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Symposium on  
**The roles and effects of paradigms in  
accounting research**

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## Speakers (in the order of presentations)

- **Kari Lukka** (chair), Turku School of Economics, Finland
- **Teemu Malmi**, Helsinki School of Economics, Finland
- **Sven Modell**, Manchester Business School, UK
- **Ken Merchant**, Marshall School of Business, USC, USA



## The notion of paradigm in the philosophy of science

- Thomas Kuhn (1962): paradigm refers to the set of practices that define a scientific discipline during a particular period of time
  - *What* is to be observed and scrutinized
  - The kind of *questions* that are supposed to be asked and probed for answers in relation to this subject
  - *How* these questions should be structured
  - *How* the results of scientific investigations should be interpreted
- A major relativistic move in the philosophy of science, eventually implying that values play a fundamental role in science; paradigms are often viewed incommensurable (but this debated)
- Ongoing process: Normal science (thinking “inside the box”) → anomalies → paradigm shift (thinking “outside of the old box”)
- Major example from physics: Newtonian mechanics → theory of relativity (Einstein): Newtonian physics positioned as a particular case of the more general theory



## Major paradigm debates

- Post-Kuhnian paradigm debates in the philosophy of science in the 1970's: Lakatos ("research programmes") and Feyerabend ("Against method")
- "Science Wars" in the 1990's: a series of intellectual battles between "postmodernists" and "realists" about the nature of scientific theories
  - Postmodernists questioned the objectivity of science, leading to a huge variety of critiques on scientific knowledge and method in a number of disciplines
  - Realists countered that there *is* such a thing as objective scientific knowledge and that postmodernists are mixing political agendas with science. Peak: Gross & Levitt (1994) "Higher Superstition: The academic left and its quarrels with science"
  - "The Sokal affair" in 1996: Physicist Alain Sokal got published a paper in *Social Text*, which he soon later in *Lingua Franca* admitted to be a hoax; the purpose was to ridicule postmodernists by demonstrating how easy it is to publish nonsense in their journals
- Paradigm debates in accounting
  - Does Kuhn's theory of paradigms apply to accounting research? Is accounting a multi-paradigmatic discipline (e.g. Wells, 1976; Hakansson, 1978; cf. Locke & Lowe, 2008, Vollmer, 2009)
  - Debate around "positive accounting theory" (Watts & Zimmerman, 1976, 1978; Christenson, 1983; Hines, 1988; Boland & Gordon, 1996)
  - Debate around Burrell & Morgan's (1979) four-item paradigm taxonomy (e.g. Tomkins & Groves, 1983; Abdel-khalik & Ajinkya, 1983)
  - Debate on Zimmerman's (2001) conjectures on empirical management accounting research (see *European Accounting Review*, No.4, 2002)
  - Can there be straddling across paradigms? (Hopper & Powell, 1985; Kakkuri-Knuuttila *et al.*, 2008a, 2008b; Ahrens, 2008)



## But why bother about paradigms, overall?

- Paradigm debates bring to the fore the hidden, but fundamental agendas, normally silenced, of research
- Many researchers are actually unconscious about their implicit assumptions and values – a typical feature of Kuhnian "normal science"!
- Being ignorant or unreflective of our own philosophical and value underpinnings may make us efficient "inside the box", but it leads to a risk of seeing just the trees, not the entire forest → risk of being a dope of a certain paradigm, without even realising that
- We have to "stop the world" and take a look at the traces behind us in order to see what we are actually doing in a more fundamental sense (Hines, 1988)
- Being conscious of various paradigms helps us to see other and new possibilities of conducting research
- Being knowledgeable of our own assumptions and values as researchers is arguably one of the virtues of true scholarship



## The mainstream accounting research position regarding paradigms

- Essentially paradigm is viewed as a non-issue as there is viewed to be only one way to conduct proper research, the economics-based one – a typical “normal science” condition
- The economics-based research agenda is widely viewed (particularly in the North America) as the premier type of accounting research, in practice based on large archival data sets or mathematical analysis (“hard-core accounting research”)
- But also certain other types of accounting research are viewed as acceptable inasmuch they pursue to follow the “scientific model” of conducting research, in particular experimental accounting research, primarily based on psychology – yet probably nowadays less so than before, Hopwood (2008)
- One of the consequences, especially in the North America: there are many types of research possibilities that get undermined and not given a proper chance in most of the so-called top journals → limits the scope of intellectual activity in accounting research



## Alternative positions regarding paradigms within the accounting academia

- The alternative views question the mainstream position, arguing that
  - Paradigm is an important issue also in accounting research
  - There are several paradigms already now – and there can be more, at least in principle!
- These positions are much inspired by the Burrell & Morgan (1979) framework, including four paradigms
- The major alternatives to the “functionalist paradigm” (seeking to provide essentially rational explanations to social phenomena, based on objectivism and corresponds to the mainstream accounting research agenda) are:
  - Interpretive paradigm: There is a room for subjectivist research, taking seriously into consideration the subjective meanings people attach to things; appreciates that the world can be viewed as being socially constructed → Interpretive accounting research
  - Critical paradigm(s): There are deep-seated structural contradictions and conflicts in society, which people need to be aware of and get emancipated from → Critical accounting research
- Currently accounting is a multi-paradigmatic discipline, yet one paradigm (the functionalist mainstream) dominating, especially in the North America
- There are high barriers between paradigms, especially between the functionalist vis-a-vis the others, and very little communication across the borderlines (Lukka & Granlund, 2002; Hopwood, 2007)



## For homogeneity vs. heterogeneity of paradigms?

- The dominance of the functionalist paradigm has led to increasing homogeneity in accounting research (Lukka & Mouritsen, 2002; Hopwood, 2007, 2008; Gendron, 2008)
  - Positive consequence: Efficiency of the academia “within the box” to produce cumulative knowledge (yet sometimes contributions may be just marginal)
  - Risks: Creates areas of “non-discussables”; Makes research conservative, conformist – even boring – and intellectually non-creative in the changing world; Commodification of academic research due to far-reaching researchers’ performance measurement mentality and career emphasis
- Further genuine paradigm heterogeneity would likely entail
  - Positive consequences: Offers us possibilities to develop interesting and truly novel propositions and research agendas as it is allowed to think “outside of the box”; Leads to requisite intellectual variety in the ever changing world; Leads to multi-vocality in line with the principle of academic freedom
  - Risks: Less efficiency “within the box”; Difficult to make one’s contribution understandable for all others; Extreme theoretical sophistication for its own sake; “Social thinker of the month” –mentality





## Tribes in research communities

- Paradigms are not only significant in cognitive terms: All of them play an important role as researchers' identity builders
- There are several positive consequences for researchers to feel belonging to a certain group, be "one of us" – especially important for the younger ones (Glick *et al.*, 2007; Vaivio & Sirén, 2008) → "tribesmanship"
- But the very same phenomenon can also lead to dogmatism and dysfunctional defensive acts within paradigms
  - More radically new propositions or critical self-reflections get easily labelled as non-issues or straw-mans (the easiest ways to try to hit a new idea down!) → debates are at risk of becoming excessively political
  - Within each paradigm, there seem to be an élite, which implicitly assumes having the only licence to innovate more radically (cf. Hopwood, 2007; Locke & Lowe, 2008; Meriläinen *et al.*, 2008; Malmi & Granlund, *in press*)
- The true position for heterogeneity requires us to be aware of these risks and be genuinely open for even grander ideas to emerge from anywhere – even for new paradigms to spring up at any time!