

**BUCHAREST UNIVERSITY OF  
ECONOMIC STUDIES**



**FACULTY OF ACCOUNTING AND  
MANAGEMENT INFORMATION  
SYSTEMS**



# **PROGRAM AND ABSTRACT BOOKLET**

**17<sup>th</sup> International Conference**

**Accounting and  
Management Information Systems**

**June 08 – 09, 2022  
Bucharest, Romania**

**AMIS 2022**

## **ORGANIZING COMMITTEE**

From the Faculty of Accounting and Management Information Systems, Bucharest University of Economic Studies

<b>Liliana Feleagă</b>	Department of Accounting and Audit
<b>Cătălin Albu</b>	Department of Accounting and Audit
<b>Nadia Albu</b>	Department of Accounting and Audit
<b>Raluca Gușe</b>	Department of Accounting and Audit
<b>Dragoș Mangiuc</b>	Department of Management Information Systems

## **INTERNATIONAL SCIENTIFIC COMMITTEE**

### **Members**

<b>Andrei Filip</b>	ESSEC Business School, France
<b>Alessandro Ghio</b>	Laval University, Canada
<b>Sebastian Hoffmann</b>	HHL, Germany
<b>Linda Kidwell</b>	Nova Southeastern University, USA
<b>Joanna Krasodomska</b>	Cracow University of Economics, Poland
<b>Carly Moulang</b>	Monash University, USA
<b>Maria Rykaczewski</b>	Arizona State University, USA
<b>Maria Vulcheva</b>	Florida International University, USA

## CONFERENCE PROGRAM

The conference will take place entirely virtually via Zoom; Zoom links are provided upon registration only. See [www.amis.ase.ro](http://www.amis.ase.ro) for the link. All times listed below are (local) Romanian times (GMT+3, CEST+1)  
Breaks (the 30 min. ones) may also be used for networking, permanent connection available

### Wednesday, June 08, 2022

15.30 – 16.30	<b>Opening keynote:</b> <b>How do we integrate supporting practices, wellbeing and performance in accounting firms?</b> Alessandro Ghio, <i>University of Laval, Canada</i> Carly Moulang, <i>Monash University, Australia</i>
16.30 – 17.00	<i>Break</i>
17.00 – 18.30	<b>Section 1</b> <b>Section 2</b> <b>Section 3</b>

### Thursday, June 09, 2022

9.00 – 10.30	<b>Section 4</b> <b>Section 5</b>
10.30 – 11.00	<i>Break</i>
11.00 – 12.30	<b>Section 6</b> <b>Section 7</b> <b>Section 8</b>
12.30 – 13.30	<i>Break</i>
13.30 – 15.30	<b>Panel: Trends in the accounting industry</b> Moderator: Ion Anghel, <i>Bucharest University of Economic Studies, Romania</i> Panelists: Alexandru Chirigiu, <i>KPMG</i> Silvia Feldiorean, <i>ACCA</i> Ciprian Mihăilescu, <i>CAFR</i> Marcel Vulpoi, <i>VTM</i> CECCAR ( <i>to be confirmed</i> ) CFA Romania ( <i>to be confirmed</i> )
13.30 – 15.30	<b>Workshop Accounting in Europe</b> Chairs: Andrei Filip (editor) and Nadia Albu (associate editor)
15.30 – 16.00	<i>Break</i>
16.00 – 17.30	<b>Closing keynote:</b> <b>Research on EU and non-EU EEC countries. Trends, problems, and perspectives</b> Maria (Wieczynska) Rykaczewski, <i>Arizona State University, USA</i> Maria Vulcheva, <i>Florida International University, USA</i>

## AMIS 2022 KEYNOTE PANELS

### OPENING KEYNOTE

*Wednesday 8 June, 15.30 – 16.30*

**Alessandro Ghio and Carly Moulang on “How do we integrate supporting practices, wellbeing and performance in accounting firms?”**

Alessandro and Carly will deliver a keynote on “How do we integrate supporting practices, wellbeing and performance in accounting firms?” on June 8 2022, 15.30-16.30 CEST+1 time (GMT+3) (Bucharest time). Accounting firms have made strides towards better supporting practices in the accounting profession, in particular for women, for instance by implementing numerous supporting initiatives. So why are we still not seeing better wellbeing and lower burnout in accounting firms? Why are we still not seeing enough women in senior accounting roles and why do women accountants leave their jobs? How did COVID-19 impact accountants' wellbeing? What solutions should accounting firms look for? These are questions that have plagued us as experienced educators who for many years have been educating emerging leaders in accounting.

In this talk, Alessandro and Carly explore these questions by building on studies involving surveys, interviews and written reflections from over 250 qualified women accountants. They lay out some of their key findings with the hope that this research can provide unique insights into supporting practices, wellbeing and performance and be a catalyst for authentic change in the profession.

**Alessandro Ghio** is an Assistant Professor in Accounting at Laval University (Quebec, Canada). They hold a Ph.D. in financial accounting from ESSEC Business School (Paris, France) and a Ph.D. in management from the University of Pisa (Pisa, Italy). Their research focuses on issues surrounding the sociology of the accounting profession (in particular about issues concerning women and queer people in the accounting profession), and corporate social media communication. Alessandro is an associate editor of *Accounting Horizons* and a guest editor of *Issues in Accounting Education*.

**Carly Moulang** is an Associate Professor at Monash University with over 20 years experience in Higher Education. She holds a Ph.D. from Monash Business School and Graduate Diploma in Psychology from Monash University. Carly has won multiple awards for her teaching and research, and in 2021 she won a global award from CGMA Global University and Academic Centre for Excellence for Global Distinguished Excellence, Most Influential Lecturer. Carly conducts multidisciplinary research and is passionate about incorporating psychological research within business disciplines. In 2020 Carly won the Dean's Commendation Award for Excellence in Equity, Diversity and Social Inclusion (Research). Carly's research has been widely disseminated via television, documentaries, podcasts, radio interviews and news articles. She also regularly writes for Thrive Global APAC and is a facilitator for Thrive Global.

### CLOSING KEYNOTE

*Thursday 9 June, 16.00 – 17.30*

**Maria (Wieczynska) Rykaczewski and Maria Vulcheva on “Research on EU and non-EU EEC countries. Trends, problems, and perspectives”**

**Maria (Wieczynska) Rykaczewski** is an assistant professor at the School of Accountancy at W. P. Carey School of Business at Arizona State University. She joined ASU in 2013. Professor Rykaczewski researches international financial reporting issues. Her projects examine the effect of regulation, enforcement, and other country-level and exchange-specific features on the quality of financial reporting and auditing. In her work, she also looks at the implementation of International Financial Reporting Standards (IFRS) with a focus on the costs and the effectiveness of implementing global reporting standards at the national level. Her research has been published in *The Accounting Review* and in *Contemporary Accounting Research*. A recent project by prof. Rykaczewski was highlighted in the *Oxford Business Law Blog*. In 2020, she received the Arizona CPA Foundation for Education and Innovation in Teaching Award for her teaching at ASU. Prior to joining ASU, professor Wieczynska completed her PhD at Emory University.

**Maria Vulcheva** is an assistant professor of accounting at Florida International University. Her academic work has been published in *Management Science*, *Accounting Horizons*, and *Journal of Accounting and Public Policy*. A member of the American Accounting Association and the European Accounting Association, Dr. Vulcheva has participated in many conferences and has five papers in process including one based on her doctoral dissertation: “International Accounting Standardization across Countries with Unequal Enforcement – Questionable Benefits at a High Price?”

Maria Rykaczewski and Maria Vulcheva will deliver a keynote on “Research on EU and non-EU EEC countries. Trends, problems, and perspectives”, on June 9 16.00-17.30 CEST+1 time (GMT+3) (Bucharest time). Their talk is informed by the results of two literature reviews recently conducted and to be published soon in the *Journal of International Accounting Research*, one for CEE countries members of the EU and the other one on CEE countries that are not members of the EU.

## Section 1

Wednesday, June 8, 17.00 – 18.30

### Chairperson

Mirela Nichita, *Bucharest University of Economic Studies, Romania*

### TWO YEARS INTO THE COVID-19 PANDEMIC: AN ANALYSIS OF LEARNING OUTCOMES AND STUDENT ENGAGEMENT AT AN ECONOMICS UNIVERSITY

Voicu Dragomir and Mădălina Dumitru, *Bucharest University of Economic Studies, Romania*

**Abstract:** The COVID pandemic generated a switch from face-to-face education to online learning. Using data from two academic years and two related disciplines (Management accounting and Performance measurement and control), we analyzed the impact of medium-term (exclusive) online learning on student engagement, learning outcomes, and student perception of online learning. The sample consisted of two groups of undergraduate students from the most important economics university in Romania. We applied paired t-tests and independent t-tests, correlation measures, and principal component analysis. The results showed a significant decline in learning outcomes from one discipline to another, and a significant decline in academic performance for one discipline (Performance measurement and control) over a two-year period. Also, a significantly weaker student engagement during the second year of the pandemic indicated that the passage of time aggravated the students disconnect from the academic environment. Surprisingly, student engagement and learning outcomes were not correlated with two measures of student satisfaction (cognitive stimulation and convenience). It appears that student satisfaction with online learning remained at a high level despite an increased risk of academic failure. Our results have implications for the future design of online and blended learning in universities.

**Keywords:** Online learning; students' engagement; learning outcomes; perception of online learning; COVID-19.

### THE CURRENT STATE OF ROMANIAN UNIVERSITIES TOWARDS EMERGING INDUSTRY 4.0

Adriana Florina Popa, George Marian Ștefan, Daniela Livia Trașcă, Daniela Nicoleta Sahlian, and Liviu Matac, *Bucharest University of Economic Studies, Romania*

**Abstract:** We live in a world marked by continuous change. The economy, education, technology, habits, way of thinking are all affected in one form or another by this reality. Quality education is one of the objectives set by ONU as components of a model for achieving a better and more sustainable future. Currently, the most important challenge regarding the role of universities is the adaptability to the current transformations, especially regarding the emergence of the Industrial Revolution 4.0 and its consequences. This article aims to analyze the current degree of preparation that the Romanian universities have in terms of being compatible with the requirements of the Industrial Revolution 4.0. Moreover, along with the research done and the results obtained, an assessment model of the universities is identified to be applied in order to ensure the relevant performances in the new economic reality.

**Keywords:** Industrial revolution; University 4.0; labour market; tertiary education; assessment model.

### ETHICS EDUCATION IN ACCOUNTING – A PERSPECTIVE FROM ROMANIAN ACADEMICS

Andraia-Otilia Manea, *Bucharest University of Economic Studies, Romania*

**Abstract:** Ethics should be central in a professional accountant's life. But how is it taught and how important are the ways it is taught and implemented? I looked at these questions from various angles: how economic curricula include ethics, how students in economic universities perceive it and, in this case, how professors in those universities feel about the way it is included in the curricula of their faculties. The conclusions, based on a selection of four out of seventeen total interviews carried at the beginning of 2021, are that professors in large economic faculties in the capital city of Romania do think there is a need for ethics to be taught but opinions are split as to whether the subject should be part of a self-standing course or ingrained. They believe, with some nuances, that their faculties do not cover the topic enough. In terms of the balance between theory and case studies in ethics university education, they believe there is a need for both, with all of the respondents seemingly favouring a practical approach. This qualitative research on professors' opinions of how ethics is taught, which naturally continues the desktop quantitative review of how ethics is included in Romanian economic universities curricula (Manea et al., 2021), is the first of its kind in Romania. Thus, it can form the foundation of future research questions and even practical steps to further strengthen the position of the ethics subject in curricula.

**Keywords:** Accounting; ethics; education.

## Section 2

Wednesday, June 8, 17.00 – 18.30

### Chairperson

Camelia Iuliana Lungu, Bucharest University of Economic Studies, Romania

### ESG EN VOGUE – CAN WE HAVE OUR CAKE AND EAT IT TOO? – A LITERATURE REVIEW

Loredana Pamfile, Bucharest University of Economic Studies, Romania

**Abstract:** This paper is devoted to understanding the current state of affairs in the academic literature covering ESG factors and the impact they have on capital market. ESG is now mainstream worldwide, but the question remains – how accurately does ESG data capture a firm’s performance, especially in different geographies, or more specifically in developed, emerging or frontier markets? Overall, the existing literature acknowledges the momentum of the ESG movement and the impact and interest it raises in capital markets worldwide, but also recognizes that established and emerging markets react and incorporate ESG information differently and that the available ESG products being sold today are not a cookie-cutter solution worldwide, that geography, cultural expectations, specific country regulations and a multitude of other particularities play a vital role in what ESG means for specific territories around the world.

**Keywords:** ESG, CSR, SRI, sustainable finance, literature review; sustainable investment; ESG regulation.

### INTANGIBLE CAPITAL IN THE ACCOUNTING LITERATURE – A SCIENCE MAPPING APPROACH

Mihaela Curea, Marilena Mironiuc, and Maria Carmen Huian, Alexandru Ioan Cuza University of Iași, Romania

**Abstract:** Intangible capital (IC) is attracting considerable interest due to its potential to bring competitive advantage to companies and has established itself as a burgeoning field of research. This topic gained traction in the last decades and was analysed using multi-theoretical lenses. Our paper proposes a quantitative approach to the extant accounting literature, an analysis of the documents exploring IC. Through a bibliometric study of 618 documents, we aim to shed light on the current state of the art and identify the intellectual structure, social structure, and conceptual structure of research. The bibliographic data was retrieved from the Web of Science database and analysed using VOSviewer and Bibliometrix-R package tool with an inbuilt utility Biblioshiny. The analysis revealed a lack of common vocabulary in the IC field, an unsatisfactory level of IC disclosure ascribable to proprietary costs and a dichotomy between theory and practice. Financial statements are limited to some elements of IC on account of conservatory recognition criteria. Our results may be of interest to both academia and financial policy-makers.

**Keywords:** Intangible capital; accounting; bibliometric analysis.

### THE ROLE FOR ACCOUNTANTS? ADOPTION OF NFR REGULATION IN ROMANIA

Nadia Albu, Cătălin Albu, and Gabriel Jinga, Bucharest University of Economic Studies, Romania

Oana Apostol, Tampere University, Finland

Charles Cho, York University, Canada

**Abstract:** Reporting on organizational matters has always been one of the key tasks of accountants. The increasing trend to report on non-financial issues, such as social and environmental topics, has been changing the traditional view of organizational reporting in the past several decades. However, the role of accountants in this new field remains unclear. We seek to understand how the newly enacted Non-Financial European Directive 2014/95/EU structures the field of organizational reporting and the role that accountant professionals play in this. Our research context is Romania, a transitioning country from communism to the Western principles of capitalism, but where the communist inheritance bears consequences even nowadays in management and the accounting profession. We mobilize Bourdieu’s praxeology and we rely on various sources of data, including interviews conducted with NFR preparers and other actors in the field, local regulations, reports and studies. We find a variety of responses, in which some accountants are significantly involved, and others are totally excluded from non-financial reporting. We attribute these differences to several factors, as follows. The accounting profession’s habitus is not uniform, since some remain caught in the traditional, local habitus, and others become influenced by the Western values. Accountants’ role is strongly conditioned by the organizational values, particularly in terms of collaboration between professions (allocentrism vs. profession-centrism). Therefore, despite the regulatory demand creating opportunities for the accounting profession, their role is rather individually and organizationally determined, particularly in a field where actors exert varying pressures, opening up for a variety of organizational responses.

**Keywords:** Non-financial reporting, sustainability reporting, regulation, Bourdieu.

### Section 3

Wednesday, June 8, 17.00 – 18.30

Chairperson: Ewa Maruszewska, *University of Economics in Katowice, Poland*

#### THE EFFECT OF STAKEHOLDER TYPE AND NON-MONETARY INCENTIVE ON THE PROPENSITY TO CREATE A BUDGETARY SLACK AND ITS ETHICAL EVALUATION

Ewa Maruszewska, *University of Economics in Katowice, Poland*

Marta Nowak, *Wrocław University of Economics and Business, Poland*

**Abstract:** *Idea.* To investigate whether the type of stakeholder and the presence of non-monetary incentive affects the controller's propensity to create budgetary slack and his/her ethical evaluation of the budgetary slack creation. *Data.* We conducted an experiment among controllers working in Poland. *Tools.* We used frequency, descriptive statistics, univariate analysis of variance ANOVA, and Bonferroni post hoc tests. *What's new?* We found that the mother company being a stakeholder and the presence of the incentive resulted in the highest propensity to create budgetary slack. We show that ethical evaluation in the case of the mother company serving as a stakeholder is the most severe compared to an anonymous investor or production workers. *So what?* Finding that only in one most participants revealed a propensity to create budgetary slack shows low acceptance of budgetary slack. Study indicated that non-monetary incentive strongly affects the propensity to create budgetary slack. The ethical evaluation of budgetary slack was affected by the type of stakeholder, suggesting that the creation of budgetary slack to satisfy the needs of production workers serves as ethical justification. *Contribution.* Our investigation deepens existing knowledge on budgetary slack and confirm prior research describing the role of incentives in managerial decision-making. Managers should be aware that both incentive and stakeholder type can influence their decision making in case of budgetary slack. A negative ethical evaluation of budgetary slack does not always result in the non-acceptance of budgetary slack, especially when the incentive is present, and stakeholder is defined by power, legitimacy, and urgency

**Keywords:** Budgetary slack; stakeholder theory; non-monetary incentive.

#### BUDGETARY CONTROL AND ORGANISATIONAL CULTURE: THE MODERATING ROLE OF INFORMATION TECHNOLOGY IN LOCAL GOVERNMENT

Gifty Kenetey, Ashish Singh, and Boris Popesko, *Tomas Bata University in Zlin, Czech Republic*

**Abstract:** The intensity of political pressures mounted on Government organisations for budgetary compliance has offered a path of direction towards formulating theories on factors affecting performance. One key field of interest that attracts such political pressures is budgetary control, a significant factor affecting budgetary control in Government. Culture intelligence is a vital tool in today's global world as information technology advances and organisations become more and more global-focused. Cultural intelligence thus implies that organisations have effective communications within their business settings and across cultures. The purpose of this study is presented in two sections; first, to provide an understanding of factors that could affect budgetary control considering organisational culture. Secondly, to examine how the integration of information technology with budgetary control can impact financial performance. A literature search is a method adopted for this study, and the general specific interdisciplinary research method is what the research stands on. The study presented assertions and a conceptual framework that describes and analyses the research variables. Investigating the variables uncovered some organisational culture elements that tend to affect the flow of budgetary control in terms of resource prioritisation and spending limits. The study also analysed specific corporate culture traits of the Local Government of Ghana. Finally, the study provides a recommendation for conducting an empirical test on the study's conceptual framework in the future.

**Keywords:** Budgetary control; organisational culture; local government; Information technology; emerging economy.

#### THE IMPACT OF THE INNOVATIVE BUSINESS MODEL ON THE AUTOMOTIVE INDUSTRY

Sabin-Alexandru Băbeanu, *Bucharest University of Economic Studies, Romania*

**Abstract:** *Background.* The Industrial Revolution 4.0 brought major changes in the automotive industry due to technological progress and the integration of business processes in the automotive industry with technologies. *Objectives.* The aim of this paper is to identify the factors that influence the classic business model and at the same time lead to the transformation of this model into an innovative business model, in the automotive industry, as well as the factors involved in the implementation of the model. *Tools and data.* Three research questions argue the implementation of the innovative business model, concluding with exploratory research of the literature, from a number of 154 research papers published in scientific journals. *Research methodology.* It is necessary to identify in scientific literature the functional departments in the company, involved in the realization of the innovative business model and a preliminary analysis of the existing business environment, in which the innovative business model is implemented. *Results.* The coexistence of the business model in a company and the new technologies from Industry 4.0 lead to discussions related to the implementation of innovation. *Limits.* The limitations of this research are that the study is based on the automotive industry. *Conclusions/Originality.* A number of factors are important in this transformation, such as production quantity, product quality, production speed, sales, and profitability. These factors determine the reorganization of the marketing, IT and especially accounting departments, as well as a series of management processes.

**Keywords:** Industry 4.0; innovation business model; business factors; domain; automotive industry.

**Section 4**

Thursday, June 9, 09.00 – 10.30

**Chairperson**Mihaela Ionaşcu, *Bucharest University of Economic Studies, Romania***AN EFFECTIVE TAX RATE FOR THE ROMANIAN COMPANIES LISTED ON THE REGULATED MARKET OF THE BUCHAREST STOCK EXCHANGE**

Costel Istrate, Alexandru Ioan Cuza University of Iaşi, Romania

**Abstract:** This study proposes to calculate an effective tax rate (ETR) for the Romanian companies listed on the regulated market of the Bucharest Stock Exchange, taking into account taxes and other compulsory contributions recognized directly or indirectly as expenses in the profit and loss account. We consider that this ETR better characterizes the tax burden of companies and that it is complementary to the effective tax rates based only on the income taxes. The almost 1,400 observations over the period 2001-2020 allow us to carry out a longitudinal analysis which shows that, despite a systematic reduction in nominal tax rates, the total tax burden divided by the revenues is tending to rise. Our calculations also confirm that the main component of the tax burden of Romanian listed companies comes from the labour taxes.

**Keywords:** Effective tax rate; total tax burden; Romanian listed companies; labour taxes.

**PROFIT SHIFTING TO TAX HAVENS: WITHHOLDING TAX IMPACT ON PASSIVE FLOWS FROM POLAND**Milena Gralewska and Anna Bialek-Jaworska, *University of Warsaw, Poland*

**Abstract:** This paper is one of the first studies on the determinants and channels of profits shifting to countries applying harmful tax competition, carried out on the tax data of Polish payers of passive income to nonresidents and taking into account the impact of changes in withholding tax regulations. For the empirical analysis, we use the data of 110,907 nonresidents from 134 countries that gain passive flows paid by Polish taxpayers. We utilise data from IFT-2R returns on withholding tax (WHT) for 2012-2019. We use a two-stage Arellano-Bond estimator of the Generalised Method of Moments (GMM) with instrumental variables for dynamic panel data and the difference-in-differences method. We show that the October 2018 amendment to the withholding tax legislation, preceded by a no-avoidance clause in 2017, reduced profit-shifting overall, separately from the manufacturing and service sectors, primarily through interest, royalties and intangible services payments. Moreover, our results confirm that the tax system tightening against aggressive tax competition has reduced passive income transfers from service companies, not manufacturing companies. Instead, the latter make higher transfers to tax havens included in both Polish and the E.U. list of countries applying harmful tax competition.

**Keywords:** Profit shifting; withholding tax; tax havens; tax avoidance.

**REVIEW AND MODIFICATION OF THE CASH-BASED ANALYSIS MODEL BASED ON TIMOTHY JURY'S TEMPLATE**Alexey Litvinenko and Jaan Alver, *Tallinn University of Technology, Estonia*

**Abstract:** This paper looks at Timothy Jury's relatively unknown credit risk analysis methodology and its underlying template, proposes an improved version in accordance with IFRSs IASB standards (IFRSs), and applies it to the case of a manufacturing company to reveal the company's pre-bankruptcy situation and the likelihood of credit risk default. The aim of the paper is to review the methodology and template of credit risk analysis, elaborate its improved version and apply it to the case of the manufacturing company in order to contribute to the spread of this almost unknown method. The improved methodology shows the probability of default of a company's credit risk based on a cash flow analysis and requires further comparison with the accrual-based credit risk model.

**Keywords:** Cash flow analysis; credit risk; liquidity; probability of default.



## Section 5

Thursday, June 9, 09.00 – 10.30

### Chairperson

Irena Jindrichovska, *Metropolitan University Prague, Czech Republic*

### DOES COVID SPEED UP ACCOUNTING CHANGES? ANSWERS FROM CZECH ACCOUNTING PROFESSIONALS

Irena Jindrichovska and Dana Kubickova, *Metropolitan University Prague, Czech Republic*  
Marie Fiserova, *Prague University of Economics and Business, Czech Republic*

**Abstract:** *Idea.* The accounting profession is reacting fast to challenges brought by new technology enforced by industry 4.0. The recent pandemic has forced many professions to operate without direct personal contact where possible. Digitalization and automation in fact presented new opportunities for providing accounting services in novel form. This paper aims to explore the reactions of representatives of the accounting profession to new challenges that arose after the abrupt spread of COVID infection. *Data and Tools.* We employ the interview method targeting a group of representatives of the accounting profession. After the initial prompts, we use discussions with the representatives which allows us to discuss their particular views on opportunities and challenges brought by this uneasy situation. *What's new?* We reveal that the accounting profession was more-or-less prepared for the change, even though the conditions in which new practice had to be speedily introduced were unexpected and threatening. *So what?* Automation and digitalization are the future of the accounting profession allowing more strategic perspectives instead of daily routine. These new procedures bring in more accuracy allowing professionals to concentrate on the interpretation of findings rather than on data assembling and document verification. *Contribution.* Our empirical research has confirmed that digitalization is not a threat to the accounting profession. The practical use was tested in a difficult situation of COVID-19. Nevertheless, we cannot generalize our findings, because of the limited number of interviews even though our study can show some interesting avenues for future research.

**Keywords:** Accounting profession; Industry 4.0; pandemic; new technology; interviews.

### THE IMPACT OF A NEW TECHNOLOGY ON AUDITING AND ACCOUNTING PROFESSION DURING THE COVID 19 PANDEMIC

Raad Oleiwi, *Bucharest University of Economic Studies, Romania*

**Abstract:** The Pandemic brought about unprecedented changes in diverse areas of the country. In addition, the Covid 19 pandemic did not only affect the health sector but also impact the financial as well as the economic sector. Nevertheless, the Covid 19 mitigation strategies, such as working from home, allowed companies or organizations to adopt the technology, especially for white-collar employees such as individuals in the auditing and accounting profession. In the current study, 200 accounting professionals were given a questionnaire in the form of a google document containing 15 questions. Also, the document was sent randomly to accounting and auditing Facebook groups where professionals are found. The findings of the study demonstrated that the Covid 19 pandemic had a significant impact on the working environment of accounting and auditing professionals. Moreover, the new technology adopted had an enormous effect on cybersecurity with increasing concerns on the issue. The study concluded that the individuals in the auditing and accounting profession should be flexible to any changes that come in the future.

**Keywords:** New technology; Covid 19; cyber security; auditing and accounting profession; hybrid working.

### THE EFFECTS OF THE COVID-19 PANDEMIC ON EUROPEAN STOCK MARKETS AND THE PANDEMIC FEAR INDEX PERSPECTIVE

Giorgiana-Roxana Ene, *Bucharest University of Economic Studies, Romania*

**Abstract:** This paper investigates the causal relation, with the help of Granger Causality Test, between the evolution of the COVID-19 pandemic in USA Europe, Italy (the epicenter of the pandemic in Europe) and Romania against selected European stock market indexes and the VAR model outputs for a constructed pandemic fear index (composed of the number of new cases of COVID-19, new deaths due to COVID-19 and vaccinations against COVID-19 reported) against selected European stock market indexes, between January 2020 and January 2022. The results obtained show that the USA COVID-19 statistics, especially the number of new cases and deaths reported, have an impact on the price of the stock markets selected. The Granger Causality Test result and VAR model results obtained for the relation between the pandemic fear index of USA related to the stock market indexes selected and the rapid recovery of the stock market show that the stock market does not take into account long-term economic fundamentals, highlighting the decoupling of stock exchanges from the real economy and COVID-19 pandemic.

**Keywords:** European stock markets; pandemic fear index; Granger causality test; VAR model.

**Section 6**

Thursday, June 9, 11.00 – 12.30

**Chairperson**Voicu Dragomir, *Bucharest University of Economic Studies, Romania***IMPACT OF IFRS ADOPTION BY INVESTORS ON FOREIGN DIRECT INVESTMENTS INFLOWS TO POLAND AND THE REGULATORY ARBITRAGE**Paulina Szymanek (Bancerz) and Anna Bialek-Jaworska, *University of Warsaw, Poland*

**Abstract:** This paper aims to identify how the IFRS adoption level by origin countries (business partners of Poland) impacts their portfolio investment and FDI outward in Poland from 2003 to 2019. We benefit from the natural experiment of permitting Polish companies listed on the unregulated alternative trading market–NewConnect– to choose to use IFRS from 2007 to 2012, even though they did not meet the conditions in the Accounting Act, for example, to attract foreign investors more easily. Next, IFRS has become prohibited from use by Polish firms listed on the market–NewConnect–since 2013, contrary to foreign issuers and subsidiaries of a business group that adopted IFRS and on the regulated market at the Warsaw Stock Exchange. This allows us to explore how regulatory arbitrage in applying IFRS for financial reporting purposes on the NewConnect till 2012 affects foreign investment flows to Poland. We analyse the Central Bank of Poland’s bilateral data on FDI inflows and IMF data on portfolio investments using GMM dynamic panel-data analysis with instrumental variables. We exploit the Knowledge-Capital model framework to identify determinants of foreign investors’ portfolio investment and outward FDI overall in Poland and separate three FDI components based on debt, equity and earning reinvestment. We show that investors’ full IFRS implementation positively impacts total FDI flows to Poland and equity-based FDI due to the regulatory arbitrage but discourages debt-based FDI and earnings reinvestment.

**Keywords:** IFRS; regulatory arbitrage; FDI; NewConnect; Poland.

**SUSTAINABLE DECISIONS IN M&AS BASED ON AUDIT OPINION AND FINANCIAL TRANSPARENCY. EMPIRICAL EVIDENCE REGARDING THE ENERGY SECTOR FROM BRICS COUNTRIES**Ioan-Bogdan Robu, Constantin Toma, George Marian Aevoae, *Alexandru Ioan Cuza University of Iași, Romania*Ionut Viorel Herghiligiu, *Gheorghe Asachi Technical University of Iași, Romania*Christiana Brigitte Sandu, *Alexandru Ioan Cuza University of Iași, Romania*

**Abstract:** BRICS countries are of high interest regarding M&As. When considering sustainable investment in energy companies located in these emerging economies, HDI and CO2 emissions are important, mostly later in the year of the transaction. When adding the financial factors and the audit status of the target companies, we notice that the acquirors are focusing only on the audited companies. The audit status and, implicitly, the unqualified opinion on the financial statements is enough in certifying the quality of the financial information. This must be correlated with the transparency score, which is a significant variable for the year of the M&A and the year prior the transaction. When considering the type of deal, mergers and takeovers are not strategically appealing, the EU acquirors preferring alliances, and purchases of stakes (either leading to majority or minority acquisitions).

**Keywords:** Mergers and acquisitions; audit opinion; financial transparency; financial reporting; energy sector.

**NEW INSIGHTS INTO ENFORCEMENT ACTIVITY IN EU AND ITS IMPACT OVER THE FINANCIAL REPORTING QUALITY**Cătălin Mos, *Babeș-Bolyai University, Romania*

**Abstract:** This paper aims to provide new insights into the enforcement activity in the EU. Starting from the limitations of previous research in respect of proxies used for the enforcement activity the current paper proposes a new valid proxy which can be easily updated and used in future research. The validity of this new proxy was proved by different statistical tests. Then, using the earning management models we performed a regression analysis to check whether the new proxy has explanatory power for the variation in financial reporting quality across the EU. The finding obtained proved that the new proxy is able to explain the differences in reporting quality, the explanatory power of the models being larger than in results obtained previously in the literature. The results obtained are relevant for the policymakers, allowing them to know which institutions should be consolidated to obtain a greater enforcement score.

**Keywords:** Enforcement; EU; financial reporting quality; institutional settings.

## Section 7

Thursday, June 9, 11.00 – 12.30

### Chairperson

Mădălina Dumitru, *Bucharest University of Economic Studies, Romania*

### THE LINK BETWEEN UNCERTAINTY AVOIDANCE AND REGULATORY FOCUS IN RESEARCH ON ACCOUNTING CONSERVATISM

Daniela A. Calu, *Bucharest University of Economic Studies, Romania*

Olga Grzybek, *University of Economics in Katowice*

Mirela E. Nichita, Viorel Avram, and Dana M. Boldeanu, *Bucharest University of Economic Studies, Romania*

**Abstract:** *Research question.* This study investigates the opportunity of adding the regulatory focus theory (individual characteristic) to the uncertainty avoidance (societal characteristic) when financial information governed by conservatism (at firm-level) is communicated to external users. *Motivation.* The Hofstede's cultural dimensions (1980) refer to the culture of society as a whole, not to individuals within that culture. Consequently, Hofstede's cultural dimensions should only be applied to analyses at a country level without assuming that what is true of a higher level, is always true of lower levels (so called ecological fallacy; McSweeney, 2016). On the contrary, the regulatory focus theory (Higgins, 1997, 1998) addresses the motivations that individuals have in goal pursuit. *Data.* This study critically examines the letters to shareholders and financial statements published in 2021 (covering the period April 2020-March 2021) by two companies operating in the airlines industry characterised by highest and lowest score in respect to uncertainty avoidance. *Findings.* The findings underline the association between the use of prevention words and the avoidance of uncertainty and a lack of correlation between the use of promotion words and the avoidance of uncertainty existing in the two countries. We suggest that regulatory focus theory may be the missing building block to distinguish between culture (macro level) and personality of manager (micro level) in communication with stakeholders. *Contribution.* Our results suggest the link between uncertainty avoidance and prevention focus, which may be used to distinguish between the impact of culture and individual characteristics in decision-making.

**Keywords:** Uncertainty avoidance; regulatory focus theory; accounting conservatism; airline industry; Covid-19.

### ETHICS IN REPORTING OF THE OTHER COMPREHENSIVE INCOME: THE CASE OF LISTED EUROPEAN COMPANIES

Claudia- Mihaela Răpan and Andreia Manea, *Bucharest University of Economic Studies, Romania*

**Abstract:** The aim of this study is to provide empirical evidence regarding the value relevance of ethics in reporting of the other comprehensive income: the case of listed European companies (France, Germany, Spain and Italy). The current research hypotheses of the study are whether the other comprehensive income in the context of the code of business ethics and other relevant ethical variables, such as Business Ethics Controversies and relevant ethical scores, has value relevance for investors. The concept of 'value relevance' is considered an important quality parameter that brings usefulness to the accounting information and non-financial information for investors by providing the relevant information in order to evaluate the company through its stock price.

**Keywords:** Other comprehensive income; value relevance; share price; business ethics.

### REPORTING ON HUMAN RESOURCES MANAGEMENT PRACTICES AND CORPORATE CHARACTERISTICS: A ROMANIAN HEALTHCARE INDUSTRY CASE STUDY

Ana-Maria Bratu, *Bucharest University of Economic Studies, Romania*

**Abstract:** Given the commitment of companies to sustainable development, the requirements for stepping up the reporting of human resource management practices have increased. The main objective of the research is to analyse the area of human resource information reporting in a healthcare company. This study explores defining elements related to human resource management awareness and behaviour. To achieve the proposed objective, data were collected from the annual report of a Romanian company listed on the Bucharest Stock Exchange for a period of five years (2016-2020). The extracted information is analysed through a critical interpretation in order to identify the level of reporting on the practices related to human resources management, and the changes that occurred throughout the pandemic period. The findings show that there is an increasing interest in the transparency of human resource information. The most important changes observed over the targeted period are related to reporting on auditor type and employee remuneration, while both the size and the financial performance increased over the time. Other information on human resources practices were reported: employees health and safety, employment of women, employees with disabilities, employees' training, employees' remuneration, employee profiles.

**Keywords:** Human resource management; healthcare industry; human resource accounting disclosure; Romania; annual reports.

## Section 8

Thursday, June 9, 11.00 – 12.30

### Chairperson

Raluca Gușe, *Bucharest University of Economic Studies, Romania*

### INSIGHTS ON FIRMS' FINANCIAL RESILIENCE DRIVERS. THE CASE OF ECONOMIC VALUE ADDED

Valentin Burcă, Oana Bogdan, Dorel Mateș, and Aura Emanuela Domil, *West University of Timișoara, Romania*

**Abstract:** *Idea.* The main objective of the paper is to assess the relation between firms' financial resilience and firms' strategic sustainable development vulnerabilities, in the context of implications of the COVID-19 pandemic on firms' business environment. *Data.* Data is extracted from Refinitiv database. The sample is limited to 271 European listed firms, selected based on data availability. *Tools.* Linear regression analysis covers the most part of the empirical research. OLS and quantile estimation methods are used to estimate the linear regression models, controlling for fixed effects as well. *What's new?* The study addressed the topic of firms' financial resilience, to evaluate the impact of the recent COVID-19 pandemic crisis on firms' performance. *So what?* The approach considers implications of the pandemic on firms' business environment and earnings management accounting-based policies and strategies as well. The results suggest that alignment to sustainability frameworks lead to deterioration of firms' financial resilience. Similar results show the negative impact of firms' financial vulnerability (credit default risk) on firms' financial resilience. Instead, the risk of bankruptcy, firms' liquidity, or high product quality and process improvement, determine positive impact on firms' financial resilience. *Contribution.* First, the study addresses the role of earnings management on ensuring firms' financial resilience. Second, the paper addresses the topic of firms' resilience through the lens of implications of the recent COVID-19 pandemic. Third, the study chose to look rather on firm performance less influenced by discretionary accounting-based strategies and policies, respectively using a value-based management metric, the economic value added.

**Keywords:** Financial resilience; sustainability; business process; economic value-added; enablers.

### TANGIBILITY SPECIFICS OF INSOLVENT COMPANIES

Dagmar Camska and Jiri Klecka, *University of Chemistry and Technology Prague, Czech Republic*

**Abstract:** The paper deals with the tangibility of corporate assets. The research idea is based on an assumption that unhealthy companies tend to lower levels of tangibility in the comparison with the healthy enterprises. The carried-out analysis works with more than 3,000 healthy and 200 unhealthy Czech businesses belonging to three industry branches such as CZ-NACE 25 Manufacture of fabricated metal products except machinery and equipment, CZ-NACE 28 Manufacture of machinery and equipment, and CZ-NACE F Construction. The financial data included in annual reports of each enterprise were extracted from the prepaid corporate database Albertina. The applied tools are presented by specific indicators Tangibility 1, 2, and 3 which could be classified as methods of financial analysis, specifically the tool of vertical analysis. Descriptive statistics are applied as way how to aggregate data for the individual business units. The comparison between the healthy and unhealthy enterprises is provided by indices. The paper brings following findings. (1) The unhealthy businesses report the lower degree of tangibility one or two years before insolvency declaration. (2) There are differences between the analyzed industry branches. These outcomes could be included in models predicting financial distress and increase prediction accuracy and reliability. It also highlights that the belonging to the specific industry sector should be included into considerations. These findings could improve predictions which companies will go bankrupt and therefore stakeholders would know in advance that they are trading or that they are in other form of cooperation with an ailing partner.

**Keywords:** Tangibility of assets; industry branches; unhealthy enterprises; Czech Republic.

### ERP SOFTWARE SPACE AND TRANSFORMATION STRATEGIES

Darie C.D. Casiana, *Bucharest University of Economic Studies, Romania*

**Abstract:** Business process improvements should drive new technology. Therefore, this paper examines the adoption stage of ERP that can help organization to get strategic benefits. ERP software space increase the capabilities in the last few years to provide a better customer experience that made a greater visibility. Also, with the fast development of technology, traditional ERP lifecycle needs to be reviewed. Statistics of cloud technology show that is in continues escalation and businesses move from on-premises technology to accomplish expanded network, business efficiencies as elasticity and lower costs. This will be investigated through an in-depth case study at adoption ERP market analysis on cloud solutions. The paper provides an analyses of Romanian market trends of adoption Cloud -based solutions, distribution on year and type of companies that adopt these technologies who improve new operating models and become part of ERP software space.

**Keywords:** Enterprise resource planning (ERP); adoption rate; ERP lifecycle; cloud software; market analysis.

**Workshop Accounting in Europe**

Thursday, June 9, 13.30 – 15.30

**Chairpersons**Andrei Filip, *ESSEC Business School, France*Nadia Albu, *Bucharest University of Economic Studies, Romania***DOES POLLYANNA GROW UP? POSITIVE COMMUNICATION IN ANNUAL LETTERS TO SHAREHOLDERS AND CSR STAKEHOLDERS**Karol M Klimczak, Dominika Hadro, and Marcel Meyer, *Lodz University of Technology, Poland***Discussant:** Ana Marques, *University of East Anglia, UK*

**Abstract:** Corporate communication and reporting have been labelled as overly optimistic and possibly biased in the accounting literature. We seek to understand the cause of this observed behavior using data from a corpus of executive letters that accompany two disclosures - the annual report and the corporate social responsibility report - made by the largest companies in Poland. In line with prior research, we document positive language, and we show what techniques managers use when communicating either with shareholders or other stakeholders. Drawing on accounting literature we discuss alternative explanations for this positive bias. What is more, we also propose a novel alternative from the management literature derived from Positive Organizational Scholarship and Positive Leadership. We suggest that positive language may be an element of effective leadership, rather than an attempt at swaying investors or a reflection of the pollyannish character of managers. We offer practical implications for leaders, communication professionals and teachers of business writing.

**Keywords:** Textual analysis; leadership; narrative; corporate social responsibility; reporting.**AUDITING THE AUDITORS THROUGH POB INSPECTIONS**Marta Tache, *Bucharest University of Economic Studies, Romania***Discussant:** Vlad Andrei Porumb, *University of Manchester, UK*

**Abstract:** The aim of Public Oversight Bodies (POBs) is to improve firms' audit quality through inspections of audit engagements. Nonetheless, the effectiveness of specific actions of POBs is yet to be documented in the literature. By using hand-collected data on the inspection characteristics from 14 European countries, we are able to provide novel evidence that disclosing the results of inspection affects audit quality. Specifically, after controlling for firm-level heterogeneity, we find that the number of national inspections and inspection characteristics is positively associated with the audit quality (proxied by abnormal accruals) of companies whose auditors are inspected by POBs. Overall, this research documents that the disclosure of annual reports is relevant for auditors, and the effect of national inspections augments the audit quality.

**Keywords:** Audit quality; ethics; financial reporting under IFRS; risk disclosure; transparency.**RECYCLING INFORMATION IN NEWS ARTICLES. CORPORATE "POLLUTANTS" AND MEDIA'S RESPONSIBILITY**Maria-Silvia Săndulescu, *Bucharest University of Economic Studies, Romania***Discussant:** Encarna Guillamon-Saorin, *Universidad Carlos III de Madrid, Spain*

**Abstract:** The purpose of this study is to analyse the use of causal attributions of performance outcomes in corporate narratives and their correspondence in the press articles in the less investigated context of emerging economies. In this view, the paper draws on the case of OMV Petrom, a key player in the oil and gas industry in Central and Eastern Europe. As impression management tends to be more pronounced when companies face major predicaments, the research at hand focuses on a period that locates the company in the media spotlight. Particularly, while in 2013 OMV Petrom reached the highest profit ever recorded by a Romanian company, in 2015 it incurred its first loss following privatization. The case study revealed the management' use of defensive tactics in the presentation of negative outcomes. Moreover, the positive results were highlighted in order to favourably portray the company's investment image. The analysis of media sources indicated a reiteration of corporate narratives in the press articles. As such, the corporate narratives reached the audience without being rigorously analysed or challenged by the journalists. The paper answers previous calls to analyse manipulative disclosures by means of case studies and qualitative content analysis. In addition, the study builds on prior literature by analysing not only the existence of impression management but also its potential correspondence in press articles.

**Keywords:** Attribution theory; impression management; media; press releases.