



Editor

Vladimir Marascu-Klein



Advances in Accounting, Auditing and Risk Management

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Proceedings of the 2nd International Conference on
Finance, Accounting and Auditing (FAA '13)

Proceedings of the 2nd International Conference on
Risk Management, Assessment and Mitigation (RIMA '13)

Brasov, Romania, June 1-3, 2013

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Preface

This year the 2nd International Conference on Finance, Accounting and Auditing (FAA '13) and the 2nd International Conference on Risk Management, Assessment and Mitigation (RIMA '13) were held in Brasov, Romania, June 1-3, 2013. The conferences provided a platform to discuss financial management, decision analysis, human resources management, marketing, labor economics, banking sector, credit, deficit, financial audit, investment, profit and loss account, stock option, risk management, assessment evaluation and mitigation etc with participants from all over the world, both from academia and from industry.

Their success is reflected in the papers received, with participants coming from several countries, allowing a real multinational multicultural exchange of experiences and ideas.

The accepted papers of these conferences are published in this Book that will be sent to international indexes. They will be also available in the E-Library of the WSEAS. Extended versions of the best papers will be promoted to many Journals for further evaluation.

Conferences such as these can only succeed as a team effort, so the Editors want to thank the International Scientific Committee and the Reviewers for their excellent work in reviewing the papers as well as their invaluable input and advice.

The Editors

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Plenary Lecture 1

Impact of Sustainable Development on the Financial Management of Czech Enterprises



Dr Michaela Krechovska

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Abstract: Sustainability and sustainable development have recently been frequently discussed topics in various fields. The knowledge-based society and the sustainable development concept represent the phenomenon of 21st century. Adoption of the concept of sustainability and implementation of sustainable activities are becoming one of the prerequisites for economic success of businesses in the future. Sustainability has become a way to improve business performance and to provide an increase in the shareholder value. This paper is focused on the integration of sustainability into the system of business management with an emphasis on financial management and decision making in the Czech enterprises.

The level of integration of sustainability into financial management and its aspects was examined by two author's empirical research carried out in recent years. In order to collect data, a questionnaire research tool was applied among Czech small, medium-sized and large enterprises across various business branches. The aim of this survey was to identify the approach of the Czech enterprises to the sustainability and to find out their symptoms in the area of financial management and accounting. The sustainability should be reflected through the whole process of business management. The sustainable performance management requires the inclusion of social and environmental aspects in the evaluation process. It would be advisable to create the integrated system of financial management that would reflect all effects of business sustainable initiatives.

Brief Biography of the Speaker: M. Krechovska holds PhD in Business Economics and Management from the University of West Bohemia in Pilsen. She is an assistant professor at Department of Finance and Accounting of Faculty of Economics, as well as a collaborator in the Centre of Project Activities at University of West Bohemia, Czech Republic. She conducts research and lecturing activities in the field of corporate financial management, investment decision making and audit.

Her research interests include: business finance, financial management and investment decision-making, performance management and audit. She published the results of her work in many papers at domestic and international conferences, articles in scientific journals and published monographs. She is a member of the Czech Association for Financial Management and a solver of several research and development projects focused mainly on finance and business management.

Plenary Lecture 2

The Road to IFRS – Stages, Stakes and Market Reaction Related to IFRS Adoption in Romania



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Abstract: In Romania, the IFRSs were gradually adopted. Certain events related to the reform of Romanian accounting system have improved the likelihood of IFRS adoption in Romania. Hence, in Romania, the IFRSs are used by credit institutions and by listed entities, for the preparation of consolidated financial statements (since 2006 and, respectively, 2007) and for individual financial statements (since 2012). The objectives of our paper are: to identify the events associated with the adoption of IFRS in Romania; to critically analyze the grounds (reasons) behind the decisions that have impelled IFRS adoption in Romania and to provide insights into the market reaction for the adoption of IFRS in Romania.

Brief Biography of the Speaker: NEAG RAMONA, was born in Miercurea Ciuc (Romania) on March 16, 1969. She graduated in 1992 from Academy of Economic Studies, Bucharest, Romania. From 1992 to 2000 she worked at Academy of Economic Studies like Assistant and Associate Professor at the Accounting Department. She is Ph.D. (2000) in "Economy - Accounting", Academy of Economic Studies, Bucharest, Romania. She is now Professor (from 2001) at „Petru Maior” University, Tg Mures, Romania and Director of Finance and Accounting Department at Faculty of Economic Studies, Law and Administrative Sciences. Her area of expertise is the financial accounting and international accounting, IFRS, European Accounting Directives. She published 3 books and co-authored 6. She authored and co-authored over 31 scientific papers published in reviewed journals or presented at international conferences. She was member of an international project "European Entrepreneurship Education - EEE" (2007 - 2009). She is member of two professional bodies: Body of Expert and Licensed Accountants of Romania (CECCAR) from 2001 and Romanian Chamber of Auditors (CAFR) from 2008. From 2006 she is president of CECCAR, county Mures, Romania.

Plenary Lecture 3

Some Aspects Regarding Enhanced Risk Management and Marketing Decision-Making Capability in Multi-Agent Systems



Associate Professor Gabriela Tont

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Abstract: The expectation and perception of complexity and resilience of systems are changing under the pressures of new business, technological and societal drivers. The systems theory application in marketing involves assumptions setting regarding the behavior of different processes as models which define the interactions between environment and system factors, and, secondly, to identify existing causal dependencies in these interactions. A marketing system model is a simplified representation which describes and conceptualizes the phenomena of real life situations. System models that facilitate understanding of the realities of marketing are useful to organize the information on marketing activities, indicating the strategies and pathways to action. The risk estimation is aligning in the larger framework of solving business and technical issues by adopting solution and decision-making under the simultaneous multi-objective conditions. A shared vision in risk management regarding the stages of risk-based analysis include identification prioritization assess and decomposition of risk.

The paper proposes a comprehensive systematic approach of risk management and marketing decision-making capability in Multi-Agent System under realistic time-dependent conditions, in order to allow an incremental development. Using Bayesian analysis technique expanded to support Probabilistic Risk Assessments, the methodology examines probability consequence scenarios which can emerge as a result of occurrence of multiple events individual events. The case of study, developed in terms of marketing performance validates, analytically and experimentally, the effectiveness of the proposed method for quantifying risk in systems.

Brief Biography of the Speaker: Earning the Ph. D degree in Electrical Engineering at Technical University Cluj Napoca, Gabriela Tont has actively carried out research and teaching activities in the areas of reliability engineering, and engineering management, multiple participant-multiple objective decision making, risk analysis, and decision support systems. Her research areas relate to applied statistics and innovative applications of probability in reliability data, statistical control the flow and reception of compliance and the design of reliability identification of structures typical of electrical systems, as part fiabilistic analysis. Using computer-assisted approaches, AMDEC, fault trees, cause-effect diagrams and Markov models she studied the reliability and security of complex systems. She developed models of evaluation of algorithms and computer programs of systems reliability and availability and strategies for preventive and corrective maintenance for complex systems.

Using methods, techniques and tools for non-numerical and numerical for quality assurance and improvement, as certified external quality auditor she has extensive experience in strategies for implementation of Quality systems management in manufacturing processes and quality system improvements with six sigma initiatives, optimizing TQM (zero defects, six sigma), quality planning (QFD).

In the fields above she has authored and co-authored over 190 scientific publications. She is the Technical Program Co-Chair, participates and reviews for WSEAS International Conferences.

Plenary Lecture 4

Risk Mitigation within Industrial Installations: Criticalities in Overpressure Protection Systems Design



Associate Professor Roberto Bubbico

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Abstract: One of the main causes of severe accidents in industrial installations is represented by the accidental and uncontrolled increase of the operating pressure within some process equipment or piping. When this happens without a timely and effective intervention of the control system, the possible catastrophic release of large amounts of dangerous materials is possible, with subsequent possible large scale accidents like fires, explosions or toxic cloud dispersion.

In order to avoid this kind of events, different prevention and/or protection measures are generally adopted: accurate process design, testing and maintenance, adequate instrumentation and control, and, as a last barrier, proper emergency systems, in particular an emergency relief system. Emergency relief systems are widely adopted since long in all branches of industrial applications and even in common home devices, and they usually act safely and reliably. However some lack of understanding and a number of uncertainties are still present both in their sizing criteria and management procedures. These issues should be properly addressed in order to reach a higher level of trust and to avoid the occurrence of accidents which, even if already characterized by low values of frequency of occurrence, might give rise to very severe consequences, either for the exposed population and the environment.

The above mentioned uncertainties and lack of understanding actually relate to a range of issues. After a general overview of them, some of the most important causes of possible errors, and hence sources of possible accidents, will be addressed, with specific reference to emergency scenarios identification and relieving fluid characterization. It is expected that a more thorough knowledge of the involved phenomena will allow a more proper sizing, selection and installation of these very important safety systems.

Brief Biography of the Speaker: Roberto Bubbico is associate professor at the Chemical Engineering Department of the “Sapienza” University of Rome. He received his PhD in process engineering from the University of Rome in 1996. His main research topics belong to industrial engineering, and include safety issues in the process industry, like risk analysis and assessment, accident prevention and emergency relief systems sizing, multiphase systems, and biotechnology. He is co-author of more than 100 scientific papers in international journals or conference proceedings, and has been involved in the Executive Committee of the Society for Risk Analysis of Europe until 2011 (President of SRA-E from 2007 to 2009).

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