ACCOUNTING CERTIFICATIONS AND QUALIFICATIONS IN OUR DAYS – TO BE OR NOT TO BE....

CERTIFICARI SI CALIFICARI CONTABILE IN PREZENT – A FI SAU A NU FI...

DIANA DUMITRESCU[1]; N. BOBITAN[1]

[1]West University of Timisoara, Faculty of Economics and Business Administration, Timisoara, Romania; dianadumi@gmail.com

Abstract: *Employment of accountants and auditors is expected to grow in the next year as fast as the average for all occupations and one possible explanation is the demand for thorough financial documentation which is expected to increase in response to recent financial crises and subsequent financial regulations. There has been an increased focus on accounting in response to corporate scandals and recent financial crises. Stricter laws and regulations, particularly in the financial sector, will likely increase the demand for accounting services as organizations seek to comply with new standards. Additionally, tighter lending standards are expected to increase the importance of audits, as this is a key way for organizations to demonstrate their creditworthiness. This article describes the various certifications available to accountants.*

Key words: *accounting, certifications, chartered accountant*

INTRODUCTION

In nowadays with the plethora of accounting certifications and qualifications can be difficult to choose which the right certification is. There was days but these are gone, when an accountant could just become a Certified Public Accountant (CPA) issued by the AICPA (American Institute of Certified Public Accountants) in the USA or a Chartered Accountant (CA) issued by ACCA (Association of Chartered Certified Accountants) in the UK or for that matter anywhere else in the world. These accounting certifications, CPA or CA, represent a broad knowledge base but there are other certifications that represent a specialization within the field of accounting such as Chartered Financial Analyst (CFA), Certified Internal Auditor (CIA), Certified Management Accountant (CMA) and Certified Fraud Examiner (CFE).

Obtaining a certification is a demonstration of a commitment to the profession, many certifications require successful completion of a test covering a baseline level of knowledge and a requirement of continuing education for the relevant area of specialization.

Certifications are typically representative of a consistent and common set of standards, a code of ethics and a framework that is recognized in industry and they connect professionals to a cadre of peer and expert practitioners for sharing of emerging trends and best practices and are viewed favorably by employers.

MATERIALS AND METHODS

Based on the literature reviewed there are four major fields of accounting and auditing. The kind of work these professionals do is determined, in part, by what field of work they choose:

1. **Management Accountants** - Management accountants tend to work for companies as part of teams. They provide company executives with the information and analysis they need to make decisions. Executives also use this information to prepare the financial reports that are distributed to shareholders, creditors, regulatory agencies. Management accountants, also called cost, managerial, industrial, corporate, or private accountants, record and analyze the financial information of the organizations for which they work. The information that management accountants prepare is intended for internal use by business managers, not by the general public. They often work on budgeting and performance evaluation. They may also help organizations plan the cost of doing business. Some may work with financial managers on asset management, which involves planning and selecting financial investments such as stocks, bonds, and real estate.

2. **Government Accountants/Auditors** - Accountants are employed by federal, state and local governments for a variety of reasons. They do the books for government agencies as well as audit businesses and individuals who are required to conform to government regulations or pay tax. Accountants who work for the federal government are responsible for auditing branches of government organizations to ensure financial objectives are being met. Government accountants maintain and examine the records of government agencies and audit private businesses and individuals whose activities are subject to government regulations or taxation. Accountants employed by federal, state, and local governments ensure that revenues are received and spent in accordance with laws and regulations.

3. **Public Accountants** - This is one of the broadest accounting fields, as public accountants provide accounting, tax, auditing and consulting services for governments, corporations, nonprofits and individuals.Their clients include corporations, governments, and individuals. They work with financial documents that clients are required by law to disclose. These include tax forms and balance sheet statements that corporations must provide potential investors. For example, some public accountants concentrate on tax matters, advising corporations about the tax advantages of certain business decisions or preparing individual income tax returns. External auditors review clients' financial statements and inform investors and authorities that the statements have been correctly prepared and reported. Public accountants, many of whom are Certified Public Accountants (CPAs), generally have their own businesses or work for public accounting firms. Some public accountants specialize in forensic accounting, investigating financial crimes, such as securities fraud and embezzlement, bankruptcies and contract disputes, and other complex and possibly criminal financial transactions. Forensic accountants combine their knowledge of accounting and finance with law and investigative techniques to determine if an activity is illegal. Many forensic accountants work closely with law enforcement personnel and lawyers during investigations and often appear as expert witnesses during trials.

4. **Internal Auditors** work to examine the internal controls of an organization and attempt to sniff out and prevent inaccuracy, mismanagement and fraud. Internal auditors check for mismanagement of an organization’s funds. They identify ways to improve the processes for finding and eliminating waste and fraud. The practice of internal auditing is not regulated, but the Institute of Internal Auditors (IIA) provides generally accepted standards. Information technology auditors are internal auditors who review controls for their organization's computer systems, to ensure that the financial data comes from a reliable source.

Special certifications or qualifications that exist for accountants provide additional evidence of knowledge and competence beyond that provided by the college degree. These certifications allow accountants to project to future employers the depth of their knowledge in a specialized field within accounting. This article describes the various certifications available to accountants.

Certified Public Accountant (CPA) – is one person who has passed the Uniform Certified Public Accountant Examination and has met certain education and experience requirements. As such, they are much

more likely to be able to provide their clients with good service and advice than someone who has experience mostly in corporate accounting or another specialty.

Another thing CPA is a membership in key organizations such as the AICPA. Because to belong to this organization one must take a number of continuing education credits to make sure that their skills up to snuff with the latest laws. Another positive is that members routinely interact with their peers (other members) and swap advice. As such, they may be better able to provide their clients with better service than someone without this backing.

To obtain the CPA designation, applicants must pass the Uniform CPA Exam, gain relevant work experience and meet additional educational requirements. Overall, additional educational requirements usually consist of 24-30 semester hours in accounting, earned through a graduate or bachelor's degree in business. The CPA exam is difficult, are administrated by the American Institute of Certified Public Accountants, the governing body of CPAs in the United States and the 14-hour computerized exam consists of four sections:Auditing and attestation, Financial accounting and reporting, Regulation, Business environment and concepts.

Chartered Financial Analyst (CFA) has the reputation of the second best way to get a finance job on Wall Street, the first one is to get a Master of Business Administration degree from one of a handful of exclusive schools including Wharton, Harvard and Stanford. In some instances a CFA designation is even held in higher esteem than an MBA.

The CFA program is very broad, and might be more aptly described as the equivalent of a master's degree in finance with accompanying minors in accounting, economics, statistical analysis and portfolio management.

The CFA certifications is granted by the CFA Institute and there are three general requirements to earn a CFA charter: to pass three exams (candidates must pass a six-hour exam for each of three levels), have an undergraduate degree (in any subject) and have three years related work experience in the financial area.

Certified Management Accountant (CMA) is another great certification. There is overlap between the competencies of a CPA and CMA, but CPAs may be better equipped for compliance, accounting for transactions, tax and controls. Certified Management Accountants, as the moniker implies, lean toward financial analysis, organizational performance measurement, budgeting, strategic assessment and ongoing stewardship of the company. The exam is administered by the Institute of Management Accountants (IMA), which has more than 70,000 members.

There are four major components: Business Analysis, Management Accounting and Reporting, Strategic Management, Business Application.

To earn a CMA have to become a registered member of IMA, to possess a bachelor's degree, to pass the CMA exam, to have two continuous years of professional experience in management accounting or financial management and to complete at least 30 hours of continuing professional education annually.

RESULTS AND CONCLUSIONS

ACCA Romania

The most popular international certification is offered in Romania by the **Association of Chartered Certified Accountants (ACCA).**

The Association of Chartered Certified Accountants (ACCA) is the global body for professional accountants, which have an unrivalled global network of members, students, colleges and Approved Employers and offer: globally recognised qualifications, support and guidance for our students, employers and colleges, world-class accountancy expertise to the public and the highest standards of practice and ethical conduc, the organism has 140,000 members and 404,000 students throughout their careers, providing services through a network of 83 offices and active centers, that global infrastructure means that exams and support are delivered - and reputation and influence developed - at a local level, directly benefiting stakeholders wherever they are based, or plan to move to, in pursuit of new career opportunities, the focus of the professional body is on professional values, ethics, and governance, and to deliver value-added services through 57 global accountancy partnerships, working closely with multinational and small entities to promote global standards and support. ACCA use expertise and experience to work with governments, donor agencies and professional bodies such as the International Federation of Accountants (IFAC) to develop the global accountancy profession and to advance the public interest.

ACCA has an office in Romania which has responsibility to organizes exams for a diploma in Financial Management and in International Auditing.

To obtain an ACCA certification one person can learn on him/herself or can take one course of local providers of training programs:

- BPP International Bucharest(www.bpp.com);
- Intercollegiate IBS Romania(www.intercollegeibs.ro);

- ATC International(www.atc-global.com);
- The Exp Group Romania (www.theexpgroup.com)
- IRECSON(www.irecson.ro);
- Delaney Executive (www.delaneyexecutive.ro).

To qualify as an ACCA member, a person will need to complete a minimum of five of 14 exams (nine are eligible for exemption), the practical experience requirement and the Professional Ethics module.

CFA Romania

In Romania, **CFA Institute** is less known than it is in the rest of the world, it has presently 135 members and the ambition is to create visibility so that, above interest, promoting it matches the general interest. CFA activity is based on two essential principles: expertise and ethics. They stand for major interest in the smooth functioning of markets in Romania, in strengthening the confidence in the financial system or in intelligent and healthy allocation of investment, i.e. taking the correct financing decisions. Professionals who are members of **CFA Romania** working for banks, insurance companies, securities brokerage firms, asset management, pension funds, consulting firms, etc.

CECCAR

The Body of Expert and Licensed Accountants of Romania (CECCAR) is the main organization that manages the Romanian accountancy profession and has strong international accreditation, it is autonomous, non-governmental, non-profit and in the public interest. Having a remarkable development at a national level, CECCAR is represented in all Romania's 42 counties, through its territorial branches.

CECCAR is a member of the following International Professional Organizations: **I.F.A.C.** - International Federation of Accountants; **F.E.E.** - Federation des Experts Comptables Europeens; **F.I.D.E.F.** - Federation Internationale des Expert-Comptables Francophones.

CECCAR members are represented by more than 50 000 professional accountants, approximately 10 000 of them are working in public practice, and the others in the rest of the country's economy areas.

The expert accountant permanently in the center of the enterprise activity where the interests of shareholders, customers, suppliers and employees are often divergent has the purpose to provide a synthetic mirror of the activity transposed in figures based on true and fair financial statements that underlie management decisions.

Based on principles, concepts and rules, the activity of the professional accountant is compulsory to the businessperson from the 21st century, due to his knowledge and judgment and in the spirit of the ethic code, he contributes to the success and development of the enterprise.

The effort to raise the accountancy profession at a recognition and appreciation level has been uttered since the year 1935 by the Body of Accountants founder, Professor Trancu Iasi, which at the Accountants Congress in that year asked the members to obtain such a privilege so that the entire economic activity would pass through the accountants' services.

Joining the entrance examination for the profession of accountant is through a written test in subjects Accounting, Taxation and Law, and the entrance examination for the profession of chartered accountant consists of two written examinations: first with issues of discipline Accounting, Taxation and Law , the two subjects with subjects of Audit, Economic and financial evaluation of companies, accounting expertise and doctrine and ethics of the accounting profession.

Several master programs have concluded cooperation agreements with CECCAR the equivalence of master study programs with the entrance examination to obtain quality training of chartered accountant. These include several Master programs of the Academy of Economic Studies, Alexandru Ioan Cuza University of Iasi, the West University of Timisoara and the Babes-Bolyai in Cluj.

After admission, following a period of three years probation, which is performed in addition to an individual or within a company profile, CECCAR member. In the period in which it operates under the direction and control placement tutor, the trainee can have an employee. Stage involves performing professional work, plus technical training actions and conduct. At the end of each semester, the trainee shows a "quarterly report" that develop a practical case with a level of difficulty getting bigger.

CAFR

The mission of the **Chamber of Financial Auditors of Romania (CAFR/CFAR)** is to build on a solid ground, the identity and the public recognition of the financial audit profession in Romania, having as a main objective the sustainable development of the profession and its strengthening, in accordance with the Auditing Standards and with the Code of Ethics and professional conduct, by fully assimilating the International Standards on Auditing and the Code of Ethics issued by the International Federation of Accountants (IFAC), that will allow the Romanian financial

auditors to provide high quality services, for the public interest, in general, and for the business community, in special.

To obtain the quality of CAFR member and to be registered in the Registry of financial auditors the candidates have to be admitted at the professional aptitudes exams.

So what's next for an accountant? Everyone will decide what he/she wants to be or not to be...

REFERENCES

1. ***http://www.accaglobal.com/en/discover.html
2. ***www.aicpa.org
3. ***http://ceccar.ro/ro/
4. ***https://www.cfainstitute.org/pages/index.aspx
5. ***http://www.cfaromania.ro/index.php
6.***http://www.investopedia.com/articles/professionaleducation/09/accounting-finance-certifications.asp#ixzz1qh98DVmd**, **Shopping For An Accounting Certification**
7. *****http://www.careersinaudit.com/article/64420/european-accounting-qualifications-explained/, **European Accounting Qualifications Explained**
8.****http://www.newaccountantusa.com/newsFeat/ip/ip_acctcerts.html, The Sky Is The Limit-Accounting Certifications
9.***http://www.investopedia.com/articles/financialcareers/08/accounting.asp#axzz1qgoi9Vit**, **A Look At Accounting Careers**