

THE EVOLUTION OF THE ACCOUNTING PROFESSION - AT INTERNATIONAL, EUROPEAN AND NATIONAL LEVEL

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Abstract: A profession is characterized by the totality of notions, ideas, information that someone has in a field, by the ability to work, with a behavior and basic ethical principles. The accounting profession imposes on professional accountants' essential qualities such as: science, competence and conscience. It is considered that without the development of these qualities, the professional accountant could not do his job. The present study aims at presenting the evolution of the accounting profession progress and growth at international, European and Romanian level, while carefully analysing the duties fulfilled by the state regarding the development of accounting authorities. This paper also touches upon the part accomplished by the functions and concepts of interaction in the development of the accounting career. Moreover, it outlines the management of specialist accounting institutions, aiming attention in particular at the historical formations which constituted the early accounting authorities in Romania.

Keywords: IAS; history; accounting profession; IFRS; accounting bodies.

JEL Classification: M41.

I. INTRODUCTION

The study of the authorized accounting profession is interesting as it provides a framework for analyzing past events, their implications and the contradictions and difficulties facing the professions today. Finally, our study responds to the demands expressed in the literature for the study of new professionalization processes in original contexts in order to gather knowledge and compare experiences (Freidson, 1994).

The purpose of this study is to delve into the qualifications and abilities and the reasons why the curriculum for accounting requires a key metamorphosis in higher education of an acquired profession.

The objective of this study is to understand the accounting profession agreed in Romania and, more precisely, to compare this process in the socio-political-historical context. In general, the historical dynamics that affect the Romanian society have led to the emergence and affirmation of a profession of certified accountant that enjoys a high social status. Chartered accountants form a "professional segment" (Dubar & Tripier, 2005) and are part of a conglomerate of legal and accounting professionals who compete to delimit their respective "professional territories". Abbott (1988) - mainly with accountants, but also with tax and audit advisors. "For Romania, classified as an emerging ex-communist country, the adoption of accrual accounting in the private and public accounting sector had as its main reason the decision taken in 1999 by the EU to start the negotiation process for Romania's accession to the EU in 2007. Thus, the imminence and then the effective accession of Romania to the EU with full rights marked the period 2002–2007 and had the effect of aligning with the European accounting policy. If we were to comment on this choice for Romania", we introduce you to his views (Dascălu, Nisulescu, Caraiani, Pitulice, & Stefanescu, 2006) "who stated that the process of Romania's accession to the EU raised some problems for professional accountants, problems of attitude, reasoning, ethics and strategy. In the particular case of emerging economies and the transition from the cash-based system to the accumulation-based system, (Diamond, 2002; Wynne, 2008) argue that these countries have too eagerly accepted this reorientation. (Dorotinsky, 2008) states that these countries should be very well informed, use international guidance and know their national characteristics and economic limits".

The importance of the study. Taking into account these facts, this study can be classified as a historical work, because it addresses issues related to the evolution of Romanian accounting in its environment and the forces affecting this development. This mediation is intended to highlight the characteristics of accounting in the period following the fall of the communist regime, namely the transition from a socialist economy to a market economy. Moreover, the penetration in the Romanian accounting history verifies to what extent the transition from cash to accumulation in accounting was advantageous, in the sense of coherence with the context of an emerging country and the evolution of the components of an accounting system, such as people, practice, propagation, products. and profession. (Nistor, & Deaconu, 2016: 625)

The present study adds to the evaluation of benefits and detriments that the implementation of the accounting commitments system in a specific context of the evolution of the accounting profession involves. Pursuing a particular current or convincing by using certain national or international demands is by no means a

(instant) success aligned with the expected overall advantages. The Romanian example can lead to an additional perspective for emerging contexts, considering that public accounting systems, in their evolution, have been explored to a greater extent for Western economies and there is a gap in the literature related to developing economies. (Nistor, & Deaconu, 2016: 625).

The result of the study. The article offers a specialized literature review taking into account the role that accrual accounting plays in the reform of the accounting system worldwide and in our country. The present study discusses the Romanian accounting and showcases the fact that fiscal reasoning dominates the economic reasoning predominates the economic reasoning in the recognition of economic-financial transactions, its function in the accounting development by the Accounting Regulations complying with European directives were favorably received by professional accountants. The paper presents a part that discusses the benefit of professional accountants in Romania in implementing IAS / IFRS.

The conclusions deal with the application and openness of professional accountants to global financial reporting standards and the quantitative empirical analysis of the literature on the direction of international standards at global, European and national level.

II. THEORETICAL APPROACHES TO ACCOUNTING AND THE ACCOUNTING PROFESSION

The term profession has several meanings depending on the objectives of the accepted approach, found in the literature outlines the concept of profession and its processes. The historiographical approach I have chosen seeks to emphasize the features of an accounting system in the midst of its shift from a projected socialist economy to a market one. The article presents the methodological approach and sources used in our study. Also, this section outlines the development of the accounting system influenced by the development of environmental circumstances. In this sense, we consider it opportune to elaborate a descriptive analysis, based on the revision of the specialized literature, of the legislation and of the facts appeared in the circumstances where they progressed. Because we consider that both the ongoing procedure of amending the financial-accounting legislation and its implications on the economic environment and implicitly on the accounting profession should not be ignored, but brought to the public's attention, we opted for a research framework based on the historical approach of the accounting profession. two recognized authors, namely (Carnegie & Napier, 2002). The reason why we considered relevant the research results of the two authors was based on the fact that they were the first and only to simultaneously promote the following historical landmarks in the evolution of the accounting profession, namely: time, location, individuals, processes, circulation, products and profession. In this article, these features are customized for the case study on the national level. Below we will present 10 good practices in continuous professional development for professional accountants (see Table 1).

Table 1- Good practices in continuous professional development for professional accountants

NR CRT	GOOD PRACTICES	ASPECTS IN CONTINUOUS PROFESSIONAL DEVELOPMENT FOR PROFESSIONAL ACCOUNTANTS
1.	Provides ongoing professional development guidance	It is important that the continuing professional development "requirements are as clear as possible and that members can easily access" the continuing professional development policy for reference.
2.	Turn the demand for continuous professional development responsive	Organized and valid continuous professional development is crucial in order to obtain and prove learning results. However, people can learn effectively and in less structured environments, and therefore unstructured and unverifiable continuing professional development should also be recognized and included as admissible continuing professional development. Examples of unstructured and unverifiable continuing professional development include activities such as reading professional literature or participating in a major event or exhibition. By offering this flexibility, it is important to achieve a minimum level of structured and verifiable" continuous professional development.
3.	Eases access to and selection of continuing professional development offers	A good choice of the way of continuous professional development accessible supports the fulfillment of the requirements by the members and reinforces the importance of maintaining the professional competence.
4.	Employs a number of learning techniques	Good quality continuous professional development is not only content, but also learning experience. The following learning

		experiences are offered as examples of continuing professional development: studying for an appropriate additional qualification, attending a training workshop or seminar, e-learning, teaching as training, researching / writing a report, reading or watching videos, or webinars, participation in professional briefings, coaching and mentoring, on-the-job training .
5.	Monitor agreement with continuing professional development	It is vital that stimulus is offered in order for the members to fulfill continuing professional development to adjust deterrents. A proper stimulus is for professional accounting organizations to constantly enhance the worth of lifelong learning and to acknowledge the accomplishments of the members' learning. Members who continue to learn have greater chances to succeed in their professional life. Nevertheless, taking into consideration the relevance of professional skills, certain "regulatory" tasks are also needed to guarantee that the members are given support to respect the demands of continuing professional development. Instances of this type of tasks are: requesting the members to offer a yearly declaration reinforcing their consent regarding development demands, conducting an annual "audit" (covering at least 5% of the number of members) of persons making a declaration confirming accession. to the requirements of continuous development .
6.	Evaluate the effectiveness and impact of continuing professional development programs	It is vital for professional accounting organizations to frequently evaluate their continuing professional development protocol and the program they provide to members to guarantee their persistence as "fit for purpose". A couple of pragmatic alternatives to acquire the information needed to conduct this review are: obtaining feedback from members regarding the quality of every continuing professional development experience by a feedback paper; applying regular questionnaires to a sample of members on their general knowledge regarding continuing professional development, encompassing quality, importance and financial value (members' discussion groups may also come in handy); examining the promotion rates at which learning results are assessed. This feedback should be employed to improve forthcoming continuing professional development programs and to review development protocols as necessary .
7.	Support the tools and means of continuous professional development	The more a member is able to plan for continuing professional development, the more their probability to improve their learning increases. Representing competencies could be a great opportunity for members seeking promotion or shifting from practice to business (or the other way around) to acknowledge "skills gaps" in their learning. Learning schedule patterns could also represent a proper method to notice skills gaps and other learning issues" that you want to assimilate by planning your continuing professional development activity .
8.	Integration of continuous professional development programs and quality assurance	Quality assurance assessments are mainly a form of investigation. A more integrated system of continuous professional development / quality assurance can be more preventive, as it provides the members with the chance to enhance their competence prior committing.
9.	Applies the requirements of continuous professional development	When professional accounting organizations are aware of non-compliance with the requirements of continuing professional development, action must be taken. Failure to comply with the measures may encourage members to believe that professional accounting organizations are not concerned with respecting continuing professional development.
10.	Consider continuous professional development strategically and	Some professional accounting organizations consider that continuing professional development could be considered a

	original	small business and could provide opportunities for supplementary financial resources with progress. Some strategies that can be considered for continuing professional development include: investigating possibilities for vaster technological use in order to decrease the variable costs of continuing professional development and improve member access; consideration will be given to whether non-members can also benefit from some continuing professional development offers and represent a possible market; take your members' opinions into consideration. Respond to their learning requirements and their feedback on continuing professional development events - don't assume that all continuing development strategies are relevant and that your events create a good learning environment; ethics can be a point of differentiation for the accounting profession - consider a mandatory component for Ethics (for example, 1-2 hours each year); the price for continuing professional development will depend on its value, offers a range of 'premium' and 'standard' continuing professional development and also facilitates low-cost mechanisms where requested by members (e.g. self-sustaining special interests); consider adding more non-core continuing accounting professional development modalities that members might find relevant (e.g., business, strategic, and communication skills) .
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Source: "International Bank for Reconstruction and Development, Center for Financial Reporting Reform, Maintaining Professional Competence, 2016"

III. THE EVOLUTION OF THE ACCOUNTING PROFESSION AT INTERNATIONAL LEVEL

Today we face irreversible processes of interest in accounting, such as: the globalization of economies, the creation of transnational corporations, the increase of market capitalization, the development of capital markets and the emergence of new financial products. Accounting considered as a social science has been modelled and upgraded to fulfil the current informational demands. Improvement means innovation and accounting has progressed in time to an open system that responds to innovations from a political, financial, social and cultural point of view. Today, accounting has developed into another phase of knowledge, a process conducted by the deep transformations that have taken place in the economic domain, driven by the globalization phenomenon. Thus, the concept of adopting a prevailing language for financial reporting in order to develop international comparability has become true because of the globalization of international financial markets. IAS/IFRSs also play an important part in embracing a single global language. Regarding the implementation method, IAS/IFRSs might hold the interest of national rules regarding the following issues: direct adoption as national standards; the baseline for local and global harmonization; adoption as standards for the construction and display of financial statements by multinational entities and large enterprises listed on the financial markets. In 2002, the EU established that all EU-listed companies should adopt the IASB's international benchmark for their consolidated accounts from 2005 onwards. In this respect, the first article demanded that "the adoption and application of international accounting standards in the European Union aim at harmonizing the financial reporting of economic entities (...) in order to ensure a high level of transparency and comparability of declarations financial". As a result, starting from January 1st, 2005, 7,000 EU listed groups have given up national accounting standards in order to implement IAS/IFRS. Actually, there were almost 30,000 companies which were part of these groups that implemented IAS/IFRS. In France, the EU's agreement requesting all listed companies to integrate IAS/IFRS in their established accounts has provoked numerous criticism: the cultural revolution generated by IAS/IFRS in a country defined by a standardization system that has always been controlled by the state; orientation towards financial market; unreasonable usage of the idea of fair value; the idea that the IASB is not politically controlled, as it was created under the control of large international audit offices. Following a "survey of six French entities in different business sectors that apply IAS / IFRS in their consolidated accounts, found that, in the process of implementing IAS / IFRS, professional accountants turned to their own professional judgment and carried out an in-depth analysis of the accounting translation of transactions and the application of the principle of materiality. This happened because of the deficiency in legal interpretations of IAS/IFRSs. The findings are particularly significant, as most professional accountants consider IAS / IFRSs to be interpretive (rather than required), sometimes partial and imprecise, and in some cases difficult to apply in practice.

The exchange disclosed the following: most companies adopted IAS/IFRS due to their issued consolidated financial statements; the process requires a great amount of money, has a great complexity and is troublesome; entities do not expect to reduce their capital value through the implementation of IAS/IFRSs; most companies settle on the advantages and disadvantages involving the shift to IAS/IFRS using the conversion process; entities expect to enhance the volatility of their outcomes through the implementation of IAS/IFRSs; the complexity of IAS/IFRSs, as mentioned in the implementation guidelines, involves great transformations demanded by the accounting convergence; most of the entities examined would not have used IAS/IFRSs had not they been required to. Thus, it would seem that applying IAS/IFRS generates issues correctly which is not real. For investors, there are costs related to understanding and interpreting the financial statements of foreign entities, as well as gaining the ability to compare the financial statements of entities in the investment decision-making process .

International adoption of systematic standards diminishes these payments and significantly enhances investment in foreign capital markets. It is clear that IAS / IFRS are a set of high quality standards, but there are differences in the perception of the information presented, according to the rules on investor protection and the legal system of each country. In countries with strong investor protection, IAS/IFRSs do not dominate local standards in terms of the quality of information presented. In contrast, in countries with poor investor protection, as is the case in Romania, IAS/IFRS are perceived as having a better quality. Contradictory findings on the quality of information bestowed according to IAS/IFRS, in comparison to those not provided by national regulations, disclose the fact that foreign investors employ IAS/IFRS in a broader context than local shareholders. IAS/IFRSs require a new language for accounting professionals. The changes made by IAS/IFRS are compelling. In addition, today, the econometric modeling of the financial industry is becoming a tool of professional accountants, considerably transforming their activity to reflect the facts that can be verified in conventional estimates of the future. The abundance and complexity of information to be processed and published in accordance with IFRSs has now led to the creation of efficient information systems to assist entities in the efficient implementation of IAS / IFRSs, such as XBRL which is an XML -based language. created for the electronic communication of business information One thing is clear: international accounting standards are becoming an international accounting culture, but lately their global application is the prerogative of large international companies. Today, much is being discussed internationally about the possibility of implementing international financial reporting standards in a simplified manner for small and medium-sized entities. To this end, the IASB published in 2009 the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for IMM) .This standard has been prepared taking into account the fundamental concepts of the IASB framework, the necessary principles and guidelines throughout the body of standards and the analysis of changes that are appropriate in the light of user needs and cost-benefit considerations. Opinions on the need to implement international financial reporting standards for small and medium-sized companies differ because it is considered, on the one hand, that complex accounting and a greater provision of information rather increase the difficulties of small and medium-sized companies, while on the other hand, based accounting and the provision of quality information increases investors' confidence to contribute capital. It should also be noted that small and medium-sized companies are often concerned that over-transparency of accounts can affect competitiveness”.

The desire to adopt international financial reporting standards for SMEs is justified by the desire of the entity to be listed on an economic market, the intention to sell the company to a foreign entity, the attempt to meet the requirement of creditors, ensuring comparability in relation to competing entities, reducing costs by including in the standard all aspects that could be met by an entity, trying to measure the impact of strategic, financing and operational decisions, optimizing the accounting-tax relationship. Certain risks may also be showcased, such as: the risk of latest transformations in accounting regulations regarding small and medium-sized enterprises, the complexity of small and medium-sized enterprises, the shortfall in personalized staff or hardships regarding the simulation of modern concepts such as fair value.

IV. THE EVOLUTION OF THE ACCOUNTING PROFESSION AT EUROPEAN LEVEL. COMPLIANCE OF NATIONAL ACCOUNTING RULES WITH EUROPEAN ACCOUNTING DIRECTIVES

The history of accounting standardization in Romania highlights the role of the state as the main user of accounting information. Due to the economic and political context, for fifty years, the professional accountant in Romania was taught to obtain accounting information for a single user - the state. After 1990, the main user of accounting information remained the state, its main interest being the issuance of taxes, fees and various contributions to be calculated, accounted for and paid by the economic entities of the consolidated state budget. In 2000, Romania's accounting was connected to international realities, which give new value to accounting information. By implementing, the Ministry of Public Finance authorized other users of accounting information

- investors, employees, credit institutions, business partners, the public and managers. Since 2000, changes in accounting rules have been provided to provide relevant accounting guidance and information to other categories of users, including investors and creditors who have an important role to play.

The literal adoption of IAS/IFRSs, which should have been done starting from January 1, 2005 for a broad number of enterprises, took a "dramatic" turn. This is due to the fact that in 2005, Order no. 1752/2005 on the authorization of accounting regulations integrated with EU directives appeared, an order that had to be applied from January 1st 2006. Following this order, all companies in Romania, along with those that already implemented IAS/IFRSs, had to use the European accounting system. The great modification brought by this order has also represented the partial separation of tax accounting, thus in accounting, economic transactions should be expressed depending on their economic facts, not only fiscal considerations. Currently, economic transactions determine whether an entity prepares five-item yearly financial statements (balance sheet, profit and loss account, statement of changes in equity, cash flow statement, notes) or simplified three-item annual statements (simplified balance sheet, profit and loss account, Annexes). Thus, it has changed from a harmonization of accounting to compliance with European accounting directives". Currently, on the authorization of the categories of legal companies that respect accounting rules considering IAS/IFRS, that is accounting rules that comply with EU accounting regulations, decides for economic entities whose balance sheet securities are accepted to commerce on the regulated market and which develop consolidated financial statements, starting with January 1st 2007, should implement IAS/IFRS. Other entities taken into account to be in the "public interest may apply IAS / IFRSs in individual or consolidated financial statements for their own information needs. All entities that are required to apply or have chosen to apply IAS / IFRS must ensure the continuity" of their application. Moreover, order no. 907/2005 stipulates that "in relation to the state, all entities, including those that apply IAS / IFRSs, prepare annual statements in accordance with European accounting directives". The implementation of the application of IAS / IFRS has been reduced in relation to the European accounting directives. "We consider it a positive step, given that the provisions of these directives become legal rules for the accounting system of each EU member state. The European Accounting Directives in terms of quality, because if a series of general rules remain without concrete answers, the accounting regulations take over and integrate a series of IASB and IAS / IFRS solutions. The most typical case is the one regarding the definition and recognition of assets, liabilities, income and expenses, and in particular cases, such as: construction contracts, government subsidies, borrowing costs, depreciation of assets, provisions, etc.

V. THE EVOLUTION OF THE ACCOUNTING PROFESSION AT NATIONAL LEVEL. FROM THE CENTRALIZED ECONOMY TO THE MARKET ECONOMY.

The study of the accounting profession is relevant, as it is an academic topic in some countries through scientific articles in the Anglo-Saxon sphere, but there are many states that have not paid due attention to this topic, such as in Europe. East, geographical area where Romania is located.

In the period 1948-1989, the Romanian economy functioned according to the specific criteria of a centralized environment. In our country, the existence and functioning of the decentralized economy for four decades have made it necessary to closely monitor the economic and financial situation and the performance of all economic bodies. In this context, the existence and use of a tool to better serve the information interests of the state, represented by a network of structures: company, economic center, coordinating ministries of branches of economy and the Ministry of Finance at the level of the entire national economy. The institutionalization of the planned economy, in close connection with the nationalization action, required the reorganization of accounting in order to standardize and rationalize. At that time, the accounting culture in Romania was marked by the ideology of the political system, the main purpose of the accounting rules being to ensure the documentation of the state plan, both during the preparation and in the execution phase. The adaptation of accounting to the information requirements of the planned economy involved in particular the Soviet experience. In this sense, in the early 1950s, the accounting works of Russian authors were translated and transformed into accounting textbooks, which represented the theoretical basis for the development of a new accounting system. The early 1970s were a time of change, both in accounting legislation, with the emergence of regulations on organization and management accounting, and with the introduction of a system of accounts based on a general framework, realities, after more than four decades when it was under the rigors imposed largely by the experience of the former URSS. An attempt to revive the old accounting system took place between 1990 and 1993, which was adjusted by new economic concepts (e.g. share capital, profit or loss account) and remained, as far as representation is concerned, a system of levels with all its characteristics.

The years between 1990 and 1993 were an intermediate time of conversion from an accounting system of a Soviet type to a French-inspired one. Calu (2005) notes the subsequent features of the time: the adaptation of the old accounting system to the new economic situation; presentation of the accounting system in France ("target" of the system for Romania) during lectures at the university; building a French-inspired accounting

system, "modeled" by Romanian academics and promoting it by publishing books and by taking training courses. During this time, Law no. 82/1991 (The Accounting Law) and its adopting regulation emerged in the accounting standardization plan. Nevertheless, in 1992, The Body of Expert Accountants and Chartered Accountants of Romania, CECCAR – an independent institution) and the Accounting Advisory Council (an institution belonging to the Ministry of Finance) were established. In a socio-political background, but also due to certain cultural issues, starting with 1994, Romania has introduced a new accounting system based on the accounting pattern.

Between 1994 and 1999, accounting was seen as a control tool, in which the state played a dual role: as a standardizer of the accounting system, on the one hand, and as a privileged user of accounting information, on the other, causing a discrepancy in the information on supply and demand, in its favor, the comparison with other users. For the Romanian accounting, the period 1990-1999 represented a stage of adaptation and development of the new accounting system, which was required by the transition of our country to the market economy. There were some inconsistencies and some deficiencies in the legislation, which were probably natural, if we judge their Accounting and Management Information Systems today in terms of historical context.

We just got used to the transitional economy, it ought to train and accustom professional accountants to the extraordinary dynamics of the regulations. It was a period of accumulation and we steadily succeeded in bringing the Romanian accounting system in harmony with European standards, using as a reference, firstly, the fourth EEC directive.

VI. CONCLUSIONS

The article is a development of the former Romanian literature and a critical phase from the global accounting convergence process, where the sample was based on consulting firms, CECCAR members. We emphasized that the successful application of IAS/IFRS is advantageous for everyone: for multinational companies, because it reduces the costs of formulating financial statements using a single accounting framework; for other companies, due to the fact that they have lower-priced means of entry to capital markets; for investors, as accounting, due to IAS/IFRS, is steady and offers comparable and relevant data used to make decisions; for auditors, because they could be aware of a single accounting system.

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