

## INTRODUCTION

### **1. The rationale of the dissertation.**

Accounting plays a particularly important role in corporate finance activities as well as financial activities of all units in the economy, especially in the context of economic integration with highly demanding requirements of management and supervision of financial and economic information. Along with economic innovation, Vietnam's accounting system has been dramatically reformed, gradually approaching and integrating with international principles, precedents and standards. Accounting information is one of the leading standards to ensure the safety and ability to bring success to business decisions. To improve the efficiency of using capital in businesses, it is required that corporations have a system of economic and financial management tools. It is the accounting system.

Accounting is an important and indispensable tool in the process of an organization's operation management. Accounting is a tool used to manage and supervise all economic and financial activities effectively, providing adequate, honest, timely, public and transparent information of units, especially for Vietnam design consultancy joint-stock companies, an economic organization which has specific economic relations with different scales and diversified fields of activity which requires accounting work to be organized scientifically and rationally. In addition, for the purposes of international accounting integration, it is required that accounting must be completed to ensure transparent information for domestic and foreign partners. The jobs of accountants not only means recording, processing data and preparing financial statements but also analyzing, designing and evaluating systems of accounting information.

Vietnam design consultancy joint-stock companies are a specific type of business which provides designing consultancy services for the construction industry. These companies play an important role in designing a system of facilities and technical infrastructure for the development of the economy.

The growth rate in the field of construction designing consultancy has remained at a relatively high level, positively contributing to GDP in recent years, the quality of human resources has been basically improved. Domestic enterprises have been able to design, construct, manage and operate many large-scale and complex projects at regional and international levels, the integration ability of human resources for designing consultancy has also improved considerably as more and more Vietnamese technical and managerial staff have participated in FDI design consultancy enterprises and vice versa foreign technical experts participate in design consultancy enterprises of Vietnam.

However, besides the achieved results, the central issue of Vietnamese designing consultancy firms is the organization of management, especially the organization of accounting work. How to organize accounting work in accordance with the company operations is one of the important factors helping businesses operate effectively and create prestige in the marketplace.

Therefore, it is necessary to research and improve the organization of accounting work at Vietnamese design consulting companies, which is both theoretically and practically meaningful.

For the above reasons, the researcher would like to choose the topic "***Improving the organization of accounting work in the design consultancy joint stock companies of Vietnam***" as the title of the dissertation to supplement theories and improve the practices of organizing accounting work at the current joint stock design consultancy companies in Vietnam.

The structure of the dissertation

Besides the introduction, appendix and conclusion, the dissertation basically consists of three chapters:

***Chapter 1: The basic theory of organization of accounting work in enterprises***

***Chapter 2: Actual situation of organizing accounting work in Vietnam Design Consulting Joint Stock Companies***

*Chapter 3: Solutions to improve accounting organization in Vietnam*  
*Design Consultancy Joint Stock Companies*

## CHAPTER 1

### LITERATURES OF ORGANIZATION OF ACCOUNTING WORK IN ENTERPRISES

#### 1.1. Overview of accounting and accounting organization in the enterprise

##### *1.1.1. The basics of accounting in the enterprise*

###### *1.1.1.1. Accounting concepts*

Accounting was born in association with the process of social reproduction and inevitably development in all socio-economic models. Production in the society is growing, the level of science and technology is higher and higher, the requirements of organization and management are higher and more perfect. Therefore, accounting is increasingly developing both in form and method of organization to meet the management requirements of the businesses.

Accounting is a process of measuring, processing and providing useful information for making managerial decisions of businesses.

Currently, there are many different perceptions and concepts about accounting such as the concepts of the International Accounting Federation (IFAC), the Accounting Law No. 03/2003 / QH11, the universities and so on.

According to the International Accounting Federation (IFAC): *Accounting is the art of copying, classifying, and synthesizing transactions and events in terms of money, that have at least a part of its nature of finance and present its results.*

Article 3 of Accounting Law No. 88/2015 / QH13: *Accounting is the collection, processing, inspection, analysis and provision of economic and financial information in the form of values, in kinds and working hours.*

According to the Financial Accounting course book of the Academy of Finance, published in 2011: *Accounting is the collection, processing, testing, analysis and provision of economic and financial information in the form of value, in kind and working hours.*

Although accounting concepts are different, they share the same general conclusion that accounting is an indispensable tool in economic management; accounting is the science of processing and providing all information on assets and the movement of assets, economic and financial activities in the enterprise, in order to inspect and supervise all economic and financial activities of the enterprise.

#### *1.1.1.2. The approaches of accounting*

In the economic management system, accounting as a management tool is directly governed by two basic factors: objects of economic management and subjects of economic management.

Through studying the above accounting approaches, the accounting concept can be generalized. *“Accounting is a tool to manage, supervise closely and effectively all economic and financial activities, provide sufficient, honest, timely, public and transparent information, meet the requirements of organization and management of state agencies, enterprises, organizations and individuals.”*

Accounting can be classified according to different criteria, helping us to be aware of the contents, purposes and scopes of each accounting type.

#### *1.1.1.3. Assumptions, concepts and accounting principles*

#### ***1.1.2. Fundamentals of organization of accounting work in enterprises***

The concept of "Organization" is understood as two or more people working or coordinating to achieve a common outcome. Organization consists of many components such as objectives, types of organization, methods, human resources, means, time and supervision.

Organization of accounting work is considered to be an important task in the process of performing accounting work at accounting units in order to assist the collection, processing, analysis and provision of information for financial and economic management.

#### *1.1.2.1. The approaches of organizing accounting work in the enterprise*

Approach perspectives on the organization of accounting work may vary, but essentially aim at organizing an accounting system with elements that are

inseparably linked between the elements forming the nature of accounting, in order to well perform the functions of accounting by the system of accounting methods in specific environments and contexts associated with the accounting apparatus and accountants.

From the above points of view, as far as the researcher is concerned, the organization of accounting work in accounting units should be understood as a system of elements including: *Organization of the accounting apparatus, application of accounting methods, calculation techniques, application of accounting regimes and rules, assignment of humans responsible for specific accounting work, application of suitable accounting methods in connection with the requirements of receiving, processing, analyzing and providing financial and economic information, suitable to the specific characteristics of the unit in order to meet the information requirements for the management of the unit.* Therefore, the researcher would like to focus on analyzing the contents of organizing accounting work according to the second approach: "*Organizing accounting work based on the viewpoint of applying accounting methods*" as a theoretical basis of organizing accounting work in this chapter.

*1.1.2.2. Tasks of organizing accounting work in enterprises*

*1.1.2.3. Principles of organizing accounting work in enterprises*

## **1.2. The contents of organization of accounting work in the enterprise**

### ***1.2.1. Organizing the accounting apparatus in the enterprise***

Accounting organization is currently performed under three procedures:

- + Procedures of centralized accounting work;
- + Procedures of decentralized accounting work;
- + Procedures of combination of both centralized and decentralized accounting work.

Each of the above procedure is performed by the corresponding accounting apparatus.

### ***1.2.2. Organization of initial information collection***

Accounting documents are papers and materials reflecting economic and financial transactions that have arisen and completed, serving as a basis for recording in accounting books.

### ***1.2.3. Organization of processing accounting information.***

Organization of application of account system refers to the use of accounts based on promulgating regimes and applying regimes to the accounting units. The system of accounts is an important component of the whole accounting system.

For organizing accounting books, businesses need to organize the application of accounting procedures rational to the reality at the unit. Some common procedures are often applied by enterprises as follows:

- Ledger diary accounting procedures.
- Book entry voucher accounting procedures.
- Accounting form of General Journal.
- Form of accounting vouchers.
- Form of computerized accounting books.

### ***1.2.4. Organization of accounting inspection***

Accounting review is an important content for accounting work in accordance with the right requirements, tasks and functions in order to provide accurate, complete and reliable accounting information in a timely manner, so it must be conducted regularly under the prescribed regimes. Accounting inspection results must be presented in minutes or in reports.

The accounting inspection work in enterprises includes:

- Checking the implementation of accounting work.
- Checking the organization of the accounting apparatus and accountants.
- Checking the organization of management and accounting profession.
- Examining the compliance of law provisions on accounting.

### **1.2.5. Organization of financial reporting system**

According to the current accounting regime, the reports that enterprises must make periodically include:

- Balance sheets.
- Income statements.
- Statements of cash flows.
- Notes to the financial statements.

#### 1.2.6. Organization of accounting information analysis

In order to meet the needs of using information of the interested parties, in addition to the task of organizing, presenting and providing accounting information, the accounting apparatus need to analyze financial data. In order to make the analysis effective and useful, the analysis must be done scientifically and rationally according to particular types of businesses with their own characteristics. In general, these are often conducted through the following steps:

- Making plans
- Implementing the analysis
- Reporting results of analysis

### **1.3. Background literatures and factors affecting the organization of accounting work**

It is essential to study to improve the organization of accounting work in the enterprise. Therefore, the researcher focused on analyzing factors that govern the organization of accounting work for proper orientations. The previous studies were based on a few empirical theories to discover the influencing factors on the organization of accounting work.

#### 1.3.1. The foundational theories used in the research

##### 1.3.1.1. Information Theory

##### 1.3.1.2. Asymmetric information theory

##### 1.3.1.3. Representative theory

#### 1.3.2. Factors explored by previous studies

1.3.2.1. The characteristics of business organization and management organization of the enterprise



1.3.2.2. The legal framework of accounting governing the organization of accounting work at the enterprise

1.3.2.3. Accounting apparatus affecting the quality of accounting organization

1.3.2.4. The level of business owners' concerns affecting the quality of organization of accounting work

1.3.2.5. Facilities affecting the quality of organization of accounting work

## **CONCLUSIONS OF CHAPTER 1**

Chapter 1 has generalized the general issues of accounting and organization of accounting work in the enterprise, especially centralized into the basic contents of the organization of accounting work in the enterprise, such as the organization of accounting apparatus; organizing the system of accounting documents; organizing the application of the account system; organizing the accounting book system, organizing the preparation and analysis of accounting reports, organizing the accounting inspection and organizing the application of information technology in accounting work. In chapter 1, the researcher has also clarified the effects of different types of the joint-stock companies on the organization of accounting work in each unit, international experience in accounting performance in JSCs and lessons learned for Vietnam Design Consulting JSC

These scientific findings will be the basis for the PhD students to survey and evaluate the current situation of the organization of accounting work at Vietnamese design and consulting joint stock companies in Chapter 2, from which solutions to improve the effectiveness of this work at the unit are recommended.

## CHAPTER 2

### PRACTICES OF ORGANIZATION OF ACCOUNTING WORK IN VIETNAMESE DESIGN CONSULTANCY JOINT STOCK COMPANY

#### 2.1. General overview of design consulting joint-stock companies in Vietnam

*2.1.1. The history of establishment and development of design consulting joint-stock companies in Vietnam*

*2.1.2. The process of implementing design consultancy services in design consulting firms of Vietnam*

*2.1.3. Characteristics of design consultancy activities affecting the organization of accounting work in Vietnamese design and consulting joint stock companies*

*2.1.4. Situation of Vietnam's legal framework on accounting affects the organization of accounting work in Vietnam's design consulting joint stock companies*

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#### 2.2. PRACTICES OF ORGANIZATION OF ACCOUNTING WORK AT VIETNAMESE DESIGN CONSULTANCY JOINT STOCK COMPANY

*2.2.1. Actual practices of organizing the accounting apparatus in Vietnam design consulting joint stock companies*

A survey of companies on the selection of the organizational structure of the accounting apparatus shows that most companies have organized their accounting systems in a concentrated form shown in Table 2.2 below.

**Table 2.1: the applied organizational structure of accounting apparatus**

<b>organizational structure of accounting apparatus</b>	<b>concentrated</b>	<b>seperated</b>	<b>mixed</b>
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Collected answers	34	1	13
percentage	70.83%	2.08%	27.08%

(Source: by the researcher)

### 2.2.2 Actual situation of receiving initial information

Through a survey of the practice of the organization of documents and initial records in the design consulting joint stock companies of Vietnam in Hanoi, the design consultancy JSC of Vietnam applies Vietnamese accounting regime and specific regulations based on Circular 200/2014 / TT-BTC or Circular 133/2016 / TT-BTC. Companies have studied operating characteristics, characteristics of accounting subjects as well as the need to receive and process information to build and apply documents in connection with operational practice and management requirements, complying with the State requirements.

Accordingly, *“All types of documents are instructive. Enterprises are allowed to actively build and design accounting documents which comply with the requirements of the Accounting Law and ensure transparency”*.

In fact, most companies still retain all the documents applied Decision No. 15/2006 / QD-BTC dated 20 March 2006 and Circular No. 224/2009 / TT-BTC. December 31, 2009 of the Ministry of Finance

*(Appendix 05 - System of accounting vouchers of Construction Technology and Consultant - Coninco)*

**Table 2.2: The applied system of accounting vouchers**

<b>The system of applied accounting vouchers</b>	<b>Number of votes</b>	<b>Percentage</b>
The only use of system of compulsory vouchers	2	4.17%
Only use of the guided voucher system	2	4.17%
The use of both above systems of vouchers	44	91.67%

(Source: by the researcher)

The organization of the initial document and record system is carried out as follows:

*\* Prepare and reflect arising economic operations into vouchers:*

Through surveys, basically economic transactions are recorded according to the assignment and direction of the chief accountant.

### **2.2.3. Actual situation of organizing systematization of accounting information**

**Table 2.5: Actual situation of using the account system at the units**

<b>The use of accounting accounts at the company:</b>	<b>Number of votes</b>	<b>percentage</b>
Completely complying with the applicable accounting regime	42	87.50%
Partially complying with the applicable accounting regime, together with building some specific accounts by itself	6	12.50%

*(Source: by the researcher)*

### **2.2.4. Actual situation of accounting inspection organization**

**Table 2.7: Actual situation of checking accounting work**

<b>Does the company conduct accounting checks?</b>	<b>Number of votes</b>	<b>percentage</b>
With checking	48	100.00%
Without checking	0	0.00%

*(Source: by the researcher)*

### **2.2.5. Actual situation of organizing financial reporting system**

**Table 2.8: Actual situation of preparing financial statements at the units**

<b>Has the company established all financial statements according to the accounting regime?</b>	<b>Number of votes</b>	<b>percentage</b>
Enough	42	87.50%
Not enough	6	12.50%

*(Source: by the researcher)*

## **2.3. Assessment of the situation of organization accounting work at Design Consulting JSCs of Vietnam**

### **2.3.1. Strengths**

#### *+ The organization of accounting apparatus*

Basically, in companies, the accounting system is generally compact, meeting the requirements of accounting work. Accountants are qualified, properly trained, dedicated to the job. The accounting performance is clearly assigned.

- + Organizing the collection of initial information
- + Organization of accounting information processing
- + Accounting inspection organization.

### **2.3.2. Limitations**

- + Of the organization of the accounting apparatus*
- + Of the organization of collecting initial information*
- + Of the organization of accounting information processing*
- + Of the accounting inspection*
- + Of the organization of accounting information analysis, management consultancy*

## **2.4. Model of assessing the impact of factors affecting the situation of organization of accounting work at the design consultancy JSC of Vietnam**

### **2.4.1. Data source used for the model**

### **2.4.2. Methods of evaluation of findings:**

- (1) preliminary research by qualitative method
- (2) formal studies conducted by quantitative methods

#### 2.4.2.1. Qualitative research

#### 2.4.2.2. Quantitative research

### **2.4.3. Research models**

### **2.4.4. Model hypotheses**

### **2.4.5. Research process**

Step 1: Building a scale 98: a draft scale is built up based on previous domestic and foreign studies and the theoretical basis relating to the research topic, the dissertation.

Step 2: Qualitative research: face-to- face discussion among a team of 10 persons based on a pre-set outline of factors related to the research model

Step 3: Quantitative research

### **2.5.1. Results of construction and inspection of scales**

### **2.5.2. Results of correlation analysis and linear regression**

2.5.2.1. Analytical models

2.5.2.2. Correlation analysis

## **2.6. Evaluating the results of analyzing factors affecting the organization of accounting work in design consultancy companies in Vietnam**

The results of the regression model show that the quality of accounting organization is positively affected by 4 factors: legal guidance (PL); concerns about accounting work by the business owner (QL); means & facilities of accounting organization (VC); professional qualifications of accountants (CM) and the negative relationship 123 with characteristics of design consultancy industry (DD). Therefore, hypotheses H1, H2, H3, H4, H5 in the research model are accepted.

## **CONCLUSIONS OF CHAPTER 2**

Chapter 2 has discussed the practices of the organization of the accounting work at the design consultancy JSC of Vietnam, on the selection of models of organizing accounting work, the organization of receiving initial information, organizing the process of accounting information, organizing accounting inspection, setting up an accounting reporting system, organizing accounting information analysis, management accounting consultancy, and applying information technology in its work. Thereby, helping to analyze the advantages, shortcomings and existential causes of the organization of accounting work at the

design consultancy JSC of Vietnam, from which solutions for improvement are recommended.

## **CHAPTER 3**

### **SOLUTIONS TO IMPROVE THE ORGANIZATION OF ACCOUNTING ACTIVITIES IN VIETNAMESE DESIGN CONSULTANCY JOINT STOCK COMPANIES**

**3.1. Development orientation of Vietnam's design consultancy industry and principles, requirements on improving the organization of accounting activities at Vietnamese design consultancy joint stock companies.**

*3.1.1. Development orientation of Vietnam's design consultancy industry*

*3.1.2. Principles of improving the organization of accounting activities at joint stock design consultancy companies in Vietnam*

*3.1.3. Basic requirements of the organization of accounting activities in Vietnamese design consultancy companies*

*3.1.3.1. Improving the organization of accounting activities must be suitable with the characteristics of business activities.*

*3.1.3.2. Improving the organization of accounting activities must follow accounting principles and standards*

**3.2. Solutions to improve the organization of accounting activities at joint stock design consultancy companies in Vietnam**

*3.2.1. Improving the organization of the accounting apparatus in Vietnam design consulting joint stock companies*

*3.2.2. Improving the organization of collecting initial information*

*3.2.3. Perfecting the organization of systemizing accounting information*

*3.2.4 Improving the organization of accounting inspection*

*3.2.5. Perfecting the organization of financial reporting system*

*3.2.6. Improve the organization of accounting information analysis*

**3.3. Conditions for implementing solutions to improve organization of accounting activities at joint-stock design consultancy companies in Vietnam**

### ***3.3.1. On the side of State agencies***

- Continue to renovate and develop laws, complete macroeconomic economic policies and improve the legal framework, the Law system to ensure fair, equal and transparent competition. between businesses of all economic sectors. Renovating the planning and administration of economic development according to the market mechanism, at the same time implementing social policy elements. Implement the appropriate policy and mechanism system, especially the financial policy mechanism, in order to improve the quality of growth and ensure sustainable development.
- The State needs to raise awareness about the role of accounting for businesses, improve the accounting standards system and the Vietnamese accounting system as well as guiding documents to create a uniform application. as well as in accordance with international accounting standards.
- The State needs to continue reforming and developing professional organizations in the field of accounting inspection in order to improve the quality of accounting and auditing services.
- In the long term, internal audit activities must be prescribed in legal documents to create a legal framework for the organization as well as development of internal audit activities in each enterprise.

### ***3.3.2. On the side of Vietnam's consulting and design joint stock companies***

Companies need to be aware of the importance of organizing accounting in their business operations.

- Strictly abide by the provisions of the law as well as the financial and accounting regime of the State, perform the functions and tasks prescribed in the business lines of registration, regularly consolidate the entire management apparatus. , accounting apparatus to suit the development of the economy.
- Regularly researching and updating information on financial accounting regimes and policies. Organizing professional training and retraining for managers and accountants, aiming to build a synchronized accounting network from the company to its branches. Companies need to select and build a reasonable internal information system to better serve the accounting work at the unit.
- Ensuring physical conditions, technical equipment for the performance of general tasks and the application of information technology to the accounting work of Vietnam's design consultancy joint-stock companies.



### **CONCLUSION OF CHAPTER 3**

Based on the necessity, conditions, principles to improve the organization of accounting activities, as well as the current situation and evaluating the organization of accounting activities of Vietnamese design and consulting joint stock companies, in chapter 3 the author has proposed a number of solutions as well as micro-conditions (on the part of joint stock design consultancy companies of Vietnam), macro-conditions (on the State side) to implement the solutions to improve the accounting activity organization of Vietnam Design And Consulting Joint Stock Companies.

## CONCLUSION

The author made points of view on the organization of accounting activities and clearly affirmed the role, principles and theoretical basis of the accounting work organization in the accounting units. The thesis clearly identifies two groups of factors affecting the accounting organization of an accounting unit: the group of external factors and the group of factors inside the accounting unit. On that basis, the author proposed the content of accounting organization of the accounting unit from the perspective of organizing the collection, processing, checking, providing and analyzing accounting information based on the demand for accounting information. The contents given are related and logical, forming the basic theoretical system for the organization of accounting activities of the accounting unit operating under the market mechanism. This is the basic theoretical foundation for the author to conduct survey and evaluate the organization of accounting activities at Design Consulting companies of Vietnam.

The author has conducted surveys on the practices of organizing accounting activities in Design Consulting companies from the perspective of organizing the acquisition, processing, checking, providing and analyzing accounting information, management consulting. On analyzing the principles, theoretical basis and factors affecting the organization of accounting activities in these companies as well as the collected data and documents related to the organization of accounting activities in these companies, the author analyzes the advantages, limitations and basic causes of the current situation.

The development of Design Consultancy is necessary, important, urgent and very suitable to the development trend of the era and characteristics of Vietnam today. Improving the organization of accounting activities in these companies is necessary. Being aware of the need, the author gives the viewpoints and principles to improve the organization of accounting activities in Vietnamese Architecture Design Consultancy companies in Hanoi. From the limitations on the organization of accounting accounting in Architecture Design Consultancy companies, the author proposes complete solutions for: Modeling the organization of the accounting apparatus along the direction of applying information technology; Collecting and processing accounting information in accordance with the characteristics of design consultancy, providing and analyzing accounting information on both financial and economic aspects. In order for the proposed solutions to be feasible, the author offers a number of conditions for the Government, the Ministry of Education and Training, the Ministry of Finance, the Hanoi People's Committee and on the side of Design Consultancy companies of Vietnam.

## **LIST OF PUBLISHED WORKS BY THE AUTHOR**

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2. "Management Accounting in Enterprises in Vietnam", Journal of Financial Accounting Research, No. 7 (144)
3. "Exchanging experience of management accounting organization of some countries in the world and lessons for Vietnam", Journal of Financial and Accounting Research, No. 5 (178)
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5. "Studying international experience in developing policy mechanisms and using financial instruments to develop the science and technology market" Participating in the topic of State level in 2017 by Dr. Ngo Thanh Hoang, co-chaired with Mr. Dao Dinh Thi.
6. "Financial policies for collective economic development" Participating in the ministry-level topic in 2017 co-chaired by Assoc. Prof. Dr. Tran Xuan Hai and Assoc. Prof. Vu Sy Cuong.
7. "Factors affecting the organization of accounting activities in Commercial and Service Enterprises", The project manager of the Academy level in 2017. Rating: Good
8. "Studying management accounting in Vietnamese enterprises in order to implement the Accounting Law 2015" Nguyen Tuan Anh and MSc. Nguyen Minh Thanh co-chaired. Protection in December 2018. Rating: Passed
9. "Measuring risks in construction enterprises listed on Vietnam's stock market". Participating in the student level topic by Chairman PhD. Phạm Thị Vân Anh in December 2018. Rating: Excellent
10. "Research and innovation of Science and Research activities at the Academy of Finance". Participating in the 2018 Academy-level project co-chaired by Assoc.Prof. Pham Van Lien and Assoc.Prof. Dr. Ngo Thanh Hoang in December 2017. Rating: Excellent
11. "Amending regulations on Science and Research activities at the Academy of Finance ". Participating in the academy-level project in 2018 chaired by Assoc.Prof. Dr. Ngo Thanh Hoang in December 2018. Rating: Excellent
12. "Empirical study on applying management accounting in start-up enterprises in Vietnam" Participating in the Academy level topic by PhD. Nguyen Thu Hien and MA. Ngo Van Luong co-chaired the topic in December 2018. Rating: Excellent

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