

ECONOMIST VERSUS ACCOUNTANT IN ROMANIA

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Abstract: *The paper presents how it is perceived the accountant profession and the economist profession, by the companies who provide jobs for these two professions, using the most important jobs sites from Romania.*

The study was made in November 2015, on a total of 86 companies who offered jobs for accountant and economist, using ejos.ro job site and 61 companies who offered jobs for accountant and economist, using bestjobs.ro job site.

Analyzing this practice met in Romania, through the company offer the “accountant” job although the position is in reality for the “economist” job, I tried to explain this wrong tendency using the term accountant in place of economist.

Keywords: *economist, accountant, expert accountant, certified accountant, CAEN code.*

JEL Classification: *A11*

Introduction

In present, when we talk about the accounting profession in Romania, we refer to economists, accountants, experts accountants and certified accountants.

According to the Explanatory Dictionary of the Romanian language, the economist is a person who study and analyzes economic processes and phenomenon, being also a specialist in economics sciences. The economist profession has a broader meaning because the economy is a vast area of knowledge.

For accountant, the Explanatory Dictionary of the Romanian Language specify that it is the qualified person who keeps the accounting of an institution or an enterprise. Experts accountants and certified accountants operate in accordance with Ordinance no.65 / 19 August, 1994, republished, in a professional body called the Body of Experts and Certified Accountants from Romania.

According to the Government Ordinance no. 65/1994, the expert accountant is the person who obtained this status in according with this ordinance and having professional competences to organize and manage the accounting, to supervise the management companies, to prepare financial statements and perform accounting expertise. Over the conclusions, opinions and recommendations, the expert accountant prepares a report.

It can participate to the entrance examination for the expert accountant, certified person who achieve the following conditions: a) has full legal capacity; b) has a degree in economics with recognized diploma by the Ministry of Education and Research; c) has not undergone any conviction that corresponding to the present legislation, forbid for the administration and management of a company.

Certified accountant is the person who obtained this status, in according with Government Ordinance no. 65/1994 and has the competence to keep accounting and to prepare the financial statements. It can participate to the examination for certified accountant in the following conditions: a) has full legal capacity; b) has middle school education, with recognized by the Ministry of Education and Research; c) has not undergone any conviction that corresponding to the present legislation, forbid for the administration and management of a company. (Government Ordinance no. 65/1994, article 2).

The paper presents how it is perceived the accountant profession and the economist profession, by the companies who provide jobs for these two professions.

Literature review

In the opinion of professor Pantea I.P., “the accounting today is no longer a discipline dealing only with “study of the accounts”, it is gradually becoming a complex field, with the structure and physiognomy completely changed from the past (Pantea I. P., 2003).

The same view is expressed by Cristina Silvia Nistor in his "Past, Present and Prospects in public accounting Romanian," which specify that the importance of accounting in the modern economy is obvious, so it makes the most important organizations from European Union and from everywhere to study about the organization of accounting like a fundamental part of the businesses (Nistor C.S., 2009).

The authors Hoarau C. and Esnault B., in their paper "Financial Accounting" speak about the importance of accounting for business environment, mentioned that accounting can be called "formalized language of communication in the business world" (Hoarau C. si Esnault B., 1994).

The changes that have been occurred in the accounting field are mentioned by Cuzdriorean D.D., which talks about accounting as a means of implementing the economic reality in numbers which evolved over time, regarding the followed purpose from the art of preparation accounting documents and accounting records, to the preparation of reports, making economic and financial estimates of economic entities (Cuzdriorean D.D., 2013).

According to professor Nistor C.I. the accession process to the European Union has brought in front of the accounting profession the attitude, reasoning, ethics and strategy problems, the theory, the practice and the experience specific to the accounting field provided alternative, which the professional accountant have to judge for choosing. Also, the author mentioned the importance of accounting, notified that accounting became an economic and social necessity in international business environment (Nistor C.S., 2009).

Professor Pantea I.P., speaks in his paper "The role of professional accountants in Romanian economy" about an accounting profession with a large meaning and an accounting profession with a limited meaning. He mentions that the accounting profession with a large meaning can be exercised by individuals with middle school education or individuals with a degree in economics, accomplished the demanded conditions for this job, requested by the companies and must be made like an employer at a company. About the accounting profession with a limited meaning, the author mentions that it is exercised by certified individuals or companies which are certified accountants, experts accountants and companies from accounting field.(Pantea I.P., 2003).

In accordance with the Accounting Law no.82 / 1991, currently accounting is organized and lead, usually in separate compartments, led by economic director, chief accountant or another person authorized to perform this function. These people should have a degree in economics. The person authorized to act as economic director or chief accountant means a person employed under the law, which is responsible for the conduct of the accounting entity (Law 82/1991).

Also, the accounting can be organized and managed under contracts for accounting services, made with authorized individuals and companies, members of the Body of Experts and Certified Accountants from Romania.

Due to repeal of the legislation relating to the simplified accounting, according to which the accounting of certain entities that frame in two size criteria (net turnover under the RON equivalent of EUR 35.000 and the total assets under the RON equivalent of EUR 35.000) can be organized and operated and based on contracts/civil conventions concluded according to the Civil Code, with individuals who have a degree in economics, now all companies, regardless of size can organize the accounting in two ways, mentioned above.

The liability for misapplication of accounting regulations returns to the economic director, chief accountant or another person authorized to perform this function, along with his staff. If the accounting is conducted on services contract made with authorized individuals or companies, members of the Body of Expert and Certified Accountants of Romania, responsibility for keeping the accounts lies with them according to the law and contractual provisions.

From the legislation presented above, results that the organization and management of accounting entity is usually made in separate departments, leaded by persons with a degree in economics, such us: economic director, chief accountant or another person authorized to perform this function.

Classification of occupations in Romania seen through the prism of the International Standard Classification of Occupations, according to ISCO 08 is regulated in Decision no. 1352 of 23 December 2010 approving the structure of the Classification of occupations in Romania - based group level, according to the International Standard Classification of Occupations - ISCO 08, published in the Official Monitor no. 894 / 30 December 2010. According to D. no.1352/2010, the structure of Classification of Occupations in Romania - the basic level of the International Standard Classification of Occupations - ISCO 08, for the economist profession and for the accountant profession, is as follows:

- 24 Specialists in administrative and commercial
- 241 Financial specialists

2411 Accountants

2412 Specialists and consultants in finance and investments

2413 Financial Analysts

26 Specialists in legal, social and culture field

263 Specialists in social and religious field

2631 Economists

2632 Sociologists, anthropologists and assimilated

2633 Philosophers, historians and specialists in political science

2634 Psychologists

2635 Social work and counseling specialists

2636 Specialists religion (GD no. 1352/2010)

According to REVISAL, the "accountant" profession belongs to code 241 "Financial specialists", but also belongs to code 3313 "Specialists in accounting and assimilated", as follows:

241 Financial specialists

2411 Accountants

241101 Treasury Controller

241102 Expert accountant-controller

241103 Accountant reviser

241104 Financial accounting reviewer

241105 Internal Auditor

241106 Administration controller

241107 Financial auditor

3313 Specialists in accounting and assimilated

331301 Specialist in estimate calculation

331302 Accountant

331303 Technician merchandiser

331304 Planner

331305 Administration reviser

331306 Budgetary accounting

331307 Economic secretary (middle school studies)

331308 Merchandiser

331309 Reviewer

According to REVISAL, the "economist" profession belongs to code 2631 "Economists", as follows:

2631 Economists

263101 Advisor / expert / inspector / reviewer / economist in management

263102 Advisor / expert / inspector / reviewer / economist in general economy

263103 Advisor / expert / inspector / reviewer / economist in environmental economy

263104 Advisor / expert / inspector / reviewer / economist in trade and marketing

263105 Advisor / expert / inspector / reviewer / economist in international economic relations

263106 Advisor / expert / inspector / reviewer / economist in economic administration

263107 Management consultant

263108 Economist technician

263109 Economist engineer

263110 Competition inspector

263111 Financial administrator (patrimony) (graduate)

263112 Research economist in management

263113 Research assistant economist in management

263114 Research economist in environmental economy

263115 Research assistant economist in environmental economy

263116 Research economist in general economy

263117 Research assistant economist in general economy

263118 Research economist in food&related products economy

263119 Research assistant in food&related products economy

263120 Research economist in marketing

263121 Research assistant economist in marketing

263122 Research economist in international economic relations

263123 Research assistant economist in international economic relations

263124 Research economist in economic administration

263125 Research assistant economist in economic administration

263126 Economic secretary (graduate). (coduri-cor.com)

Methodology and data

The paper analyzes how it is perceived the accountant profession and the economist profession, by the companies who provide jobs for these two professions.

In this paper I made a study about the offers employment, made by the companies who offered jobs using the most important jobs sites from Romania, for the accountant profession and for the economist profession.

The study was made in November 2015, on a total of 86 companies who offered jobs for accountant and economist, using ejobs.ro job site and 61 companies who offered jobs for accountant and economist, using bestjobs.ro job site.

They were analyzed in detail also the responsibilities mentioned by the companies in their offers for accountant and economist.

The most important methods used in the study were the observation, the documentation, the analysis and the comparison.

Result and discussions

Through this paper I analyzed how it is perceived the accountant profession and the economist profession, by the companies who provide jobs for these two professions.

According to the present legislation, an accountant with middle school education, can not organize and lead the accounting of an entity.

In the study made in November 2015, I selected a number of companies who made job offers, using the most important jobs sites from Romania, meaning 86 companies who offered jobs for accountant and economist, using ejobs.ro job site and 61 companies who offered jobs for accountant and economist, using bestjobs.ro job site.

From this study results that from 86 requested offers made by companies, using site ejobs.ro, for the accountant position, 43% of them were made wrong because the offer was made for accountant and the requirements speak about a degree in economics, this means that the correct offer should be "economist" (Figure 1.).

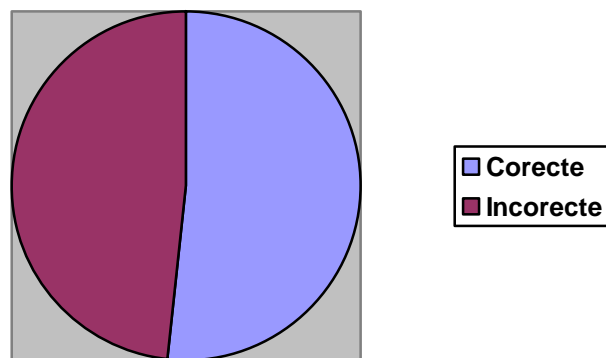


Figure 1. Jobs for accountant required by companies using ejobs.ro

From the study results that from 61 requested offers made by companies, using site bestjobs.ro, for the accountant position, 56% of them were made wrong because the offer was made for accountant and the requirements speak about a degree in economics, this means that the correct offer should be "economist" (Figure 2).

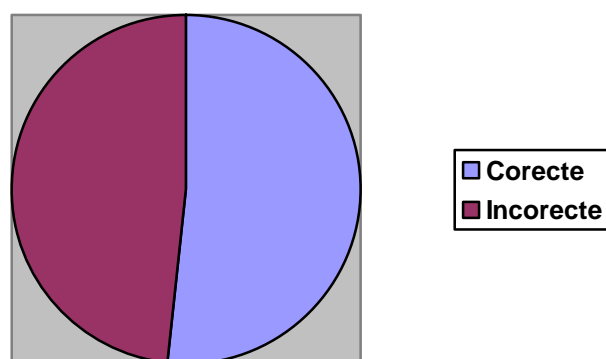


Figure 2. Jobs for accountant required by companies using bestjobs.ro

From the study results that the number of the companies who offered incorrect the accountant position is very high (between 43% and 56%).

Concluding remarks

Analyzing the employment offers made by the companies, using the most important jobs sites from Romania, for the accountant profession and for the economist profession, results that the number of the companies who offered incorrect the accountant position is very high, because in is mentioned an accountant position in the offer but the responsibilities and tasks are for the economist position. Also, in many cases it is mentioned the requirement for organize and manage all the accounting activities of the company (including financial statements) or the requirement for a degree in economics, but also it is incorrect mentioned the accountant position instead of economist or expert accountant.

From the conducted study results that the number of the companies who offered incorrect the accountant position is very high (between 43% and 56%).

Analyzing this practice met in Romania, through the companies offer “the accountant” job although the position is in reality for the "economist", I tried to explain this wrong tendency using the term accountant in place of economist. From the analysis of tasks jobs offered from the companies on several sites of jobs and from my practical experience I concluded that the reasons why some employers (companies) offer incorrectly job of accountant instead of economist are the following:

- there are employers who do not know the exact difference between accountants and economists;
- there are companies who do not know the new accounting legislation introduced by Government Ordinance no. 79/2014, who change the Accounting Law no. 82/1991, in which it is mentioned that the organization and management of an entity is usually in separate departments, leaded by persons with a degree in economics, such as economic director, chief accountant or another person authorized to perform this function;
- Some companies, especially small businesses require accountant position instead of economist because intend to add additional tasks that are not necessarily related to accounting, such as making invoices, issuing receipts from cash registers or other specific tasks from sales department;
- There are companies who believes that the accounting is not important for a company and who are concerned about the quality of accounting less, and are concerned more for paying low wages for accounting activity;
- There are companies who want to interfere in accounting act, sometimes wrongly, and they believe they can do this easily with an accountant than an economist.

I recommend companies that want to employ person from the accounting field, to know the Accounting Law no.82 / 1991, which mentioned that accounting is organized and lead, usually in separate compartments, led by economic director, chief accountant or other person authorized to perform this function. These persons should have a degree in economics. Through authorized person who act as financial director or chief accountant means a person employed under the law, which is responsible for the organizing of accounting entity. Also, the accounting can be organized and managed under contracts for services in accounting, made with authorized individuals or companies, members of the Body of Experts and Certified Accountants from Romania. (Law 82/1991).

Through this paper I wanted to clarify the terms economist and accountant, with specific reference to the situation when the companies make offers for jobs like accountant and economist, using jobs sites from Romania. I also tried to explain this tendency using the wrong word “accountant” for all accounting professionals, asserting clear that there are differences, and recommending to use in this situation correct words like: economist, accountant, expert accountant or certified accountant.

I think the study could form the basis of decisions for optimize the using of human resources and presenting a correct form of jobs offers, required by the companies using jobs sites from Romania, for accounting field.

After this analysis I recommend to all the companies who intend to employ person with a degree in economics to organize and manage the accounting of a company, to request an economist position, if the accounting is organize in a separate department, led by the economic director, chief accountant or another person authorized to perform this function or an expert accountant position.

I also recommend to the legislator to review the classification of occupations in Romania, for a better harmonization of this classification with REVISAL program and with practice and Romanian realities.

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