

= Accounting research =

Accounting research is research on the effects of economic events on the process of accounting , and the effects of reported information on economic events . It encompasses a broad range of research areas including financial accounting , management accounting , auditing and taxation .

Academic accounting research " addresses all aspects of the accounting profession " using the scientific method , while research by practicing accountants focuses on solving problems for a client or group of clients . Academic accounting research can make significant contribution to accounting practice , although changes in accounting education and the accounting academia in recent decades has led to a divide between academia and practice in accounting .

= = Overview = =

Accounting research is carried out both by academic researchers and by practicing accountants . Academic accounting research addresses all areas of the accounting profession , and examines issues using the scientific method ; it uses evidence from a variety of sources including financial information , experiments , and computer simulations .

Research by practicing accountants " focuses on solving immediate problems for a single client or small group of clients " and involve , for example , decision @-@ making on the implementation of new accounting or auditing standards , the presentation of unusual transactions in the financial statements , and the impact of new tax laws on clients .

Accounting research is also carried out by accounting organizations such as standard @-@ setting bodies . For example , the International Accounting Standards Board (IASB) may initiate research projects for certain issues , the results of these may inform its decision whether to move the issues to its active agenda .

= = = History of accounting research = = =

Accounting research has undergone significant changes in the past decades . In the 1950s , an accounting academia was established that adopted the requirements of social science academia , such as PhD qualifications and research papers , and the mid @-@ 1970s saw a shift from the dominance of normative research to positive research " that uses methods from finance , economics , and other established academic disciplines " .

= = Academic research and accounting practice = =

= = = Contribution of academic research to practice = = =

The contribution of academic accounting research to accounting practice includes the assessment of current accounting practices , the development of new practices , and the development of university curricula :

" Academic research has an important role to play , both in assessing the extent to which existing practices are ? fit for purpose ? and in developing new practices to address changing business , economic and societal needs . Research also informs the teaching curricula in universities , thus affecting the range of issues of which future generations will become aware and consider important . "

For example , academic accounting research " can improve the understanding of how stakeholders actually use the information accountants provide " , and prior academic studies have contributed to fraud risk assessment , the future direction of the profession , and the impact of changing accounting standards .

= = = Gap between academia and practice = = =

Several publications , including the recent accounting literature , have suggested a divide or gap between the academic and professional communities in accounting . Aspects of the divide have been suggested to include criticisms of academics for speaking with their own jargon and aiming to publish research rather than improve practice , and criticisms of practicing accountants for being resistant to changes to the status quo and reluctant to disclose data .

The divide between accounting academia and practice was originally centered on whether a broader education or just technical training was the best way to educate accountants . From the 1950s , accounting academia and practice grew further divided due to the accounting academic community adopting requirements from social science academia , while practicing accountants " maintained an emphasis on professional qualifications and technical skills " .

Aside from accounting academia and practice valuing different skills and requirements , a variety of factors have been proposed for the divide . One view is that a lack of training in reading academic research may lead practicing accountants " to dismiss what could be very helpful information as either too complicated or too disconnected to be useful " ; while another view points to fundamental failures in academic research in business and economics in general ? for example that researchers have failed to effectively question prevailing economic and business models .

= = Types of academic accounting research = =

= = = Topical areas = = =

Academic accounting research covers a wide range of related topics that can be classified into several areas , including financial accounting , management accounting , auditing , taxation , governance , and accounting information systems (AIS) research :

Financial accounting research

Examines financial accounting and the financial markets , and focuses on the relationship between accounting information and the decision @-@ making of external users of the accounting information in the capital markets .

Managerial accounting research

Focuses on the relationship between accounting information and internal users of the accounting information , for example examining the allocation of resources and decision @-@ making within an enterprise .

Auditing research

Studies related to the audit function , including auditor decision @-@ making and the effects of auditing on financial reporting .

Taxation research

Examines taxation @-@ related issues such as market reactions to tax disclosures and taxpayer decision @-@ making , and the relationship between accounting information and tax authorities .

Governance research

Examines the overall corporate management of organizations .

AIS research

Examines issues related to accounting information systems , such as system security and design science .

= = = Methodologies = = =

Academic accounting research can be classified by methodology into archival , experimental , and analytical studies :

Archival research

Research that examines " objective data collected from repositories " , including data collected by the researchers ;

Experimental research

Research that examines data " the researcher gathered by administering treatments to subjects " ;
and

Analytical research

Research " based on the act of formally modeling theories or substantiating ideas in mathematical terms " .

This classification is not exhaustive ? other possible methodologies include the use of case studies , computer simulations and field research .