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## Factors Affecting the Outsourcing of Accounting Activities in Small and Medium Transport Enterprises in Vietnam

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### Abstract

In the current fast-growing market economy, the accounting-outsourcing trend of small and medium-sized enterprises is on the increase. Studies from both foreign and domestic sources have shown that many factors influence this decision. However, each country has different economic and political characteristics, so these factors and their degree of impact on accounting outsourcing also vary. This study aimed to determine the factors affecting the decision to outsource accounting activities of small and medium transport enterprises in Vietnam. A survey of 384 transport SMEs was conducted using the convenience sampling method. A personal interview with owners/managers/CFOs in 3 major cities of Vietnam based on a research review was conducted. The model examines the influence of many independent variables on accounting outsourcing. The multilinear regression analysis shows that the higher the Assets Specificity, the lower the degree of accounting outsourcing. In addition, the degree of outsourcing is positively and significantly related to frequency and trust in accountants. Besides, when we include control variables such as gender, administrative level, firm size, company age, education, and experience into the model. The results show that small and medium enterprises with limited resources should switch from the traditional internal accounting method to a professional accountant with external knowledge. Based on this study, the author proposes several implications for the accounting outsourcing of small and medium-sized transport enterprises in Vietnam to be more effective. Finally, this study also contributes to the basic knowledge of accounting outsourcing.

**Keywords:** Professional Accountant, Outsourcing, Accounting Functions, Transaction Cost Economics (TCA), Resource Based View (RBV), SMEs

**JEL Classification Code:** M10, M19, M41

### 1. Introduction

Small and medium-sized enterprises (SMEs) play an important role in all economies and are the main source of employment and income in the world (Samujh & Devi,

2008; OECD, 2009; IFAC, 2010). For example, SMEs in Vietnam are the most important source of job creation and economic diversification as in many other developed and developing economies around the world. However, the majority of SMEs in emerging economies cannot compete effectively due to their internal resource gap. For example, the resource-based view (RBV) holds that small businesses are more vulnerable than larger firms because they lack the necessary resources and capabilities to survive and grow (Gooderham et al., 2004). “Small and medium-sized enterprises in global value chains are even more vulnerable because they often bear the brunt of the difficulties of large enterprises” (OECD, 2009, p. 6). Indeed, SMEs face resource gaps and competitive pressures, forcing them to reduce costs and create new opportunities through the optimal use of external resources (Mahmoodzadeh et al., 2009). In today’s world, businesses are becoming specialists to obtain a competitive advantage, and outsourcing has proven to be the most effective strategy in this circumstance

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(Alshammari et al., 2020). Outsourcing can be referred to as a business practice by a company in hiring a third party to perform tasks, handle operations or provide services for the company (Sin et al., 2021). Outsourcing is the best way to reduce costs and create opportunities for growth (Jayabalan et al., 2009). Outsourcing not only considers overall business improvement and competitive advantage but also helps to cut costs (Delmotte & Sels, 2008; Mahmoodzadeh et al., 2009). Furthermore, outsourcing can add value through the higher quality available from external sources (Jiang & Qureshi, 2006). Outsourcing percentages have climbed in both private and public organizations to improve business performance, and it has turned into a substantial management activity that delivers overall economic improvement (Arslan et al., 2022).

Therefore, outsourcing accounting is an option for SMEs to maintain competitive benefits in a competitive environment, as outsourcing can ease the burden that SMEs carry. Suffered (Jayabalan et al., 2009). As SMEs often lack the skills and resources needed to perform internal accounting functions, access to the expertise and expertise of a professional accountant is clearly the main reason to hire a professional accountant. outside (Everaert et al., 2010). In this context, Ismail and King (2005) argue that external accounting can assist SMEs in operating in a competitive environment.

According to current regulations in Vietnam, SMEs include micro-enterprises, small-scale enterprises, and medium-sized enterprises, with the number of employees participating in social insurance not exceeding 200 people and meeting one of two criteria: total capital must not exceed VND 100 billion and total revenue of the preceding year must not exceed VND 300 billion (National Assembly, 2017).

According to this classification, in Vietnam, about 93% of the total number of SMEs in the private sector, SMEs account for 97% in terms of capital and 99% in terms of labor compared to the total number of enterprises in the country.

## 2. Theoretical Framework and Hypothesis

### 2.1. Frequency

Transaction frequency means the frequency or repetition of similar transactions (Murray, 2001; Lamminmaki, 2007). Therefore, TCE (Transaction cost economics) has predicted that frequent or repetitive operations seem to be generated internally (Williamson, 1985; Everaert et al., 2010). Frequent or recurring operations can create economies of scale (Widener & Selto, 1999) allowing for the recovery of setup costs (Everaert et al., 2010). The periodicity of specific accounting tasks is described as each accounting function that can be handled daily, weekly, monthly, quarterly, semiannually, and annually (Everaert et al., 2010). However, several accounting laws exist when

it comes to the preparation of financial statements once a year. Frequency can be understood in terms of the size of the business (Everaert et al., 2010). For example, Some employees are asked to enter 20 invoices to compare with entering 200 invoices per month. A company with 20 invoices per month has a lower frequency than a company with 200 bills per month. Therefore, for an old company (20 invoices) it is easier to outsource the accounting function than a company with 200 invoices per month (Everaert et al., 2010). Accounting frequency is classified into two categories: A. Routine accounting tasks (entering financial invoices, interim reports, and previous year's transaction volume for routine tasks performed) and B. Operations occasional accounting activities (end-of-year accounting and preparation of financial statements). According to Williamson (1985, p. 60), high-frequency transactions will lead to the choice of hierarchical governance, which means that internal firms choose to produce products or services instead of buying from suppliers. Based on the previous discussion, the following hypothesis is proposed:

***H1:** The higher the frequency of accounting for irregular jobs, the less intensive the accounting functions outsourced.*

### 2.2. Trust in Accountant

Trust in service providers is defined as one party trusting the other based on an economic indicator that the other party will fulfill its commitments and act in a predictable manner (Lee et al., 2008). It can be trusted to fulfill its legal obligations, with knowledge and expertise (Lamminmaki, 2007), will act predictably (Espino-Rodríguez & Padrón-Robaina, 2005), will charge a fair fee for the accounting services provided, and will act and negotiate honestly, as long as the possibility of opportunism exists (Everaert et al., 2010). Many argue that the link between outsourcing and trust in an external service provider should be analyzed based on TCE (Brouthers & Brouthers, 2003; Everaert et al., 2010; Greenberg et al., 2008). TCE argues that trust between the company and external service providers will strengthen their relationship, and transaction costs and the potential threat of opportunism will be minimized (Greenberg et al., 2008; Tian et al., 2008; Verwaal et al., 2008). Consistent with TCE, Kim et al. (2007) indicated that trust is the main important driver affecting outsourcing. Everaert et al. (2010) indicate that the decision to outsource accounting services of SMEs is based on the characteristics of the transaction and the trust of the owner/manager in external accounting. The higher the expected level of trust in external accounting, the greater the tendency that SME executives will prefer to outsource accounting (Lee et al., 2008; Everaert et al., 2010; Verwaal et al., 2008; Greenberg et al., 2008). Therefore, the proposed hypothesis is as follows:

**H2:** *The higher the trust level of SME owners/managers in external accounting, the stronger the outsourced accounting functions:*

### 2.3. Asset Specificity

Studies suggest that asset specificity is another factor that plays an important role in deciding to outsource accounting functions. There are two specific types of assets, including physical assets (land, equipment, machines, etc.) and human assets (skills, abilities, knowledge, etc.) compete by successfully applying valuable assets to specific transactions. For example, Asset Specificity refers to expertise, competencies, knowledge, skills, and abilities related to accounting functions. In this respect, Barney (1991) classified resources as physical resources, including physical technology, plant, and equipment, geographical location, and accessibility to raw materials, while human resources include training, experience, judgment, intelligence, and relationships between individuals, managers, and employees in the enterprise. According to Chang et al. (2009), when it is low, it is likely that core business transactions may be dominated by outsourcing. Moreover, the specificity of human assets is an important factor for internal audit and hiring accounting services from a professional accountant (Everaert et al., 2010). Furthermore, Asset Specificity is a significant association between accounting outsourcing and asset specificity (Everaert et al., 2010). Therefore, studies on TCA and RBV show that Asset Specificity is an important part to consider in outsourcing decisions (Wattjatrakul, 2005; Everaert et al., 2010). Finally, our first hypothesis based on the previous discussion is as follows:

**H3:** *The higher the level of asset specificity of accounting functions, the lower the intensity of outsourcing accounting functions.*

### 2.4. Opportunism

The term opportunism is defined as “the pursuit of self-interest with pleasure” (Williamson, 1985, p. 47). An opportunity in accounting outsourcing means that one party accepts an increase in costs or a decrease in revenue as a result of hostile conduct by the other party. While the former can be viewed and controlled with relative ease and safety, the latter is less likely to be seen or controlled before it occurs (Lai et al., 2012). The TCE theory suggests that there is a positive association between an exchange’s degree of dependence (e.g., buyers) and its propensity for its counterpart (e.g., suppliers) to act opportunistically (Hawkins et al., 2009). In addition, the opportunistic behavior of service providers reduces trust, commitment, cooperation, and satisfaction and especially damages the

long-term relationship between the individual company and the supplier’s services (Kwon & Suh, 2005; Lee et al., 2008; Joshi & Stump, 1999). According to Everaert et al. (2010), an external accountant developed a relationship with a manager or owner who made commitments, took action, acted predictably, and minimized opportunism. Therefore, the opportunistic behavior of service providers has a great influence on economic decisions. As a result, the following hypothesis is proposed:

**H4:** *The stronger the perception that external accountants will behave opportunistically, the less rigorous the outsourced accounting functions will be.*

### 2.5. Environmental Uncertainty

Studies indicate that environmental uncertainty is another important factor influencing SME outsourcing decisions. Environmental Uncertainty in an accounting context means that a company has less information about the predictability and stability of its accounting workloads associated with causing business instability (Everaert et al. et al., 2010). Unstable accounting activities are the result of changes in business strategy and structure, unstable sales invoices, and seasonal factors affecting the workload in the business. Furthermore, TCA terms (Ellram et al., 2008) show that if the firm can appropriately forecast accounting-related functions leading to a reduction in transaction costs, then, in that case, the company is more likely to outsource the service. Moreover, the lower predictability of the accounting functions will lead to higher transaction costs and less likely the company will outsource. Accounting services (Everaert et al., 2010; Lamminmaki, 2007) Therefore, the higher the degree of environmental uncertainty that increases transaction costs, the less likely it is to choose a firm to choose a specialized accountant. External enterprises (Kotabe & Mol, 2009) rather than prefer to perform accounting functions through internal accounting (Ellram et al., 2008). Therefore, based on the previous discussion, the following hypothesis is proposed:

**H5:** *The higher the Environmental Uncertainty of accounting functions, the lower the outsourcing intensity of accounting functions.*

## 3. Research Methodology

### 3.1. Control Variables

RBV explains that the use of external services is related to the size and age of the firm (Bennett & Robson, 2003). Furthermore, TCE points out that outsourcing provides smaller businesses with the opportunity to use outside accounting

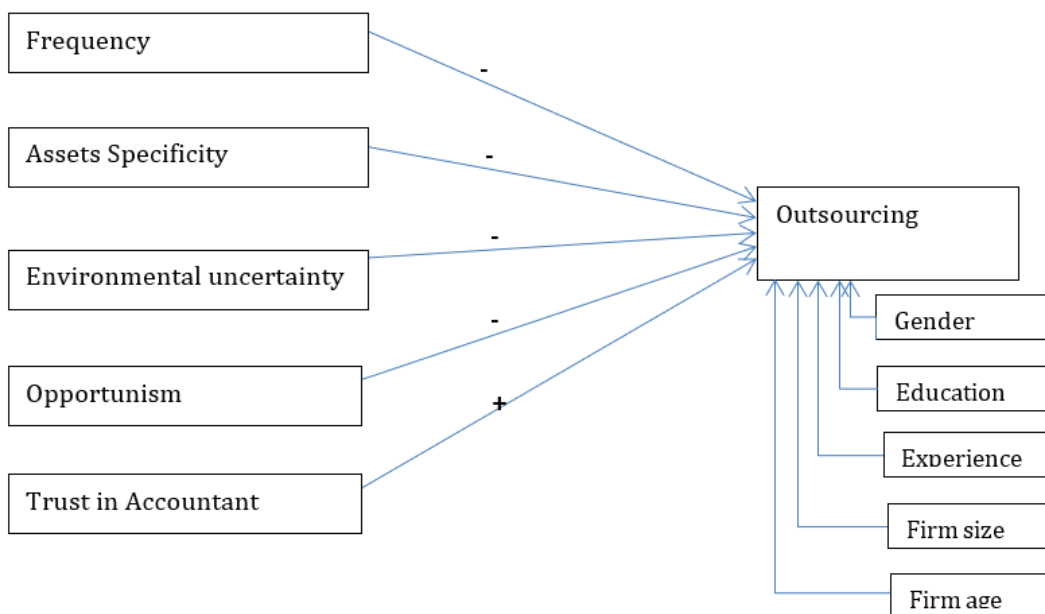
services at a cheaper price (Carey et al., 2006). Dyer and Ross (2008) and Bennett and Robson (1999) found that firm size is a significant factor influencing the extent to which SMEs use external services. As a result, we use firm size and age as control variables and measure firm size based on the number of employees, similar to Gooderham et al. (2004). Furthermore, we measure the age of the company, asking respondents the year of business establishment, similar to Mole et al. (2008). Besides, Everaert et al. (2010) and Park and Krishnan (2001) found that the educational background of SME executives is related to the degree of outsourcing. Therefore, we asked respondents to indicate their highest level of education. Finally, Audet and St-Jean (2007) found that the use of external services has an inverse relationship with the experience of SME owners/managers. We based on the measure developed by Audet and St-Jean (2007), asking respondents how long they have worked in the business (Figure 1).

**3.2. Dependent Variable: Outsourcing Intensity**

To accomplish the objective of this study, we consider six types of accounting functions with assumptions (based on Kamyabi & Devi, 2011). To measure accounting outsourcing functions, we use a measurement method developed by Espino-Rodríguez and Padrón-Robaina (2005), which asks respondents to indicate the degree of outsourcing across each category of the accounting function based on a 5-point Likert scale, with 1 = not outsourcing to 7 = completely outsourcing (Table 1).

**3.3. Variables and Measures**

There are five concepts used in this study as independent variables, including frequency, asset specificity, environmental uncertainty, opportunism, and trust in accountants. The dependent variable is Outsourcing intensity. To measure outsourced accounting functions, we used a measurement developed by (Kamyabi & Devi, 2011) on a 7-point Likert-type scale, which asked respondents to indicate the degree of outsourcing of the item. from 1 = no outsourcing to 7 = outsourcing outright. In this study, the frequency was defined as a measure of periodicity (daily, weekly, monthly, quarterly, semiannually, and annually) with a measure of volume (transactions, number of invoices, etc.) Similar to Everaert et al. (2010). It is measured on a 6-point Likert-type scale, asking respondents to indicate how often the periodicity and workload are related to each item’s outsourced workload, from 1 = daily to 6 = yearly. Based on previous studies, based on previous studies asking respondents on a 7-point Likert-type scale with 1 = strongly disagree to 7 = strongly agree. Empirical studies indicate that the use of external consulting services by SMEs is significantly positively related to the size and age of the firm (Dyer & Ross, 2008; Bennett & Robson, 1999), the educational background of SME operators are related to the degree of outsourcing (Park & Krishnan, 2001; Everaert et al., 2010), the use of private services External consulting is negatively related to the operating experience of small and medium enterprises. Accordingly, we use firm age, firm size, in-depth experience, and excellent education as control variables.



**Figure 1: Proposed Research Model**

**Table 1:** Multi-Item Variable Measurement

Variable	Acronym	Indicator	Source
Outsourcing intensity	O	<ol style="list-style-type: none"> <li>1. Interim report</li> <li>2. End of the accounting period</li> <li>3. Financial preparation of orders</li> <li>4. Accounting management</li> <li>5. Tax consulting</li> <li>6. Management consulting</li> </ol>	Everaert et al. (2007) and Doran (2006); MIA (2008); IACPA (2003); Espino-Rodríguez and Padrón-Robaina, (2005);
Frequency	F	<ol style="list-style-type: none"> <li>1. Year-end accounting</li> <li>2. Prepare financial statements</li> </ol>	Everaert et al. (2010)
Asset Specificity	A	<ol style="list-style-type: none"> <li>1. To perform everyday accounting tasks, accountants need to know the specific tasks of the information company.</li> <li>2. To perform occasional accounting tasks, accountants need to know the specific tasks of the information company.</li> <li>3. Accounting software customized to suit the Company</li> <li>4. The way we perform our accounting duties is unique to the Company</li> <li>5. It will be very costly in terms of time and resources to switch to an external accountant at the end of the financial year.</li> </ol>	Everaert et al. (2010); Kamyabi and Devi (2011)
Environmental uncertainty	E	<ol style="list-style-type: none"> <li>1. In the previous year, accounting-related workloads frequently changed mission</li> <li>2. During the previous year, there was a lot of change in workload related to occasional accounting tasks (e.g., End of the accounting period)</li> <li>3. During the previous year, there were relevant changes in the company's organizational business (eg: Acquisition, change in company structure)</li> </ol>	Everaert et al. (2010)
Oppotunism	Op	<ol style="list-style-type: none"> <li>1. Sometimes, outside accountants change the facts a bit to get what they need</li> <li>2. External accountants violate formal and informal agreements concerning interests</li> <li>3. Sometimes, outside accountants lie about specific things to protect their interests</li> <li>4. Sometimes outside accountants promise to do things but don't do them later</li> <li>5. Sometimes, external accountants fail to fulfill our contractual obligations.</li> <li>6. Sometimes, outside accountants try to take advantage of us</li> <li>7. Sometimes external accountants try to cheat us</li> <li>8. Sometimes, external accountants try to hide information</li> <li>9. Sometimes, outside accountants compromise on ethics</li> </ol>	Hafeez and Andersen (2014)
Trust in accountant	T	<ol style="list-style-type: none"> <li>1. Owners/managers trust that external accountants will treat them fairly; this means charging correctly for the activities performed</li> <li>2. Owners/managers trust that external accountants will provide accurate information</li> <li>3. The owner/manager trusts that the outside accountant will do the job correctly</li> <li>4. Owners/managers feel that outside accountants care about what happens to us</li> <li>5. The relationship between the owner-manager and the external accountant is based on trust.</li> </ol>	Everaert et al. (2010)

**Table 1:** (Continued)

Variable	Acronym	Indicator		Source
Gender	Ge	Male Female		
Education	Ed	Higher education Under Higher education		Everaert et al. (2010); Kamyabi and Devi, (2011)
Experience	Ex	1. Less than 5 years 2. 5–10 years 3. 11–15 years	4. 16–20 years 5. More than 20 years	Audet and St-Jean, (2007); Kamyabi and Devi, (2011)
Firm size	Si	1. less than 20 employees 2. 20–30 workers 3. 31–50 employees	4. 51–100 employees 5. More than 100 workers	Gooderham et al. (2004); Kamyabi and Devi (2011)

### 3.4. Research Sample

Based on the definition of SME in Vietnam, we carried out a survey of small and medium-sized enterprises in the transportation sector with fewer than 200 employees. The total number of SMEs in this sector is 15,821. We randomly selected 1450 businesses. A survey questionnaire was designed and developed based on previous research and then the questionnaires were sent to each manager by email. We do two stages of data collection. In the early stage of decimal data, only 280 decimal answers are collected (only about 19%). Because of the low response rate, the second stage of decimal data should be performed. The survey questions were sent back to the managers, who did not respond. We received 104 responses, bringing the number of respondents up to 384, with a response rate of 27%. The response rate compared to previous research on SMEs conducted by Everaert et al. (2007), answer rate is low (10%).

The study was carried out through quantitative research. The questionnaire was built with 31 questions on a 7-point Likert scale for five independent variables and one dependent variable. The questionnaire will then be distributed to managers selected at random from Vietnamese small and medium transport enterprises. Regarding sample size, it is accepted that for EFA exploratory factor analysis, the sample size is at least 5 times the total number of observations (Nguyen, 2013). For multivariable regression analysis: the minimum sample size to be calculated is  $n = 50 + 8 \times m$  (where  $m$  are the independent variables) (Nguyen, 2013). In our study, there were 5 independent variables (25 observations) and one dependent variable (6 observations). So, for multiple regression analysis, the sample size should be at least 90. For EFA exploratory factor analysis, the sample size should be at least 155. This means that the sample size meets the criteria. Minimum requirements for statistical testing.

## 4. Research Results

### 4.1. Reliability of Scales

The Cronbach alpha method is used to evaluate the reliability of the scale and we use the exploratory factor analysis (EFA) method to evaluate the convergence value and the group scale. The Cronbach alpha results show that the scales meet the requirements for reliability. We have tested the reliability of the scale using Cronbach's Alpha; The variables are accepted if the confidence coefficient is  $> 0.6$  and the observed variables have a total correlation coefficient less than 0.3. Details are presented in Table 2. The frequency with which the Cronbach alpha coefficient is 0.862, the Cronbach alpha coefficient for asset specificity is 0.841. The environmental uncertainty has a Cronbach alpha of 0.761; opportunism has a value of 0.851. Trust in accounting has a Cronbach alpha coefficient of 0.829. Outsourcing has a value of 0.954. Therefore, these six factors ensure the standard of the regression model to evaluate the influence of each factor on the outsourcing of accounting activities in small and medium-sized transport enterprises in Vietnam.

### 4.2. Analyze EFA

Observable variables that ensure reliability are transferred to the Exploratory Factor Analysis (EFA) step to extract convergent and separate observed variables with loading factors  $> 0.5$  and  $0.5 < \text{KMO} < 1$ , with Bartlett test with  $\text{Sig} < 0.001$ . EFA results have removed observed variables with a loading coefficient  $< 0.5$  (see Tables 3 & 4). Thus, the scales achieve convergence and discrimination.

### 4.3. Testing for Direct Effects

Using multivariate regression analysis with the support of SPSS 22 software to determine the factors affecting the

**Table 2:** Cronbach's Alpha Coefficient and Loading Coefficient of the Variables in Each Factor

Variables	Component						Cronbach Alpha	Number of Items	Factor
	1	2	3	4	5	6			
F1	0.758						0.862	2	Frequency
F2	0.758								
A2		0.817					0.841	3	Asset Specificity
A4		0.739							
A5		0.776							
E2			0.615				0.761	2	Environmental uncertainty
E3			0.615						
Op1				0.781			0.851	9	Oppotunism
Op2				0.817					
Op3				0.780					
Op4				0.808					
Op5				0.812					
Op6				0.805					
Op7				0.804					
Op8				0.809					
Op9				0.820					
T2					0.781		0.829	4	Trust in accountant
T3					0.787				
T4					0.758				
T5					0.804				
O1						0.952	0.954	4	Outsourcing
O2						0.924			
O3						0.935			
O5						0.945			

**Table 3:** EFA Factor Analysis Results

EFA	KMO Coefficiency	P-value	Extracted Variance	Factor Loading Factor	Conclusion
The independent variables	0.772	0.000	80.465	All > 0.5	Ensure analysis requirements
The dependent variable	0.859	0.000	88.138	All > 0.5	Ensure analysis requirements

**Table 4:** Rotation Matrix in EFA Analysis

Items	Component				
	1	2	3	4	5
Op5	0.909				
Op3	0.863				
Op1	0.794				
Op4	0.713				
Op8	0.687				
T2		0.822			
T4		0.818			
T5		0.794			
T3		0.790			
A4			0.886		
A5			0.880		
A2			0.718		
F2				0.899	
F3				0.885	
E2					0.892
E3					0.784

**Table 5:** Model Summary Model Summary

Sample	R	R square	R Square is Adjusted	Std. Estimation Error	Durbin-Watson
1	0.886 <sup>a</sup>	0.786	0.780	3.075	0.717

choice of accounting outsourcing. The results of running the regression model are obtained:  $R^2 = 0.786$ , which means a 78.6% change in the dependent variable,  $R^2$  explained by five independent variables (Table 5).

We have included the independent and dependent variables in multiple linear regression. Therefore, the results explain a significant positive coefficient of 0.058 for regularity, indicating that regularity is positively related to the intensity of accounting outsourcing ( $p = 0.028 < 0.001$ ), and hypothesis 1 is supported. The results show that trust in accounting is significantly positively related to outsourcing intensity, the coefficient value is 0.132, accepting the hypothesis H2 ( $p < 0.001$ ). Accordingly, the results show a significant negative coefficient value of  $-0.594$  for asset specificity, indicating that asset specificity has a negative relationship with accounting outsourcing, which confirms H3 ( $p < 0.001$ ). In addition, the results show a significant negative coefficient value of  $-0.129$  for opportunism, indicating that opportunism has a negative relationship

with accounting outsourcing. Therefore, H4 was accepted. The association between environmental uncertainty and accounting outsourcing produces a negative coefficient value of  $-0.273$ , and this is significant ( $p < 0.001$ ). This means that environmental uncertainty is related to accounting outsourcing intensity ( $p < 0.001$ ). Therefore, hypothesis H5 is accepted in this study. The detailed results are presented in Table 6.

Use ANOVA analysis to examine whether outsourcing is affected by gender, education, experience, and firm size. The results show that the Welch test is used with Levene Statistic statistical significance less than 0.05. The statistical significance of the Welch test in the Robust Tests table  $IS < 0.05$ , so there is a statistically significant difference in outsourcing accounting services between groups of Men and Women, between groups with different educational levels, between groups with different experience, and between groups of different business sizes.



**Table 6:** Hypothesis Test Results

Hypothesis	Standardized Path Coefficient ( $\beta$ )	t-value	Test Result
H1: O $\leftarrow$ F	0.058	2.203**	Supported
H2: O $\leftarrow$ T	0.132	4.707***	Supported
H3: O $\leftarrow$ A	-0.594	-21.211***	Supported
H4: O $\leftarrow$ Op	-0.129	-4.682***	Supported
H5: O $\leftarrow$ E	-0.311	-10.823***	Supported

Note: \*\* $p$ -value < 0.05; \*\*\* $p$ -value < 0.001. Significant at the 0.05 level.

## 5. Discussion and Conclusion

This study examines the important factors affecting the TCE and RBV of firms in the Vietnamese context. Similar studies have also been done in different contexts, eg Europe, Australia, etc., but there is no data for small and medium transport enterprises in Vietnam. The first variable is defined as the occasional frequency. The results show that this variable has a negative relationship with accounting outsourcing. This finding has been supported by previous literature (Everaert et al., 2010; Williamson, 1985). The more frequent transactions, the better the company's internal accounting function. Usually, in general, in accounting jobs, the frequency, and volume of transactions are very high. For this particular study, the results concerning Vietnam's small and medium-sized transport enterprises showed that the frequency of performing routine accounting tasks is an influential factor in the outsourcing of accounting.

The second variable affecting accounting outsourcing has been identified as the specificity of the asset. The results show that this variable has a significant negative relationship with accounting outsourcing. This finding is supported by previous studies (Steven et al., 2009; Alvarez-Suescun, 2010; Everaert et al., 2010). For this particular study, the results concerning Vietnam's small and medium transport enterprises suggest that their specific asset level, as determined by Barney (1991), is sufficient. Accounting practices are largely human-led, and many business organizations have spawned thousands of new graduates to provide their services with low-wage packages for medium and small-sized businesses in Vietnam. Therefore, most large enterprises have internalized accounting functions instead of outsourcing them.

The results show that the higher the Environmental Uncertainty in business, the less likely the accounting functions will be outsourced. The results show that Environmental Uncertainty has a significant negative relationship with accounting outsourcing. Previous studies by Lamminmaki (2007) and Kotabe and Mol (2009) also had the same research results.

This finding strongly supports the prediction of opportunism, which indicates that the higher the perceived

opportunism of the external accountant, the less likely the SME owner/manager is to hire outside the accounting function. Opportunism in accounting outsourcing means that one party (the outsourcing company) accepts an increase in costs or a decrease in revenue as a consequence of the other party's opportunistic behavior (professional accounting). The results show that opportunism has a significant negative relationship with outsourcing. This has been supported in previous studies by (Steven et al., 2009; Wang, 2002).

Trust in external accountants has a significantly positive relationship with accounting activities. This result is consistent with the hypothesis that trust is developed by the relationship between the parties to help reduce opportunism and business costs. This has been supported in previous studies (Kamyabi & Devi, 2011; Everaert et al., 2010). In the context of Vietnam, trust is considered an important and influential factor for business operations. Many businesses do business based on trust, especially when choosing an external service provider.

Opportunity in accounting outsourcing means that one party (the outsourcing company) accepts an increase in costs or a decrease in revenue as a result of the other party's opportunistic behavior (the professional accountant). The results show that opportunism has a significant negative relationship with accounting outsourcing. The opportunistic behavior of an accountant has a great influence on the accounting outsourcing decisions of small and medium transport enterprises in Vietnam. As a result, most SMEs have internalized their accounting functions as threatened by the opportunistic behaviors of an external accountant.

The study has contributed theoretically and practically to outsourced accounting activities in small and medium-sized transport enterprises in Vietnam. Theoretically, the study has successfully applied research models in other countries to Vietnam. This is a study conducted to analyze the services of external accountants from the Vietnamese perspective and found that SMEs outsource accounting services to external accountants. The research findings will help professional accountants realize that if they want to expand their services, especially to SMEs in the transportation sector, they must turn to knowledge-based careers. knowledge and strengthen their multidisciplinary expertise.

In summary, the study helps us to see the factor effects on accounting outsourcing in small and medium-sized transport enterprises in Vietnam, thereby making recommendations for accountants and business enterprises. Accounting services businesses should explore opportunities to improve the services provided by accounting professionals.

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