



## Factors Influencing the Intention of Accounting Outsourcing: The Case of Vietnam

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### Abstract

Along with the rapid development of technology, specialization through outsourcing is one of the current trends. Outsourcing is a useful solution allowing executives to focus on core business activities, reducing costs, and enhancing business efficiency. Whereby, choosing professional providers of accounting service ensuring high quality as well as bringing many benefits is one of the major concerns of the CEO. The purpose of the study is to explore factors influencing the intention to outsource accounting instead of recruiting accountants of the enterprise executives who are outsourcing accounting in Vietnam. We received 181 valid responses from survey, in which, 94 outsourced accounting services. The initial model was proposed with five factors including specificity of accounting tasks, environmental uncertainty, behavioural uncertainty, frequency of accounting transactions and trust in service providers. The analysis proved that only specificity of accounting task and the accounting behavioural uncertainty are statistically significant and have impact on the intention to outsource accounting services of the executives. The complexity in business activities of enterprises, higher demand for information of managers will lead to stronger intention of accounting outsourcing. The behavioural uncertainty of internal accounting will increase the intention of accounting outsourcing due to suspicion of honest, sufficient, and timely provision of information from internal accountants.

### Keywords

Accounting; Outsourcing; Accounting outsourcing; Vietnam

### Introduction

Since 1930s, the rapid development of accounting outsourcing in term of width and depth is increasing worldwide. The topic of accounting outsourcing has been investigated by researchers of Coase et al. [1], Bendor-Samuel et al. [2], Klein et al. [3] and others.

According to Coase et al. [1], accounting outsourcing is the act of subcontracting out all or parts of tasks of an accounting system in a firm to an external firm. The study of Coase only identified the subjects conducting accounting tasks but did not show which tasks could be conducted. Bendor et al. [2] stated that accounting outsourcing is the transferring entire or parts of tasks of financing and accounting system to a provider. Klein et al. [3] provided that accounting outsourcing can be understood as the transferring of one or many functions or accounting processes to a third party, outsourcing of accounting services include full accounting package service; managing of inflow and outflow of cash; accounts receivable, accounts payable; recording invoices, taxes, financial analysis. Barthelemy et al. [4] provided that outsourcing of accounting means allowing others conducting functions related to finance of a company and outsourcing is appropriate for routine tasks such as entry of invoices, book-keeping, interim reporting. Watjatrakul et al. [5] supposed that outsourcing of accounting includes functions such as controlling daily accounting tasks, preparing monthly financial statements or even managerial information like analysis of fluctuations, estimation.

### Accounting Outsourcing

**Advantages of Accounting Outsourcing:** Accounting outsourcing has some advantages as (i) reducing costs of enterprises; (ii) focusing on core business activities of enterprises; and (iii) creating flexibility and enhancing efficiency of enterprises.

**Reducing costs of enterprises:** Outsourcing of accounting is viewed as the most effective solution for enterprises with the fundamental benefit of reducing costs Lacity et al. [6]. Lacity has proved that the cost of salaries for the accounting system exceeds the cost of an outsourcing contract in one year. A survey showed that the IT sector decreased by 6.7% in costs of value chain from 1997-2001 Leiblein et al. [7]. Klein et al. [3] provided that outsourcing of accounting helps firms reduce costs when selecting professional accounting service providers and increase flexibility when applying technology or expanding production. In particular, accounting outsourcing enables firms to avoid costs related to running the business. Klein, however, emphasized that outsourcing needs to be controlled, organized in a scientific way in order to bring benefits to firms. Kee et al. [8] agreed that outsourcing helps enterprises reduce cost of accounting department, however, outsourcing decisions require accurate estimation of cost, time and considering of other opportunity costs [8].

**Focusing on core business activities of enterprises:** Outsourcing of accounting allows firms to focus on key business areas and activities. This was the view of researchers such as Benko (1993); Quinn et al. [9]; Gilley et al. [10]. Reddy et al. [11] demonstrated that 30% - 45% of the time spent on accounting tasks is used in simple transaction processing activities such as recording invoices, billing, receipts, and receiving/delivering. Whereby, outsourcing of accounting will allow firms to focus on strategic activities such as financial planning, production, sales and controlling. Gilley et al. [10] emphasized the benefits of outsourcing of accounting as specialization process and the shortest way to reach modern accounting and to focus resources on strategic activities of enterprises.

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### **Creating flexibility and enhancing efficiency of enterprises:**

Previous studies have investigated for demonstrating the effectiveness of outsourcing. Bendor et al. [2] asserted that accounting outsourcing simplifies the administration, creates flexibility in management and increases business efficiency. According to Chin et al. [12], accounting outsourcing plays an important role in improving firms' performance by increasing profitability, return on investment and greater capital efficiency. Krell et al. [13] argued that the greatest benefit of accounting outsourcing is the creating of flexibility in management and operation. In order to do that, the unit outsourcing its functions should design useful measures of outsourcing service efficiency and have cross-check measures to control outsourcing services.

Kakabadse et al. [14] summarized benefits of outsourcing: staff and cost reduction, quality improvement, managing quality of activities by focusing on core competencies, and finally enhancing business efficiency.

### **Types of Accounting Outsourcing Services**

Accounting outsourcing services includes reviewing the financial statements; preparing financial reports; performing bookkeeping service and other accounting services.

First, reviewing financial statements is a service which reviews the annual and periodic financial statements as well as other accounting information; the scope of the review is smaller than the audit, so the level of reliability and validity is lower. Second, preparing financial statements is a service which prepares financial statements from the information provided by customers. Service providers do not certify the accuracy of the financial statements. If the contract requires preparation of tax returns, the tax declaration service is also considered as part of the preparing financial statements service. Third, bookkeeping service includes functions such as classifying, recording business transactions on book in term of currency or other measuring units, collecting documents, processing vouchers, performing accounting and bookkeeping, checking and completing vouchers, recording and preparing financial statements.

Last, other accounting services are certifying, evaluating, preparing internal reports or periodic reports.

### **Research Overview**

Transaction cost economics (TCE) model is the main theoretical framework to examine the factors affecting outsourcing decisions of enterprises [3,15,16]. The outsourcing decision or using internal accounting system depends on the comparison between transaction costs including the cost of negotiating the contract, the cost of implementing the services and the salary expenses paid to the accounting department Williamson et al. [17]. Accounting outsourcing is preferred when there are many accounting service providers in the market Hennart et al. [18] Abbott et al. (2007) distinguished between routine and non-routine accounting tasks. Routine accounting tasks include updating documents and vouchers, interim reporting, departmental reporting; Non-routine accounting tasks include preparation of financial statements at the year end. With routine accounting tasks which are often simple, repetitive, standardized, and need limited estimation, analysis of accountants, outsourcing should be used. Conversely, with non-routine accounting tasks which requires the accountants to have profound knowledgeable about the company's activities, expertise and experience to make a decision, firms should use internal accounting system Caplan et al. [19]. Leah (2005) agreed with this view and supposed that accounting

outsourcing is more appropriate for bookkeeping, summarizing and analysing. Dyer et al. [20] suggested that routine accounting tasks should be outsourced. When the asset specificity is high and the tasks are complicated, outsourcing is not a suitable choice. Moreover, researchers showed the relationship between outsourcing and the educational background of the CEO, the CEO's level of trust in the external accounting services, and asserted that the higher educational level of the CEO was linked with lower levels of outsourcing [20].

### **Research Model and Hypothesis**

Transaction cost economics (TCE) model was introduced by Masten et al. [15], in which factors influencing outsourcing decision of an enterprise include: specificity of accounting, environmental uncertainty, behavioural uncertainty, frequency of accounting transactions. Inheriting Masten's TCE model, Klein et al. [3] proved that the factor of trust also affects the accounting outsourcing decision of enterprises. Vandaele et al. [21] focused on studying and explaining that the characteristics of accounting tasks was the primary factor affecting outsourcing decisions, followed by behavioural uncertainty and enterprises' trust in external accountants. Therefore, the proposed research model is shown in Figure 1.

**Specificity of accounting tasks:** The specificity of accounting tasks is the driving force of outsourcing [3,15]. The complexity of accounting tasks depends on the fields of business activities (production or service) and the CEO's requirements of providing information [4,5]. The more complex the accounting tasks, the less intense the accounting outsourcing Dyer et al. [20]. Thus, the first hypothesis is proposed as follows.

H1: The higher the specificity of accounting tasks, the less intensely they are outsourced.

**Environmental uncertainty:** environmental uncertainty in this study refers to the stability and predictability of accounting workloads as a consequence of volatility such as business results, business size and changes due to merger, consolidation, acquisition or closure of the factories. The changes of these factors change will result in changes of accounting. In such cases, accounting outsourcing is inappropriate [3,15,22,23].

Therefore, the second hypothesis is proposed as follows:

H2: The higher the environmental uncertainty in accounting tasks, the less intensely they are outsourced.

**Behavioural uncertainty:** Behavioural uncertainty reflects difficulties in monitoring activities and supervising people against opportunism, fraud, distortion of information, shirking responsibilities [3,15,17,24]. Behavioural uncertainty makes it difficult to assess the effectiveness of the accountants employed by the firm. So, in this case, the business wants to outsource. Therefore, the third hypothesis is proposed as follows:

H3: The higher the behavioural uncertainty in accounting tasks, the less intensely they are outsourced

**Frequency of accounting tasks:** The frequency of accounting tasks is the amount of transactions to be recorded and reported. Frequency can be interpreted as accounting cycle in term of week, month, quarter, year or frequency is the scale of the activities. The larger the scale, the higher the frequency of accounting tasks [3,15,17]. Thus, the fourth hypothesis is given as:

H4: The higher the frequency of accounting tasks, the less intensely they are outsourced

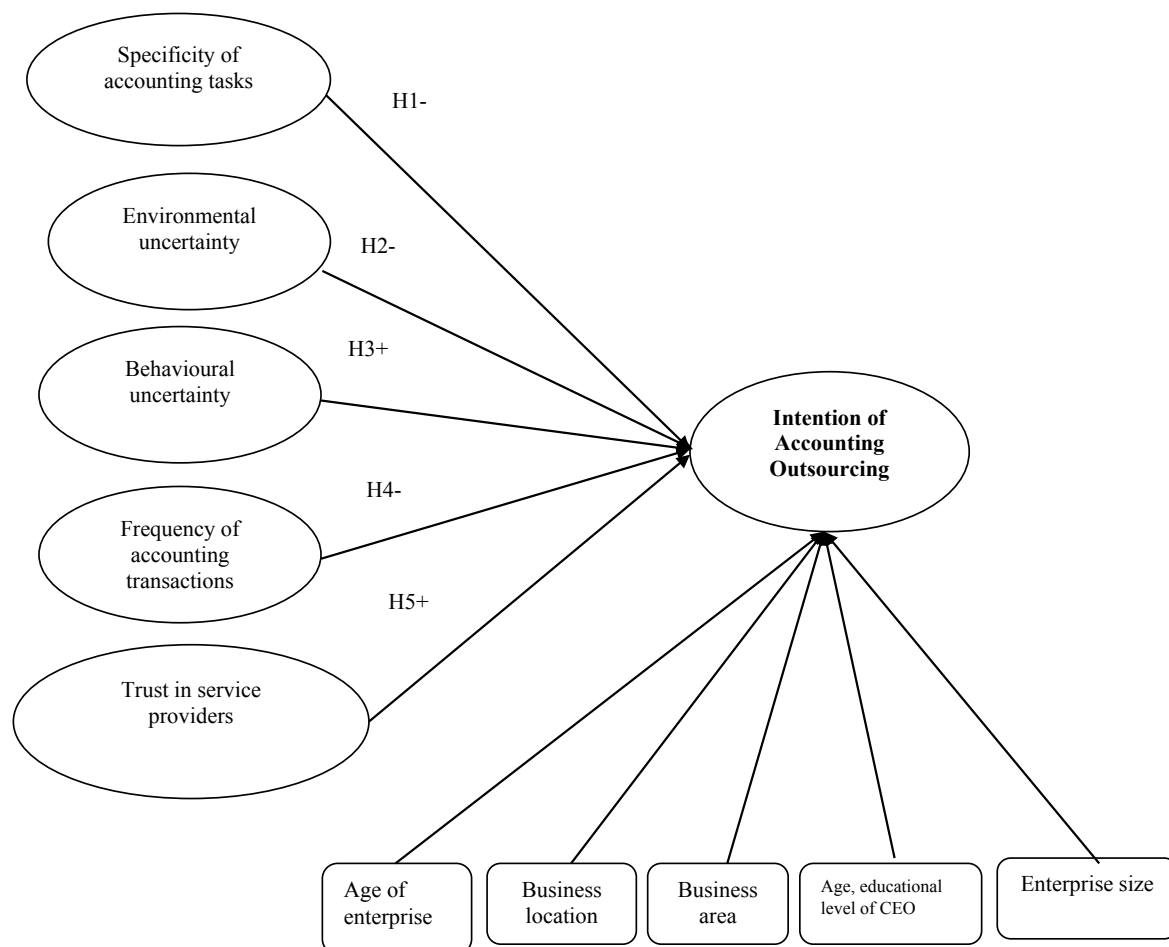


Figure 1: Research model.

**Level of trust in service providers:** Klein et al. [3] pointed out in his research results that trust in the service providers is an important factor in the outsourcing contract. According to Klein, trust is reflected in the following aspects: transparency in outsourcing, higher reliability and objective information provided by external accountants. When firms have confidence in external accounting services, they will choose accounting outsourcing even if the accounting specificity is high and the amount of accounting tasks is large or small Vandaele et al. [21]. Thus, the fifth hypothesis is proposed as follows:

H5: The higher the level of trust in accounting service providers, the more intensely accounting tasks are outsourced.

## Methodology

With the purpose of identifying factors affecting the intention of accounting outsourcing of the CEO, the authors conducted a survey by distributing questionnaires to CEOs. The questionnaire is divided into 7 parts: 1) Information of enterprise; 2) Specificity of accounting tasks; 3) Environmental uncertainty; 4) behavioural uncertainty; 5) Frequency of accounting transactions; 6) Trust in the service providers; 7) CEO's intention of accounting outsourcing. Scales in questionnaire are inherited from previous research, specifically:

+ In order to get information of enterprises, we used measurement scale of Noradiva et al. (2011), including control variables: age of

enterprise, location, business area, educational level and training area of the CEO. The researchers added criteria to identify the size of enterprise including sales and the number of employees to comply with the classification of enterprises in Vietnam [5].

+ The measurement scale of accounting specificity was inherited from researchers: Masten et al. [15]; Klein et al. [3]; Watjatrakul et al. [5]; Barthelemy et al. [4]; Dyer et al. [20] which included five questions.

+ The measurement scale of environmental uncertainty was based on scale of researchers Masten et al. [15]; Klein et al. [3]; Widener et al. [25]; Williamson et al. [22]; Hennart et al. [23] which included 2 questions and 1 questions proposed by the authors.

+ The measurement scale of behavioral uncertainty included five questions inherited from researchers Masten et al. [15]; Williamson et al. [22]; Hill et al. [24].

+ The measurement scale of frequency of accounting transactions included four questions from scale of Masten et al. [15]; Williamson et al. [22].

+ The measurement scale of trust in service providers included five questions from the scale of Masten et al. [15]; Klein et al. [3]; Vandaele et al. [21].

+ The measurement scale of dependent variable which is the intention of accounting outsourcing was proposed by authors based on 4 criteria including benefits to the work, good service quality, higher flexibility compared to recruitment and application of new technology.

The measurement scales of dependent & independent variables are shown in Table 1.

Questionnaires was distributed to enterprises via e-mail, and the number of valid respondents received was 181, however, the number of enterprises which are outsourcing accounting services was 94, accounting for 51.9%. We evaluated the intentions of outsourcing of firms which have outsourced accounting services to assess their intention to outsource accounting. Details of the 94 surveyed enterprises are shown in Table 2.

## Results

### Factors Analysis and Reliability

Initially, five independent variables and one dependent variable were measured by 25 observed variables in order to identify factors affecting the outsourcing of accounting of enterprises. According to Williams et al. (2010), sample size of 94 and the ratio of sample size and the number of observed variables of 94:25, which is greater than the ratio 3: 1, are appropriate for factor analysis. The KMO and Bartlett's test showed that the KMO = 0.808 (greater than 0.5 and less than 1) which indicates that the sampling is adequate for factor analysis. In addition, the Bartlett test revealed that the research data was statistically significant (Sig. = 0.00 ≤ 0.05) which means that variables were correlated. After the first exploratory factor analysis

(Table 3), the results showed that the observed variables combined into five groups of factors, which explained about 73.69% of the variation of the observed variables but it were different from the initial anticipation, specifically: (Table 4).

The variable measuring specificity of accounting tasks (Dacd\_cv1) measures the accounting tasks which do not require frequent provision of information and the variable measuring the behavioral uncertainty (Bohv\_5) represents accountants' changes of workplace with loading factor less than 0.5, so it will not be used in the model

The second, the third, the fifth variable measuring specificity of accounting tasks (Dacd\_cv2, Dacd\_cv3, Dacd\_cv5) combining with the first, the second, the third observed variable of environmental uncertainty (Bomt\_1, Bomt\_2, Bomt\_3) and 1 variable measuring intention of outsourcing (Inten\_2) was one group.

The fourth variable measuring specificity of accounting tasks (Dacd\_cv4) combining with variables of behavioral uncertainty was one group.

After eliminating 2 observed variables, the results of the second factor analysis (Table 4) based on 23 observed variables divided into 5 groups, explained 77.15% of the variation of observed variables. Thus, the model had only 4 variables to measure intention of accounting outsourcing. Groups are labelled as follows:

Dependent variable: intention of accounting outsourcing (IT\_outs) including 3 observed variables (Inten\_1, Inten\_3, Inten\_4).

Independent variables: Trust in service providers (Ntin) including 4 observed variables; Behavioural uncertainty (Bohv) including 5 observed variables; specificity of accounting tasks (Dacd\_cv)

**Table 1:** The Measurement scales.

Observed variables	Measurement scales	Source	Encode
1. Specificity of accounting tasks	Accounting tasks do not require daily information	Masten et al. [15]; Klein et al. [3]; Watjatrakul et al. [5]; Barthelemy et al. [4]; Dyer et al. [20]	Dacd_cv1
	Accounting tasks are performed by accounting software		Dacd_cv2
	Accounting tasks have high specificity		Dacd_cv3
	Firm is spending much time and money on accounting outsourcing		Dacd_cv4
	Tasks require experts to perform		Dacd_cv5
2. Environmental uncertainty	In previous year, jobs related accounting was unstable	Masten et al. [15]; Klein et al. [3]; Widener et al. [25]; Williamson et al. [22]; Hennart et al. [23]	Bomt_1
	In previous year, changes of enterprise affected the business organization (restructuring the enterprise)		Bomt_2
	In previous year, enterprise got taxation checking decision of tax office		Bomt_3
3. Behavioural uncertainty (internal accounting)	Internal accountants are uncooperative at work	Masten et al. [15]; Williamson et al. [22]; Hill et al. [24]	Bohv_1
	Internal accountants are dishonest when providing information		Bohv_2
	Internal accountants lack responsibility at work		Bohv_3
	Internal accountants distort reporting information		Bohv_4
	Changing workplace		Bohv_5
4. Frequency of transactions (daily,... yearly, 6 levels)	Invoice, vouchers of transactions need to be recorded	Masten et al. [15]; Williamson et al. [22]	Tsgd_1
	Interim reports need to be provided		Tsgd_2
	Periodic reports need to be provided		Tsgd_3
	Financial statements need to be provided		Tsgd_4
5. Trust in service providers	Accounting outsourcing are transparent	Masten et al. [15]; Klein et al. [3]; Vandaele et al. [21]	Ntin_1
	Accounting outsourcing provides more accurate information		Ntin_2
	Accounting outsourcing performs accounting tasks well		Ntin_3
	The relationship between the CEO and external accountants is based on trust		Ntin_4
6. Intention of accounting outsourcing	I will outsource accounting as it brings many benefits for the job	Dependent variable	Inten_1
	I will outsource accounting because of good service quality		Inten_2
	I will outsource accounting because it is more flexible than recruit accountants		Inten_3
	I will outsource accounting as it applies new technology		

**Table 2:** Features of the Sample.

Features		Number (N=94)	Percentage (%)
Capital	Foreign invested enterprises	14	14.89%
	enterprises	80	85.11%
Age	< 5 yrs.	43	45.74%
	5 - 10 yrs.	38	40.43%
	>10 yrs.	13	13.83%
Location	Northern	86	91.49%
	Central	5	5.32%
	Southern	3	3.19%
Fields	Trade and Services	58	61.70%
	Constructions	15	15.96%
	Others	21	22.34%
Number of employees	< 300 people	89	94.68%
	>=300 people	5	5.32%
Revenue	< 10 billion dong	65	69.15%
	10-50 billion dong	21	22.34%
	> 50 billion dong	8	8.51%

**Table 3:** The First EFA Analysis Results.

Rotated Component Matrix <sup>a</sup>					
	Component				
	1	2	3	4	5
Dacd_cv5	0.722				
Dacd_cv2	0.716				
Bomt_1	0.699				
Dacd_cv3	0.692				
Bomt_3	0.669				
Inten_2	0.627				
Bomt_2	0.53				
Dacd_cv1					
Bohv_2		0.901			
Bohv_4		0.889			
Bohv_3		0.886			
Bohv_1		0.86			
Dacd_cv4		0.616			
Ntin_2			0.862		
Ntin_3			0.847		
Ntin_1			0.819		
Ntin_4			0.747		
Inten_3				0.806	
Inten_4				0.801	
Inten_1				0.756	
Bohv_5					
TSgd_2					0.857
TSgd_1					0.758
TSgd_3					0.672
TSgd_4					0.558
Extraction Method: Principal Component Analysis.					
Rotation Method: Varimax with Kaiser Normalization.					
a. Rotation converged in 7 iterations.					

including 7 observed variables; frequency of accounting transactions (TSgd) including 4 observed variables.

To confirm the correlation of the observed variables to measure independent variables, we conducted a further analysis of the reliability for each group of observed variables of each factor. Results

showed that all groups had Cronbach's Alpha greater than 0.7 and Corrected Item-Total Correlation coefficients greater than 0.4. According to Kline (1998), we can assert that the observed variables are reliable and internally consistent to integrate into independent variables as the altered model.

### Analyzing and Comparing Groups of Variables

We compared intention of accounting outsourcing of enterprises regarding controlled variables, specifically: (i) in term of enterprise: age of enterprise, business location, business area, enterprise size; (ii) in term of the CEO: Age, educational level, training area.

Using compare means to find out if there is difference in the intention of accounting outsourcing between enterprise and the CEO. The results were as follows:

Age of an enterprise: Levene's test revealed that Sig. = 0.201 > 0.05 which means that there is not enough evidence to conclude the age of an enterprise affects the intention of accounting outsourcing. Similarly, with business location, business area, enterprise size, the results showed that there is no difference between those controlled variables and the intention of accounting outsourcing of enterprise.

Age of the CEO: Levene's test provided Sig. = 0.984 > 0.05 which indicates that there is no difference between this controlled variable and the intention of accounting outsourcing. ANOVA test provided Sig. = 0.503 > 0.05, thus, there is not enough evidence to conclude that age of the CEO affects the intention of accounting outsourcing. Similarly, there is no difference between educational level, training area of the CEO and the intention of accounting outsourcing of the enterprise.

**Table 4:** The second EFA analysis results.

Rotated Component Matrix <sup>a</sup>					
	Component				
	1	2	3	4	5
Ntin_2	.877				
Ntin_3	.847				
Ntin_1	.833				
Ntin_4	.759				
Bohv_2		.897			
Bohv_3		.897			
Bohv_4		.895			
Bohv_1		.860			
Dacd_cv4		.616			
Dacd_cv5			.719		
Dacd_cv2			.718		
Bomt_1			.718		
Dacd_cv3			.682		
Bomt_3			.671		
Inten_2			.591		
Bomt_2			.550		
Inten_4				.817	
Inten_3				.813	
Inten_1				.746	
TSgd_2					.864
TSgd_1					.775
TSgd_3					.671
TSgd_4					.579
Extraction Method: Principal Component Analysis.					
Rotation Method: Varimax with Kaiser Normalization.					
a. Rotation converged in 7 iterations.					



## Regression Analysis

We carry out regression analysis to measure the impact of 4 factors and controlled variable to the intention of accounting outsourcing (Table 5).

The results of regression analysis – Model Summary showed in table 5 provided value of  $R^2$  is 0.410. This means that factors and controlled variables can explain 41% of the influence on accounting outsourcing of enterprise. The Table 6 illustrates the hypothesis that dependent variables and controlled variables have positive impact on accounting outsourcing (Sig.<0.01).

Table 7 represents the simultaneous impact of independent variables and controlled variables on the intention of accounting outsourcing. The Sig value showed that only behavioural uncertainty (Bohv), the specificity of accounting tasks (Dacd\_cv) have sig. value less than 0.05 which are statistically significant. Behavioural uncertainty and specificity of accounting tasks have positive relationship with the intention of accounting outsourcing. The results also showed that there is no difference in intention of accounting outsourcing among enterprises with different ages, locations, business areas and enterprise sizes. Companies with CEOs of different ages, qualifications and training areas also have no difference in the intention of accounting outsourcing. The relationship between independent and dependent variables is illustrated by the following equation:

$$IT\_outs = 1.874 + 0.278 \times Bohv + 0.224 \times Dacd\_cv$$

Thus, the results of the regression analysis showed that the intention of accounting outsourcing is affected by the behavioural uncertainty of internal accountants and specificity of accounting tasks. For any change of behavioural uncertainty of accountants such as fraud, distortion of information in updating documents, transactions, providing data, reports causing difficulties to control the performance of the management will increase the outsourcing intentions by 0.278 times. Furthermore, the results showed that there is evidence to support hypothesis H3 which is consistent with previous studies Masten et al. [15]; Klein et al. [3]. In term of specificity of accounting tasks, the more complicated the accounting tasks, the more intense the intention of CEO to outsource. With more complex changes of specificity of accounting tasks, the requirement of administrative information is higher and the intention of accounting outsourcing increases by 0.224 times. This results in the rejection of the hypothesis H1 because specificity of accounting tasks has a positive impact on management's intention to outsource accounting. However, this result contrasts with study of Dyer et al. [20] who suggested that the more complicated the accounting tasks, the less intense the intention of outsourcing [26-38].

## Conclusion

With the purpose of explaining the intention to outsource the accounting services of CEO in Vietnam, the study relied on the TCE model with supplement of 3 observed variables measuring the intention of accounting outsourcing which are the benefits of outsourcing, the

Table 5: Regression analysis results – Model Summary.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.697 <sup>a</sup>	.486	.410	2.74699

a. Predictors: (Constant), Training area, Age of enterprise, Bohv, Business location, Educational level, Ntin, Age of CEO, Business area, Labours, Turnover, TSgd, Dacd\_cv

Table 6: Regression Analysis Results – ANOVA<sup>b</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	577.416	12	48.118	6.377	.000 <sup>a</sup>
	Residual	611.222	81	7.546		
	Total	1188.638	93			

a. Predictors: (Constant), Training area, Age of enterprise, Bohv, Business location, Educational level, Ntin, Age of CEO, Business area, Labours, Turnover, TSgd, Dacd\_cv  
b. Dependent Variable: IT\_outs

Table 7: Regression Analysis Results – Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.874	2.512		.746	.458
	Ntin	.132	.121	.140	1.093	.277
	Bohv	.278	.075	.379	3.715	.000
	Dacd_cv	.224	.075	.370	2.991	.004
	TSgd	-.023	.094	-.028	-.250	.803
	Age of enterprise	.384	.519	.082	.740	.461
	Business location	-.089	.737	-.010	-.120	.904
	Business area	-.289	.171	-.162	-1.693	.094
	Turnover	-.356	.507	-.079	-.702	.485
	Labours	-.873	.614	-.141	-1.422	.159
	Age of CEO	-.647	.423	-.138	-1.530	.130
	Educational level	.342	.576	.053	.594	.554
	Training area	.032	.297	.010	.109	.914

a. Dependent Variable: IT\_outs

flexibility of outsourcing compared to recruitment and application of new technologies when outsourcing. The results of the analysis are consistent with the data and there is internally consistence reliability to create the scale measuring the intention of accounting outsourcing. With the data of 94 enterprises in Vietnam that outsourced accounting services, the initial model was proposed with five factors including specificity of accounting tasks, environmental uncertainty, behavioural uncertainty, frequency of accounting transactions and trust in service providers. The regression analysis proved that only specificity of accounting task and the accounting behavioural uncertainty are statistically significant and have impact on the intention to outsource accounting services of the executives. Both of these variables increase the intention of accounting outsourcing. The complexity in business activities of enterprises, higher demand for information of managers will lead to stronger intention of accounting outsourcing. Whereby, professionalism, quality and support from experts will meet the requirement of information for the CEO. Furthermore, the behavioural uncertainty of internal accounting will increase the intention of accounting outsourcing due to suspicion of honest, sufficient, and timely provision of information from accountants recruited by the enterprise.

The research results can be seen as a reference model for future research on outsourcing of accounting services in Vietnam. On the practical side, research provides useful information for accounting service providers in improving service quality, professionalism, and application of new technologies to develop services in the integration trend. For Vietnamese CEOs, the study provides the basis for choosing the best option for outsourcing rather than recruit accountants because of the benefits, flexibility and application of new technologies of outsourcing especially with the diversified demand for information, the expanding of the firm size and the increasing complexity of management.

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