



What is Relevant Research in Accounting?

Salvador CARMONA

PhD Forum. May 21, 2014



Recent references

- Special Issue. The Societal Relevance of Management Accounting, *Accounting and Business Research*, Vol. 44, No 2. April 2014.
- Tucker, B.P. and Lowe, A.D. (2014), Practitioners are from Mars; Academics are from Venus? An investigation of the research –practice gap in management accounting, *Accounting, Auditing and Accountability Journal*, Vol. 27, No3, pp. 394-425.

What is relevance?

- Relevance is a target driven notion: engaging with others (and self):
 - Self.
 - Research community.
 - Industry and profession.
 - Society.

(see also Modell, 2014; Lukka and Suomala, 2014)

Self

- Career *success* (Chua, 2011; Ohlson, 2011).
- The *politics* of successful research.
- Assessment and measurement:
 - Hits.
 - Impact ..., and new tools to boost visibility and impact
 - Kudos, Elsevier.
 - Research grants.
- Contribution to the reputation of the business school: accreditation (AACSB, EQUIS), rankings (Shanghai, FT, *Business Week*, *The Economist*).

Research Community

- Engage with ‘big’ ideas.
- Effective topics (Colquitt and George, 2011)
 - **Significant**: grand challenge, new paradigm (Burchell, Clubb, Hopwood, Hughes & Nahapiet 1980).
 - **Novelty**: change the sense of the conversation (Davila & Foster, 2005)
 - **Curiosity**: propositions counter a reader’s taken-for-granted assumptions (Ezzamel & Gutierrez, 2002)

Research Community

- **Scope**: To which extent the landscape involved in a topic is adequately sampled (e.g., perspectives; see Hoque & Hopper, 1994).
- **Actionability**: Insights for practice (Jönsson and Grönlund, 1988).
- Effective topics vs “gap spotting” (Alvesson, 2011).

Industry and Profession

A central mission of scholars and educators in professional schools of management, health, education and social work is to conduct research that contributes knowledge to a scientific discipline, on the one hand, and to apply that knowledge to the practice of management as a profession, on the other

(Simon, 1967)

- Evidence:

... the entire body of research remains ignored by managers and other organizational decision-makers ... scholarly research is often seen as lacking relevance (Presidents of the EAA, Aguinis & Pierce, 2008; Mintzberg, 2004; Bennis & O'Toole, 2005; Tucker & Parker, 2014).

Industry and Profession

- Research assessment exercises in several jurisdictions have placed pressure on academics and universities to deliver more relevant research by linking research to practice (Hopwood, 2007; Parker *et al*, 2011; Tucker & Lowe, 2014).

The Pasteur's Quadrant (Tushman & O'Reilly, 2007)

Relevance:

Considerations of Use

		No	Yes
Rigor: Quest for Fundamental Understanding	Yes	<i>Bohr's Quadrant</i> Basic disciplinary research	<i>Pasteur's Quadrant</i> Professional schools Business schools
	No		<i>Edison's Quadrant</i> Consulting firms

Why we do not resonate with practitioners? (Kelemen & Bansal, 2002)

	Academic	Practitioner
Orientation of research	Descriptive/ Predictive	Descriptive/ Prescriptive
Focus of research	Process	Outcome
Attitude	Reflexive	Projective
Data collection/analysis	Thorough	Ad hoc/Ambiguous
Data aggregation	High	Low
Referential system	Theory	Practice
Rhetorical devices	Narrow and institutionalized	Wide and eclectic
Criteria of goodness	Methods rigour	Practical appeal

Society

- “ ... Many articles published in academic research journals today might as well be written in Sanskrit...” (Leisenring & Johnson, 1994). Yet, they claim that “regulatory agencies think that accounting research should contribute to advancing thought in the discipline.
- Accounting research and accounting academics already play a role in regulatory agencies in external financial reporting. Yet, ...

Society

Following an ancient tradition (Carmona & Donoso, 2004), ABC has played a role in the regulation of the telecommunications industry in the EU (Hopper & Major, 2007).

Concluding Remarks (...and a way forward?)

1. Incentive systems in institutions of higher learning.
2. Substance *vs* style: communicate our evidence more effectively (writing and teaching).
3. Partnerships with practitioners.
4. Research on practitioners needs (e.g., Kelemen & Bansal, 2002; Tucker and Lowe, 2014).