Social Fund through Sectorial Operational Programme Human Resources Development 2007-2013, project number POSDRU/159/1.5/S/142115 „Performance and excellence in doctoral and postdoctoral research in Romanian economics science domain”.