‘CALCULATED RISK-TAKING’: THE SUCCESS FACTORS OF ENTREPRENEURIAL ACCOUNTANTS

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Abstract. This study explored the ‘meaning’ of being a successful entrepreneurial accountant in Laguna, Philippines, using narrative analysis as a research design. Data were gathered from eight qualified entrepreneurial accountants. We based the analysis of data on the Codes-to-Theory Model proposed by Saldaña (2013), where data underwent a three-level analysis. The findings of the study revealed that the factors that contributed to the success of entrepreneurial accountants are the profound handling of the dynamic integration of the internal and external forces that affect their personal lives and professional endeavors. Specifically, these factors include their profile, personality traits, competencies, opportunities, resources, and business values. These factors are personal and organizational. The study recommends the formation of an association of accounting firms in Laguna to provide a flexible support system to the profession and the SME accounting industry as a whole. This study serves as a foundation on the instigation of further studies on the dynamic integration of professional/technical and entrepreneurial characteristics within a successful individual.

Keywords: Entrepreneurship, Entrepreneurial Accountant, Success Factors, Self-Determination Theory, Narrative Analysis, Codes-to-Theory Model.

1. INTRODUCTION

Professional accountants are commonly associated with being introverts, meticulous, and objectively stern when it comes to ‘getting-things-done’ (Attkisson, 2019; Indeed, 2020; Marinoff, 2016; Pannapacker, 2012). This is contrary to the typical stereotype of entrepreneurs who are creatively flexible, risk-taking individuals (Sixvertical, 2018; Entrepreneur Asia Pacific, 2017; Pupavac, 2015; Tappi, 2005; Caird, 1993). However, what if these characteristics combine? The result – Entrepreneurial Accountants.

Patil (2016) used the term “Accounteneurs” to identify entrepreneurial accountants. He mentioned that “Accounteneurs” chose not to take up a job, but instead to create a business. He defines them as professional accountants who own accounting firms. Thus, entrepreneurial accountants are driven in reaching a specific goal, whether that be an innovation, a state, or a unique service because these individuals do not only have the technical accounting skills but also have the qualities of an entrepreneur.

The presence of entrepreneurial accountants in society led the researchers to explore the meaning of being a successful entrepreneurial accountant. We focused on explaining how entrepreneurial accountants who own small to medium accounting firms became successful.
in Laguna, Philippines. Hence, this study aimed to contribute an in-depth theoretical understanding of the gap between the concept and practice of the entrepreneurial accountant phenomenon. Specifically, it focused on exploring the factors behind being a successful entrepreneurial accountant.

2. OBJECTIVES OF THE STUDY

The main purpose of this study is to explore the success factors of the owners of small to medium accounting firms — entrepreneurial accountants. In the Philippines, small and medium enterprises are classified based on asset size or by the number of employees (SEPO, 2012). Small enterprises have Php 3,000,00 – Php 15,000,000 asset or have 10-99 employees. On the other hand, medium enterprises have Php 15,000,001 – Php 100,000,000 or have 100 to 199 employees. To provide an in-depth investigation of the entrepreneurial accountant phenomenon, this study specifically aimed to address the following objectives: (1) to describe the relevant socio-demographic profile of an entrepreneurial accountant; (2) to understand the personality traits and competencies of a successful entrepreneurial accountant; and (3) to discover the available opportunities and resources that affect an entrepreneurial accountant’s success.

3. SIGNIFICANCE OF THE STUDY

In the Philippines, based on the 2017 Philippine Startup Survey (PwC Network, 2017), there are around 500 startups businesses today. Barrett (2019) mentioned, "more than 300 of them were founded between the years 2012-2017. More companies are expected to flourish in 2018-2019" (p. 1). This means that an increasing number of new businesses in the country will require the services of entrepreneurial accountants. The purpose of this study was to determine the significant success factors of entrepreneurial accountants who own small to medium accounting firms. Ultimately, this will provide information on how to achieve similar success. Such information is beneficial to aspiring (and even struggling) entrepreneurial accountants. This study is an essential contribution to the economic and taxation improvement of the country.

4. DEFINING SUCCESS IN ENTREPRENEURSHIP

Entrepreneurship is one of the most discussed topics in the field of business and research these past years (Chandra, 2018; Ferreira et al., 2015). Drucker (1985) asserted that it is a form of discipline that can be apprehended or learned. In 1934, Schumpeter (1934)
mentioned that entrepreneurship is not classified as a profession, for it is not a lasting condition. Ghosh (2017) revealed that the failure rate of start-up businesses in the span of five years was over 50% in all companies in the United States and over 70% in a time frame of ten years. This shows that most entrepreneurs today fail in an uncertain moment of time, not abruptly, but eventually (Henry, 2017). However, in the Philippines, the Philippine Entrepreneurship Report of 2015-2016 stated that “Filipinos sustained their high perception on their capability to be an entrepreneur, their belief that there is good business opportunity in the country, and their view that entrepreneurship is a good career option” (Velasco et al., 2017, p. xv).

The epitome of entrepreneurship used as a profession is entrepreneurial accounting. Accountants nowadays not only sit behind desks and balance sheets, but some also commit their work to a service business to practice their profession, known as accounting firms or accounting businesses (Patil, 2016). Probabilities of success and failure are present, but certain vital factors should be considered to become successful in this type of industry. The most common indicator of success in business is profitability (Top Four Indicators to Measure Business Success, 2016). Profitability is the degree to which a business or activity yields profit or financial gain when a firm can use its resources to generate revenues over its expenses. In other words, this is a company's capability to generate profits from its operations.

Success in business is not only measured through monetary means, but also by using metrics such as customer satisfaction. One of the analytics used to measure satisfaction is the Net Promoter Score (NPS), which is an index ranging from -100 to 100 that measures the willingness of customers to recommend a company's products or services to others. It is used as a proxy for gauging the customer's overall satisfaction with a company's product or service and the customer's loyalty to the brand (NICE Satmetrix, 2018). Success in business may also be psycho-social. Entrepreneurs are driven to develop a product or a service that the society needs and to create beneficial relationships (Ferriera, 2020; Padayao, 2019; Top Four Indicators to Measure Business Success, 2016; Okpara, 2007). Although financial assets do not arbitrate success, they are still manifestations of success. Also, there are many aspects in which an entrepreneur's success is distinguished – financially, mentally, personally, and socially within business partnerships (Light, 2006).
Business experts say that success is not served on a silver platter; it is worked hard for. There are building blocks of success that ought to be made known to the industry, more specifically to accounting firms. This study provides information that may bring about more successful entrepreneurial accountants (and entrepreneurs in general) in the coming years.

5. THEORETICAL FOUNDATION

Two significant theories served as the analytical foundation of this study: Human capital theory (Frese & Gielnik, 2014) and opportunity identification theory (Ardichvili et al., 2000; Gaglio & Katz, 2001). Respectively, these theories account for the internal and external factors that influence the distinctive character of entrepreneurial accountants.

Human capital theory (Frese & Gielnik, 2014) states that an individual’s acquired knowledge and skills increase his or her ability to conduct activities relevant to economic value. In general, the theory argues that psychological and cognitive aspects have a function in the identification of goals and formulation of action strategies. These human capital aspects are intrinsic, considering their locus of origin.

On the other hand, opportunity identification theory (Ardichvili et al., 2000; Gaglio & Katz, 2001) posits that entrepreneurial alertness is a necessary condition for the identification of business opportunities. According to this theory, opportunity identification is a triad composed of recognition, development, and evaluation.
This argument was supported by Morato (2018), where he stated that successful entrepreneurs seek, screen, and seize an opportunity. He stipulated that identified opportunities are external conditions beneficial to the entrepreneurial accountant.

Self-determination theory serves as nexus that makes a continuum of the above-stated theories (Ryan & Deci, 2000). It is a psychological theory of motivation that aims to explain an individual’s goal-directed behavior. Intrinsic motivation represents the most self-determined or autonomous. In contrast, extrinsic motivation (or controlled motivation) characterizes those activities that gain outcomes in terms of rewards or avoidance of punishments, and perceived autonomy is low (Deci & Ryan, 2000). Figure 1 above presents the theoretical framework that guided this study. It demonstrates the relationship of ideas and the in-depth systematic analysis of the internal (human capital) and external (opportunity identification) success factors of entrepreneurial accountants.

The theories mentioned above were strongly supported by other theories germane to the constructs discussed in this study. The theories relevant to the internal factors were the psychological theories of personality (Feist & Feist, 2008; Pe-Pua & Protacio-Marcelino, 2000) and motivation (Bénabou & Tirole, 2003; Sansone, 2000; McClelland, 1961). The external factors were supported by the theories under the lens of the following perspectives/views: (a) the industrial-level factors view (industrial-organizational perspective) relevant to Porter's five forces model (Porter, 2008); (b) resource-based view relevant to the Valuability-Rarebility-Imitability-Organization model or VRIO Model mentioned by Husso and Nyabakk (2010); and (c) the strategy process view relevant to the competitive positioning model by Hedman and Kalling (2003).

6. METHODOLOGY

This study focused on qualitative research methodology, specifically narrative analysis, to gather, analyze, and interpret data. “Qualitative research is an inquiry process of understanding based on distinct methodological traditions on inquiry that explore a social or human problem. The researcher builds a complex, holistic picture, analyses words, reports details of informants and conducts the study in a natural setting” (Creswell, 1998, p. 15).

7. RESEARCH DESIGN

We used narrative analysis as the research design for this study. We focused on the experiences of the entrepreneurial accountants embedded in the success stories that
participants shared with the researchers. We summarized their stories into single narratives telling their distinct successes as entrepreneurial accountants. We clustered their narratives into three distinct phases: (1) “before” establishing their accounting firms (when they were still employed accountants); (2) “during” the time when they started to establish their firms where they met various hurdles and challenges along the process; and (3) “after” they that have stabilized their operations and established their reputations.

7.1 Research Participants

We gathered primary data from eight qualified entrepreneurial accountants in the Province of Laguna in the Philippines. We selected participants based on the following criteria: (a) must be a Certified Public Accountant (CPA); (b) must be an owner of an accounting firm; and (c) his/her accounting firm must have been operational for a minimum of 5 years already.

7.2 Data Collection

We gathered data using interviews. Research peers and business professionals carefully scrutinized and validated the researcher-made guide questions. The interview guide was composed of five (5) main questions, specifically focusing on the participants' demographic profile (structured using a checklist for ease of use), the perceived personality traits, competencies, opportunities, and resources. The questions were asked conversationally, yet maintaining the thematic structure of the interview.

We used individual face-to-face interviews and an average interview would last from 20-30 minutes. The interviews were audio-recorded following ethical standards on informed consent, confidentiality and anonymity.

We transcribed the gathered interview data. Significant quoted texts were translated from the Filipino language Tagalog into English. We did not translate text that was not significant, such as repetitive words or phrases, interjections, or non-relevant statements. Qualified language experts and accounting professionals then reviewed the translations.

The researchers also created participant narratives by rewriting the stories of the participants into narratives. Each participant shared their experiences following the three phases of their narratives (‘before’, ‘during’, and ‘after’). The narratives (stories) were returned to the respondents for validation of the correctness of the content. The researchers ensured that
their re-telling of the stories of the participants are aligned to their original context and ideas. Both interview transcripts and participant narratives served as raw data for analysis.

7.3 Ethical Considerations

We anticipated ethical issues arising from this research study considering that we collected data from the lived experiences of the participants. We protected the welfare of the research participants in the whole process of this research. We used the following safeguards proposed by Viloria (2018) to ensure observance of ethical research practices: (1) we developed trust with the research participants to promote the integrity of the study; (2) we respected their rights, needs, and values; (3) we gave all participants written informed consent of their participation in the study, indicating therein that their participation was voluntary and they could withdraw from the study anytime without any questions asked or obligations; and (4) we kept the personal identity of the participants and their organizational affiliations confidential.

7.4 Data Analysis

We based data analysis on the Codes-to-Theory Model proposed by Saldaña (2013), where data underwent a three-level analysis phase: (1) coding; (2) categorizing; and (3) forming themes/ideas. As we rigorously analyzed data, through several reading stages, we developed a code system. This analysis technique helped us move from a broad reading toward the discovery of patterns in the information and empirical insight about the entrepreneurial accountant phenomenon. We rigorously created the themes in this study through careful reading and re-reading of transcribed data and extensive formation, interpretation, interrelation, and clustering of ideas and theories about the topic.

We identified the following major themes as relevant to the objectives of the study: (1) the entrepreneurial accountants who are middle-aged are very positive and passionate about accounting; (2) entrepreneurial accountants possess specific traits we categorized as character traits, professional traits, and entrepreneurial traits; (3) entrepreneurial accountants maximize available resources and opportunities; and (4) entrepreneurial accountants define characteristics of their business organization through careful planning and organization development.
7.5 Trustworthiness

To ensure the trustworthiness of the findings, we applied credibility, transferability, dependability, and confirmability as criteria to ensure the soundness of the results. We based these on the criteria proposed by Lincoln and Guba (1985). According to Lincoln and Guba (1985), these criteria are analogously comparable to the traditional measurement in judging the soundness of quantitative research, as indicated by Table 1 below.

Table 1. Criteria in Judging the Soundness of Qualitative Research and its Analogous Criteria in Quantitative Research.

<table>
<thead>
<tr>
<th>QUALITATIVE RESEARCH</th>
<th>QUANTITATIVE RESEARCH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credibility</td>
<td>Internal validity</td>
</tr>
<tr>
<td>Transferability</td>
<td>External validity</td>
</tr>
<tr>
<td>Dependability</td>
<td>Reliability</td>
</tr>
<tr>
<td>Confirmability</td>
<td>Objectivity</td>
</tr>
</tbody>
</table>

8. FINDINGS

The findings of this study reveal that the factors that contributed to the success of entrepreneurial accountants are the profound handling of the dynamic integration of the internal and external forces that affect their personal lives and professional endeavors. Specifically, these factors include their profile, personality traits, competencies, opportunities, resources, and business values. These inputs (success factors) are personal and organizational.

9. THE PROFILE OF AN ENTREPRENEURIAL ACCOUNTANT

The socio-demographic profile of the participants was relevant to their journey toward success. The average age of the participants was forty-six (46) years old. This finding is explicitly in line with the findings in Wadhwa et al. (2009). They found that the average entrepreneur was 40 years old when launching their first start-up — and the average age of high-growth start-up founders is 45 years old. The majority of them are female. According to Fetsch, Jackson, and Wiens (2015), in a study on women entrepreneurs conducted by the Kauffman Foundation (2015), it was found out that majority of entrepreneurs are female because (1) women entrepreneurs have a more subtle yet holistic understanding of risk, identifying as financial risk-takers more strongly than men while remaining concerned about reckless risk-taking activities and (2) Women exhibit remarkable determination than their male counterparts to become successful entrepreneurs.
Successful entrepreneurial accountants had their own families and had established their accounting firms on their own or through partnership. They strictly emphasized that accountancy, which was their academic background, was their passion. They added that at the current stage of their lives, having a work-life balance was very important. In an interview with 35 successful entrepreneurs conducted by Entrepreneur Asia Pacific in 2018 (Zipkin, 2018), they mentioned that most interviewees admitted that an entrepreneur could not have a work-life balance. On the other hand, they also emphasized that launching a company was all-consuming, yet they all assert that it is vital to make time in their busy schedule to do things that they love and enjoy time with their loved ones (Zipkin, 2018; Sutevski, 2020).

Table 2 below presents a summary of the demographic profile of the data sources.

<table>
<thead>
<tr>
<th>Participant</th>
<th>Age</th>
<th>Gender</th>
<th>Educational Background</th>
<th>Civil Status</th>
<th>Have children</th>
<th>Form of ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>56</td>
<td>female</td>
<td>CPA</td>
<td>married</td>
<td>yes</td>
<td>sole proprietorship</td>
</tr>
<tr>
<td>2</td>
<td>31</td>
<td>female</td>
<td>CPA</td>
<td>single</td>
<td>no</td>
<td>sole proprietorship</td>
</tr>
<tr>
<td>3</td>
<td>55</td>
<td>male</td>
<td>CPA, CMA</td>
<td>single</td>
<td>yes</td>
<td>sole proprietorship</td>
</tr>
<tr>
<td>4</td>
<td>42</td>
<td>female</td>
<td>CPA, MBA, PhD</td>
<td>partnership</td>
<td>yes</td>
<td>partnership</td>
</tr>
<tr>
<td>5</td>
<td>40</td>
<td>female</td>
<td>CPA</td>
<td>partnership</td>
<td>yes</td>
<td>sole proprietorship</td>
</tr>
<tr>
<td>6</td>
<td>45</td>
<td>female</td>
<td>CPA</td>
<td>partnership</td>
<td>yes</td>
<td>sole proprietorship</td>
</tr>
<tr>
<td>7</td>
<td>55</td>
<td>female</td>
<td>CPA</td>
<td>partnership</td>
<td>yes</td>
<td>partnership</td>
</tr>
<tr>
<td>8</td>
<td>48</td>
<td>male</td>
<td>CPA</td>
<td>partnership</td>
<td>yes</td>
<td>partnership</td>
</tr>
</tbody>
</table>

9.1 The Traits and Competencies of a Successful Entrepreneurial Accountant

The narratives of the research participants revealed a unique concoction of personality traits and competencies that describes the entrepreneurial accountant. In this research study, we define personality traits as the manifestation of personal thoughts, feelings, and behavior underlying the individually different personality of an individual (Diener & Lucas, 2020; Gurven et al., 2013). On the other hand, competencies are defined in this study as the set of knowledge and skills required to successfully perform certain tasks or profession (Burrus et al., 2017; Sturgess, 2012). The personality traits and competencies of a successful entrepreneurial accountant emerged from the stories of the research participants in this study.

9.2 Traits

The participants described the traits of a successful entrepreneurial accountant. We categorized these traits as: (1) character traits, (2) professional traits, and (3) entrepreneurial traits, as outlined in Table 3 below. Participants consistently stressed honesty (or
transparency), partnered with accuracy, as the most important personality trait that a successful entrepreneurial accountant should possess. This trait was strongly supported by other positive professional and entrepreneurial traits mentioned by the participants.

Table 3. The Traits of Entrepreneurial Accountants

<table>
<thead>
<tr>
<th>Character Traits</th>
<th>Professional Traits/Skills</th>
<th>Entrepreneurial Traits</th>
</tr>
</thead>
<tbody>
<tr>
<td>honesty</td>
<td>leadership (transactional)</td>
<td>being a risk-taker</td>
</tr>
<tr>
<td>positive thinking</td>
<td>presence and time management</td>
<td>visionary</td>
</tr>
<tr>
<td>family-oriented</td>
<td>being a problem-solver</td>
<td>determined</td>
</tr>
<tr>
<td>dedicated</td>
<td>goal-oriented</td>
<td>goal-oriented</td>
</tr>
<tr>
<td>relaxed/calm</td>
<td>being able to let the clients understand the meaning of their numbers</td>
<td>focused</td>
</tr>
<tr>
<td>motivated</td>
<td></td>
<td></td>
</tr>
<tr>
<td>mindful</td>
<td></td>
<td></td>
</tr>
<tr>
<td>being approachable and a good listener</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

9.3 Character Traits

Honesty is the most common character trait, according to the participants. Certified public accountants are capable of preparing financial reports; this means that they have the know-how to “manipulate” financial data to come up with desired numeric results. Hence, honestly is a character trait that an entrepreneurial accountant must possess. According to Participant 1, "honesty is the best policy." When the researchers asked Participant 3 what he possessed that led his firm to success; he answered, "transparency." Participants 2, 4, 5, and 6 also shared the same idea; that a successful entrepreneurial accountant is honest. An honest entrepreneurial accountant will always successfully earn clients' trust. According to the research participants, trust is important because confidential financial matters should always be handled professionally and truthfully.

According to the research participants, accounting firms usually have piled workloads and stressful deadlines to meet, which significantly affects the work atmosphere of the office. During these challenging and chaotic situations, being a positive thinker helps to get things done. Participant 3 showed positivity when asked how he motivates himself when in difficult and complicated situations. He answered, "I need to keep moving, not only for myself but also for the people around me." Participant 4 added that "I go to the salon to refresh my mind." This shows that the participants do not let stressful situations distract them. They find
time to refresh and come back stronger and ready to face daily challenges. The research participants emphasized that positive thinking sustains the psychological balance and work motivation of the entrepreneurial accountant.

The participants also revealed that successful entrepreneurial accountants are God-fearing individuals. Being religious (faithful) helps them become more positive, strong, and courageous in facing daily work challenges. Participant 4 said that in difficult times, may they be personal or inside her firm, she always "pray[s] for guidance, because it is essential." Participant 1 professed that it was God who helped her firm to achieve stability. The research participants consistently recognized that success in their accounting firm is God's work.

According to the participants, successful entrepreneurial accountants are also family-oriented. The participants commonly shared that, for them, their family (especially their children) inspires them to become better people and leaders of their firm. Their family is what pushes them to keep doing what they do. Participant 3 articulated his definition of success as "being able to provide for the needs of my family — each of my eight children already has been given their own houses to secure their future." He added, "I am already successful because my kids will no longer suffer the way I did."

The participants also commonly shared that "loving what you do" (or being passionate with one’s work), being relaxed, being motivated, being mindful, being approachable, and being a good listener are also traits present in a successful entrepreneurial accountant. The entrepreneurial accountant might appear brisk during challenging and stressful situations, yet they are more aware of all opportunities and threats in the business environment. Hence, in the end, they can make the right decisions (Roberts, 1989).

9.4 Professional Traits/Skills

The successful entrepreneurial accountant possesses the following professional traits/skills: (1) leadership; (2) presence and time management; (3) being a problem solver; (4) being goal-oriented; and (5) clearly explaining the meaning of their numbers to clients (i.e., providing foolproof financial reports) (Schloemer, 2015).

Entrepreneurial accountants are transactional leaders. As managers of their firms, the participants conveyed leadership qualities that fit Weber's definition of a transactional leader — "the exercise of control based on knowledge" (Sapru, 2008, p. 302). The premise is that it
is an exchange of some sort between the leader and the follower (Miller, 2009). The stories of the entrepreneurial accountant about their professional undertakings relate to the dimensions of transactional leadership style cited by St. Thomas University (2018). These dimensions are: (a) contingent reward, or the process of setting expectations and rewarding workers for meeting them; (b) passive management by exception, where the entrepreneurial accountant, as the manager, does not interfere with workflow unless an issue arises; and (c) active management by exception, in which the entrepreneurial accountant anticipates problems, monitors progress and issues corrective measures.

Participant 3, being the owner and manager of his accounting firm, stated that his time is more flexible compared to other professionals. However, he still needs to be present at work for his clients and employees. Though his time is limitless, and he can just give instructions to his employees to operate the business, he chooses to prioritize his managerial responsibilities in his accounting firm. This is one characteristic of a good time manager. The participants indicated that entrepreneurial accountants should possess this. Inside the firm, challenges are present daily.

All of the participants asserted that “problems are meant to be solved.” In one scenario, Participant 5 said that to address delicate situations like angry clients, they tend to lighten the mood by having a meeting in a cozy cafe or hotel. That way, they can handle them better. Participant 8 added that “being a problem solver means that you do not avoid compromising situations for they are always there, but rather you tackle them in a very confident and smart way.”

The participants described that a successful entrepreneurial accountant would never give up on achieving his/her dreams. Participant 3 narrated that he was a janitor before he became a successful firm owner. Participants 2 and 4 told the researchers that it was their dream since they were still young to become accountants and own an accounting firm someday. This data indicates that successful entrepreneurial accountants are goal-oriented.

In line with the character trait honesty, participants indicated that entrepreneurial accountants should let their clients know the meaning of the figures in their financial reports. They can explain what, why, and how the values amounted. Such a characteristic builds client confidence and retention.
9.5 Entrepreneurial Traits

Another set of traits that are present in successful entrepreneurial accountants are being: (1) a risk-taker; (2) a visionary; (3) determined; (4) dedicated; (5) goal-oriented; (6) focused; and (7) hardworking. We classified these traits as entrepreneurial traits because they also manifest in most entrepreneurs (Barringer & Ireland, 2015). The most prominent of these traits in entrepreneurial accountants are being calculated risk-takers and having a defined vision for their accounting firms.

Entrepreneurial accountants are risk-takers. However, the participants explained that not all opportunities must be taken. They must assess them first and calculate the risks before deciding to take them on. They must calculate or assess risks so that they can prevent loss in the end. This is for their firm to be secure and sustainable.

In line with being risk-takers, entrepreneurial accountants are “visionaries.” They do not settle; they make room for improvement and always seek opportunities for innovation. Technology provides one such opportunity. They update themselves with enough technology literacy and tools relevant in their field.

9.6 Competencies

The data also revealed that successful entrepreneurial accountants capitalize on the following competencies: (1) good communication and interpersonal skills; and (2) exceptional technical (accounting and taxation) skills. The participants said that having these competencies helped them grow their accounting firms and gave them a competitive advantage in the accounting services industry.

9.7 Communication and Interpersonal Skills

The research participants mentioned that communication refers to how the entrepreneurial accountant approaches the clients and how the client approaches the entrepreneurial accountant. Having good people skills makes clients feel that the entrepreneurial accountant is not just after professional fees. They added that the successful entrepreneurial accountant knows several people skills that include communication, empathy, conflict resolution, patience, and tolerance.

9.8 Exceptional Technical (Accounting and Taxation) Competencies
Technical skills are the skills and knowledge required to carry out specific tasks. Successful entrepreneurial accountants are updated in the field of accounting because there are always new technologies that they can use, and there are specific new tax rules that should be obeyed. Participant 3 shared:

Honestly, have I had the [urge] to help people – taxpayers – because of the number of our media chimneys? Our advocacy is to stop corruption. The problem is that the country’s Bureau of Internal Revenue (BIR) cannot stop corruption because of the rampant practice of bribery. Who are the bribers? The taxpayers... Our clients would usually tell us, “Do I have to pay this much (tax)? I don't want to, please help me... I'll just take care of you.”

Participant 3’s disclosure, though stated in a morally unconventional manner, revealed that an entrepreneurial accountant with adequate expertise in making unnoticeable adjustments in financial reports tends to be more attractive to a number of business clientele.

**9.9 Opportunities and Resources of the Successful Entrepreneurial Accountant**

These entrepreneurial accountants also associated their success by seizing opportunities. The participants highlighted opportunities as internal and external. Internal opportunities are mainly focused on the internal business environment, which include factors within the control of the company that has an impact on operational success, such as having potentially skilled employees. Participant 5 mentioned, “The best asset of this accounting firm is our human resources! Honest and loyal partners (employees) are hard to find. They are as important as our clients!” Her narrative supported this statement that as part of valuing her employees, she usually initiates company field trips and parties. Modern business organizations highlight that the most critical resource in a business is the human resources – the employees behind every successful product (Ferres, 2015).

They also regarded external opportunities as strong market demands. They said that creating a demand for their accounting services through effective marketing techniques is the foundation of such an opportunity. According to the participants, educating other business owners (their potential clients) about the importance of having an efficient accounting and taxation arm was essential to the growth of their businesses. It is crucial to maintain good relationships with customers and creating a new market by educating potential clients. The entrepreneurial accountants’ narratives agree with the blue ocean strategy (Chan Kim & Mauborgne, 2015). “To stand apart in these overcrowded markets, you (entrepreneur) need to be creative through value innovation” (Chan Kim & Mauborgne, 2015, p. xix).
Also, we also found that entrepreneurial accountants make good use of available resources (specifically technical expertise, technology, and adequate facilities). This significantly helped them. We labeled the resources as soft and hard resources. Soft resources are intangible assets possessed by the entrepreneurial accountants. These intangible assets are in the form of knowledge, skills, experience, and a good business foundation that has been acquired through continuous learning in the full timeframe of working in the field. The research participants associated hard resources as tangible assets in the form of money, technology, equipment, and facilities. According to the participants, having the capacity to finance their day to day operations is important, and, for a service form of business such as the accounting firm, starting a firm does not require a large amount of capital.

With the proper allocation of business resources possessed by entrepreneurial accountants, they can achieve the maximum efficiency in performance. Applied learnings that have been acquired in the full timeframe of business operations allowed the participants to earn and develop soft resources. Hard resources are tangible assets that they acquired through financing. The participants emphasized that it is important to know the value of these resources to capitalize on them.

The management approach of the entrepreneurial accountants is congruent with the resource-based view (RBV) in management developed in 1980s. RBV suggests that organizations should look inside the company to find the sources of competitive advantage instead of looking at a competitive environment. And it posits that the competitive advantage lies primarily in the application of a bundle of valuable tangible or intangible resources at the organization’s disposal (Jurevicius, 2013; Madhani, 2010).

10. THE CHARACTERISTICS OF THE BUSINESS ORGANIZATIONS OF THE ENTREPRENEURIAL ACCOUNTANTS

Different entrepreneurial accountants have different thoughts and strategies when it comes to running their existing business organizations (accounting firms). Through the narratives of the participants, we identified the distinct characteristics of the business organizations of the successful entrepreneurial accountant, namely: (1) business expertise; (2) credibility; (3) values; and (4) marketing strategy.

The business expertise of the entrepreneurial accountant is the prowess in the field of accounting and business. In order to have proficiency in an accounting firm, the organization
itself must possess excellence when it comes to accounting and finance management. The accounting firm must have updated taxation information, provide good service, and be eloquent when coordinating information to both potential and current clients. Participants 1 through 6 emphasized that "providing good customer service can only be achieved when the accounting firm has accurate knowledge and is equipped with updated technical accounting know-how" (Participant 4). Participants also emphasized the importance of identifying the core values in their accounting firms. They repetitively mentioned the core values they practice inside their firms. The following emerged as most relevant:

- honesty;
- transparency;
- paying of proper taxes and adhering to the government laws;
- considering the importance or every client;
- focus;
- hard work;
- resilience, or learning from failures;
- trust;
- respect; and
- discipline.

Finally, participants indicated a marketing strategy is a critical tool in any business or organization. They emphasized that it ensures the accounting firm to have more clients because of "popularization" and "recognition." Successful accounting firms achieve this by word of mouth and a strong online presence. Participant 1 stated that "being updated with the latest (on-line marketing) trends is a big benefit to my firm." Participant 3 also said that being present online or using the aid of social media (or even web pages) gives his accounting firm a competitive advantage. Because of his active presence on-line, he was able to serve clients in Davao City (Mindanao) even though his accounting firm is physically located in Laguna (Luzon).

11. CONCLUSION AND RECOMMENDATIONS

Successful entrepreneurial accountants are in the age of early thirties and above, family-oriented, and acquired their accounting firms on their own (Wadhwa et al., 2009; Fetsch et al., 2015; Zipkin, 2018; Sutevski, 2020).
Their form of ownership is mainly sole proprietor and partnership. Certified public accountants (CPAs) are the most effective entrepreneurial accountants. The demographic profile of the entrepreneurial accountants in this study implies that their success was driven by maturity, responsibility, and the accounting profession.

These entrepreneurial accountants were successful because they have reached a certain age where they already have the sense of being in charge and taking care of their families.

Entrepreneurial accountants are calculated risk-takers. They are quick in calculating possible loses and returns of a business opportunity (Fetsch et al., 2015).

However, unlike the typical accountant, the entrepreneurial accountant is more courageous to undertake challenges in starting their accounting firms. With the strategic use of available resources (soft and hard), the entrepreneurial accountant can face business challenges and sustainably direct his/her business towards success (Kaplan, 2012; Damelio, 2011; Hedman & Kalling, 2003). Different entrepreneurial accountants have different views on being successful. Driver (2017) mentioned that for an entrepreneur, there are many facets to distinguish success, whether success financial, cognitive, intrapersonal, interpersonal, or social fulfillment.

The meaning of being a successful entrepreneurial accountant is one who has not just mastered the techniques of accounting and taxation, nor has achieved the full growth of his/her enterprise. To an entrepreneurial accountant, it is also crucial to integrate the factors mentioned above with a strong, balanced character and excellent management and leadership skills (Light, 2006). A successful entrepreneurial accountant can start and grow a profitable business (Top Four Indicators to Measure Business Success, 2016), creates market and customers loyalty (NICE Satmetrix, 2018), builds and maintains good business relationships (Padayao, 2019; Top Four Indicators to Measure Business Success, 2016; Okpara, 2007), can balance personal work-life space (Zipkin, 2018; Sutevski, 2020), and contributes to the welfare of the society (Light, 2006; Ferriera, 2020).

This study summarized the success factors of an entrepreneurial accountant through the theoretical model, illustrated in Figure 2 below. The model shows the internal and external factors that define a successful entrepreneurial accountant.
These factors are ingredients (personal and organizational inputs) towards positive results (outputs) in their lives, giving them control over self-fulfillment (internal/personal) and even monetary/material rewards (external).

On the bases of gathered literature, findings, and conclusions of this study, the following are recommended further to enhance the accounting firm industry in Laguna and to extend academic understanding about the research topic. First, we recommend the formation of an Association of Accounting Firms in Laguna, commencing at the local level and eventually reaching out to other regions.

As stated by the entrepreneurial accountants who participated in this study, the accounting firm industry needs to be empowered. According to the research participants, empowerment should come from themselves and should start as early as possible to create standard practices as businesses continue to arrive and grow in the area.

Through a well-established association, accounting firms and their clients will benefit from the advantages of operational standardization and a smooth communication network.

Figure 2. The Entrepreneurial Accountant Model
We also recommend the instigation of further academic studies on this research area to enhance understanding of the entrepreneurial accountant model. Researchers should conduct further investigations to focus on the forces that influence the outcomes of the success of an entrepreneurial accountant, specifically on the external forces that affect the demands and expectations of clients, and on the level of quality of business relationship among business engaged in exchange transactions. This study serves as a foundation for further research on the dynamic integration of professional/technical and entrepreneurial characteristics within a successful individual. We recommend additional studies on the entrepreneurial accountant phenomenon, specifically through quantitative approaches to test the significance of the variables and to determine cultural generalizability.

12. REFERENCES


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