

EXPECTATIONS OF MANAGERS IN FINANCIAL-ACCOUNTING SERVICES COMPANIES AS REGARDS THEIR RELATIONSHIP WITH CLIENTS, IN THE CONTEXT OF THE PRESENT ECONOMIC CRISIS

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Abstract: *Understanding the role of the accounting profession, of the accounting services in the present economic circumstances may influence the manager's decision of maintaining and carrying out a business.*

The goal of this study is to identify the expectations that the managers of the financial-accounting services companies have in point of satisfying the needs related to business management on a continuously developing market and in point of offering a clearer image of the collaboration between the provider and the beneficiary of professional services. The opinions of the managers working in financial-accounting services companies related to the provided service substantiated on a qualitative research based on the semi-directive in-depth interview.

Key words: *financial-accounting services, professional accountant, accounting services client, professional ethics, professional ability.*

1. Introduction

In order to thoroughly study the opinions and expectations of the managers working in financial-accounting services companies as regards the relationship with their clients in providing the service, we chose the qualitative research method named the semi-directive in-depth interview. The size of the sample was established to 10 respondents, randomly chosen, according to the list of the accounting expertise companies registered in the *Board of the Body and of the Chartered and Authorized Accountants of Romania – Brasov Branch*.

The structure of the sample is the following: 6 subjects of the micro-enterprise category and 4 subjects from the category of small enterprises.

The qualitative research established the following main hypothesis and objectives:

General hypothesis: Customers do not provide a collaboration that is appropriate to the expectations of the managers of the accounting-financial services companies.

Other hypotheses:

- ◆ The managers of accounting companies consider that the costs of the financial accounting information production are

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high, as compared to the prices paid by customers.

- ◆ The quality of the internal control system of the company, the objectivity, competence and integrity of the employees working in the company are considered the main restrictive factors in promoting the contract relations between the providers and the beneficiaries of accounting-financial services.

The objectives of the Qualitative Research:

1. Knowing the managers' opinions related to the market of financial-accounting services.
2. Identifying the managers' opinions related to the costs involved in the production and communication of the financial-accounting information, in order to maintain the current contracting relationships and attract new customers.
3. Knowing managers' requirements and expectations related to providing financial-accounting service within the current competition environment.
4. Establishing the restrictive factors in promoting the contract relations with customers who benefit from accounting-financial services.
5. Identifying the managers' degree of satisfaction/dissatisfaction in what concerns the collaboration with current customers.

2. Methodological Aspects of the Qualitative Research

The goal of the qualitative study is to understand the needs and expectations of the managers working in accounting-financial services companies as regards the collaboration with the beneficiary of these services. For the efficient conduct of the study, we developed a rigorous planning and we defined the necessary instruments, the Questionnaire for selecting the

potential respondents and the *List of the themes and sub-themes that will be approached within the semi-directive in-depth interview.*

In drawing up the selection questionnaire, we considered certain questions that would lead to the inclusion of certain representative subjects within the research, with a view to attaining the objectives mentioned, namely financial-accounting services companies managers from the category of micro-enterprises and small enterprises.

After identifying the category of subjects who are representative for this study, we established the themes and the sub-themes that were necessary in order to clarify certain issues, which originate in our own values, interests and professional priorities.

The list of the themes that shall be approached within the semi-directive in-depth interview is briefly presented in what follows:

1. *On the financial-accounting services market;*
2. *Opinions related to the costs implied by the production and communication of the accounting- financial information;*
3. *Managers' requirements and expectations related to providing the financial-accounting service within the current competitive environment, within an ideal situation;*
4. *Restrictive factors in promoting the contract relations with clients - beneficiaries of accounting-financial services.*
5. *The satisfaction/dissatisfaction degree for the collaboration with the current clients.*

The concrete words and the essence of the issues expresses by the interviewed people were registered on audiotape. [5] This modality presents advantages and disadvantages, as the presence of a recording device may be disturbing. Nevertheless, we realized it was the best

way for gaining the richness and subtlety of the interlocutor's way of speaking. The transcription of the information from the audiotapes was very carefully achieved by means of accurate typewriting [2].

The analysis of the information gathered by means of the in-depth interviews was achieved according to the **content analysis**, a method specific to the qualitative data analysis. [1]

The goal was to examine and organize the material that was gathered, so that this might bring about a better understanding of the profound nature of the relationships with clients, to the acknowledgment of the reasons that make them buy within any sales process. The philosophy of this process is based on the idea that it is only on the basis of an authentic relationship with the client that we may build the average and long term profitability.

3. The Results of the Qualitative Research

The most important stage of the content analysis is the **analysis (thematic or lexical)**, [3] which has two elements: *vertical analysis* and *horizontal analysis*. According to the synthesis grid, we further proceeded to:

- **Vertical analysis**, by approaching, within the same interview, the manner each respondent addressed the themes and the sub-themes of the in-depth interview;
- **Horizontal analysis** that reflects the manner each theme and sub-theme is approached by all the respondents. This analysis is important because it represents the fundament of the qualitative study report.

Extracting the meaning of the information gathered was the most difficult stage but, at the same time, the most motivating. [4] The fundamental objective of the qualitative research was to identify

all the relationships between the major themes related to the financial-accounting services revealed by the information obtained.

In order to obtain an overall image of the approaches made by the managers of the companies that provide financial-accounting services, according to the themes of the interview, the horizontal analysis is added to the *quantitative determination* of the information they provided, with the purpose of characterizing the contract relations between the financial-accounting services providers and their beneficiaries on the market in Brasov.

Therefore, the information in Table 1 points out the degree to which the interviewed managers offered information related to the discussed themes and sub-themes.

The analysis of the themes and sub-themes within the in-depth interview emphasizes the fact that managers showed a higher interest in approaching the *first theme* that was mentioned (about the importance of the financial-accounting services within the economy) understanding that this point represents the basis of the contracting relationships between the providers and the beneficiaries of such services. We also noticed that the theme related to the achievement of such a relationship was almost uniformly approached by most of the sub-themes, with a slight emphasis on the projection of an ideal image within the relationship between the accounting services provider and beneficiary, on the customer's behaviour in accomplishing this goal, and also the ideal management related to understanding the needs of the customer by means of the care towards the client and the continuous seek of innovation.

The analysis of each theme points out that the managers who were interviewed

emphasized one or another of its sub-themes.

The **first theme** of the list that was discussed is seriously approached by the majority of the managers. Within it, the third sub-theme is the most discussed one,

the motivation being based on the fact that the interviewed subjects have an experience in the accounting field and permanently felt the influence of the factors listed within the presentations.

The relative importance of the approaches of managers in financial-accounting companies Table 1

| Issues addressed | Share in total interventions (%) |
|--|---|
| Theme 1: <i>On the financial-accounting services market</i> | 17,47 |
| Theme 2: <i>Opinions related to the costs implied by the production and communication of the accounting- financial information</i> | 16,44 |
| Theme 3: <i>Managers' requirements and expectations related to providing the financial-accounting service within the current competitive environment, within an ideal situation</i> | 26,64 |
| Theme 4: <i>Restrictive factors in promoting the contract relations with clients - beneficiaries of accounting-financial services</i> | 21,80 |
| Theme 5: <i>The satisfaction/dissatisfaction degree for the collaboration with the current clients</i> | 17,65 |
| TOTAL | 100,00 |

In what concerns *the importance and role of the financial-accounting services*, the interviewed managers consider that their importance is incontestable and unquestionable, but the business world never appreciated this kind of services, because they involve costs. The fact that they are organized by authorized persons, with thorough education, emphasizes their importance. *The need for administrating and coordinating the business by means of economic decision based on accounting information* stood out in time, when the need arouse for general economic education for any manager working in a trading company. Most of the managers agree that the theme that was being discussed was in a way suffocated by *the primordality of the fiscality in this activity*. The role and importance of these services can be assessed also by

undertaking the responsibility for the public interest. Consequently, professional accountants must provide high quality services in the public interest.

In what concerns the evolution and structure of the market in Brasov, most of the managers agree to the following aspects: generally, *the market is not organized, it is unpredictable, it is dominated by the disloyal competition of the public clerks, by means of "shield companies", influenced by the centre politics of the professional organism*.

The second theme refers to the efforts of the accounting companies for producing and communicating the information to the beneficiary, in the first stage, and finally to the public. The conclusions reached according to the approaches of the subjects are related to the ratio cost/benefit that registers over unitary values in time and

consequently to certain contracting long time relationships. Managers' opinions related to the cost of human resources, the cost of the professional accountant are basically the same, aiming at obtaining and maintaining the *professional competence that assumes the maintaining of the knowledge and of the professional attitudes at an appropriate level, so that customers can be sure that they receive competent professional services*. The professional competence requires *continuous professional training, participation in courses, seminars, conferences, permanent updating of the knowledge by means of continuous information*. The financial expression of this consumption is represented by the cost of human resources, together with other costs related to the *fixed and variable fees paid to professional organisms, insurance policies for professional responsibility etc.*

The main subject of the **third theme**, approached within the semi directive in-depth interview, constitutes the projection of the image of the ideal relationship provider-beneficiary of accounting services. The expectations of the managers within such a relationship are multiple, pretentious enough and far too specialized taking into account the fact that the majority of the beneficiaries of such a service do not present the economic general notions for understanding the provided services. Consequently, the first stage in accomplishing such collaboration based on communication, understanding, and permanent conciliation refers to finding a common language, simplified for transmitting the accounting information.

The projection of the image of the ideal relationship between the provider and the beneficiary of the financial-accounting services is based on the permanent implication of the professional within the activity of the beneficiary, *continuous communication, respect, collaboration*

between the manager and the professional accountant based on their compatibility.

The role of the professional in this relationship is *„to present the client, according to his expertise, the activities that he must carry out in the future, by knowing and analyzing the past events”*, states one of the respondents. Such a collaboration method may create a united team which should support the economic agent, should represent the support for his information needs.

The answer in such a relationship is materialized in a change regarding the client's behaviour as far as accounting-financial services are concerned, which supposes, according to most of the respondents, *the manifestation of the interest in understanding the efforts of the professional accountant, the manifestation of the desire to know his/her business according to the analysis of accounting results.*

The fourth theme deals with the penetration on the market of the provider of accounting services and the problems that he has to deal with, under the conditions of the accounting services market. According to the majority of the subjects, there are situations of disloyal concurrence, there is no unity within the profession, the professional organism does not promote this activity sufficiently.

Within the activity of accounting service providing, the provider may deal with a series of barriers at the entry on the market, state most of the subjects: some of material kind, such as: *lack of an adequate space, the necessary endowments etc.*, others of professional nature, such as: *disloyal competition of the „so called” professionals who practice low prices, without taking the responsibility of the executed service; the lack of economic training of the client may lead to a lack of interest for the quality services; the lack of unity within the profession; the insufficient*

promotion of the professional accountant, the negligence of the professional standards. All these influence the correct promotion of the relationships between providers and beneficiaries of accounting services.

Related to the **fifth theme**, the managers' opinions are basically the same, most tending to cultivate the long-term relationships of collaboration (taking into account also the specific features of this activity) that will contribute to the increase of the degree of satisfaction in terms of the relationship between the provider and the beneficiary of accounting services.

Also, these ones believe that the relationships with customers are carried on with mutual respect, that satisfaction depends also on the *interest manifested by the client within this relationship*, that not all the clients appreciate the services that were provided, some out of indifference towards the work of the partner, some because of the lack of general economic education, others also because of the perception of the relationship between the price paid and the quality of the services that were received.

A certain discomfort in this relationship may intervene because the professional accountant is not always regarded as part of the company, his/her work not being appreciated enough in comparison to the demand for this type of work.

Conclusions

This research substantially contributes to the identification of the expectations of the managers in the accounting services companies, in terms of their collaboration with customers but, it also presents a series of limitations, among which we mention:

- because most of the interviews were taken within managers' offices in Brasov, these were interrupted by the activity carried out by these ones, which

determined the fragmentation of the exposition and the possible loss of certain information;

- the relatively high costs generated by this method determined the achievement of a low number of interviews;
- the lack of a psychologist who may contribute to the interpretation of the results of processing the primary data;
- the conclusions of this research, obviously, cannot be extrapolated at the level of the entire population of accounting services companies in Brasov.

The results this research shows that position of the professional accountant should be in the top management of the company and not as a collaborator of the state tax authorities, while the professional education is meant to model the conduct with a view to meeting accounting and tax objectives.

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