
Qualitative Accounting Research

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Agenda

- What is qualitative research and why should we do it?
- Qualitative research in accounting: overview and examples
- Evaluating qualitative research
- The process of doing qualitative research
- Qualitative methods and the collection of data

Disclaimer

There are many different views on how best to conduct qualitative research. There are...

- ... different methodological positions
- ... different views on what a “contribution” is
- ... different tastes regarding how to best write up a paper
- ...

Disclaimer

“Often it is not desirable to summarize and generalize case studies.
Good studies should be read in their entirety” (Flyvbjerg, 2001, p. 86)

What is qualitative research and why should we do it?

A common misunderstanding to start with...

“Qualitative research is about applying particular research methods, like interviews.”

Research methods

“A research method is simply a **technique for collecting data**. It can involve a specific instrument, such as a self-completion questionnaire or a structured interview schedule, or participant observation whereby the researcher listens to and watches others”

(Bryman & Bell, 2003, p. 41, emphasis added)

Research methods

Qualitative methods for data collection are those that go beyond the collection of pure numbers:

- Ethnography and participant observation
- Interviewing
- Conversations and other types of “talk”
- Texts
- Visual Data

In principle, qualitative data can be used for either qualitative or quantitative analysis. Only when it is used for qualitative **analysis**, one would speak of “qualitative research”.

Qualitative research

“Doing qualitative field studies in management accounting is not a question of method [...] The attribute ‘qualitative’ is a question of **methodology**, the general approach taken to the study of a research topic, which is independent from the choice of methods, such as interview, observation, or questionnaire”

(Ahrens & Chapman, 2006, pp. 819-820, emphasis added)

Qualitative data in quantitative studies

“To motivate our predictions, we rely on extensive, qualitative data collected through interviews with controllers and other financial managers. We find that controllers perceive their local responsibilities as more important than their functional duties. As a result, strengthening their functional ties makes it harder for them to reconcile their dual roles, exposing them to higher levels of role conflict and role ambiguity. (...) We test our hypotheses using survey data from 134 BU controllers of large- and medium-sized companies in The Netherlands.”

(Maas & Matjeka, 2009, p. 1234)

Qualitative research

Qualitative research refers to an approach that seeks to create a **deep understanding** of the **complexity** of social and organisational life.

- addressing “how” and “why” questions, rather than “how many”
- understanding the world from the perspective of those studied (i.e. the emic view)
- examining and articulating processes rather than static situations

Qualitative research is based on particular ontological and epistemological assumptions.

See Pratt (2009)

The methodology of qualitative research



Ontological view

Qualitative research tends to regard the social as constructed, situational and complex:

- **Social reality is not just 'out there'**. People construct social reality when they attach meanings to events and situations and act upon these meanings.
- **Social reality is situational**. How people see and act upon the world depends on many contextual factors. Each individual is unique. Each context is unique. There are never two social situations that are exactly the same.
- **Social reality is complex**. What people do is the product of many 'conditions' or 'causes' that interact with each other and that cannot be easily disentangled without losing a sense of the essence of the social.

Epistemological view

Qualitative research tends to stress that adequate knowledge of social reality can only be accessed when immersing oneself in that reality:

- **Social reality is hardly accessible from a distance:** Understanding the meanings that actors attach to things or events requires close proximity to these actors.
- **Knowledge is a matter of interpretation.** Data do not speak for themselves, but have to be interpreted by the researcher. Such interpretations are always subjective and influenced by the researcher's own knowledge and worldviews.

Quantitative vs. qualitative methodology

How to approach social reality?

- Interest in **broad tendencies** or patterns so as to produce generalizable findings
- **Simplify** social phenomena so as to make them more amenable to comparison, quantification, **generalization**
- Interest in the **isolated effect** of individual elements (“variables”)

- Interest in the **details** of how the social world is produced and kept together
- Understand social phenomena as part of the **context** in which they take place
- Seek a **holistic understanding** of how different elements work together

Quantitative vs. qualitative methodology

... that produce two forms of knowledge

... the survey results show that gender has a significant impact on auditors' perceived job pressure, with female auditors reporting on average a 20% higher perceived job pressure than their male counterparts...

“There were many situations in which my colleagues gave me the feeling that they were ‘superior’ to me. It was through small remarks in the aisle, at the coffee machine, or in meetings that they signaled to me that they did not accept me as an equal member of their team. It was the whole “macho talk”...”

Quantitative vs. qualitative methodology

This is reflected in the representations used to convey this knowledge

Table 3
Empirical results: Target difficulty, target flexibility, and firm performance.

Model	Prediction	1a Firm performance
Dependent variable		
Target difficulty	+	.007 ⁺ (.077)
Target difficulty ²	-	
Target flexibility	-	
<i>Controls</i>		
Lagged firm performance		.162 ^{**} (.001)
Firm size		-.005 ⁺ (.097)
Environmental dynamism		.004 (.928)
Competition		-.016 (.200)
Public listing		.008 (.309)
Industry performance		-.044 (.785)
Predominant use of targets for decision-making		-.004 (.493)
Constant		Included
Observations (n)		97
R-squared		.19
Partial R-squared added due to main variables (incr. F-test)		.02 ⁺

and fairness with which this previous incarnation of the salary cap had been audited.

[When the previous salary cap operated,] I was a part of the governing body audit of the clubs at Wests, Bulldogs and the Roosters over a period of about five years, and I was quite aware that there was three different audits done - depending on how good lunch was. I thought that was an injustice (Ian Schubert, Interview #3).

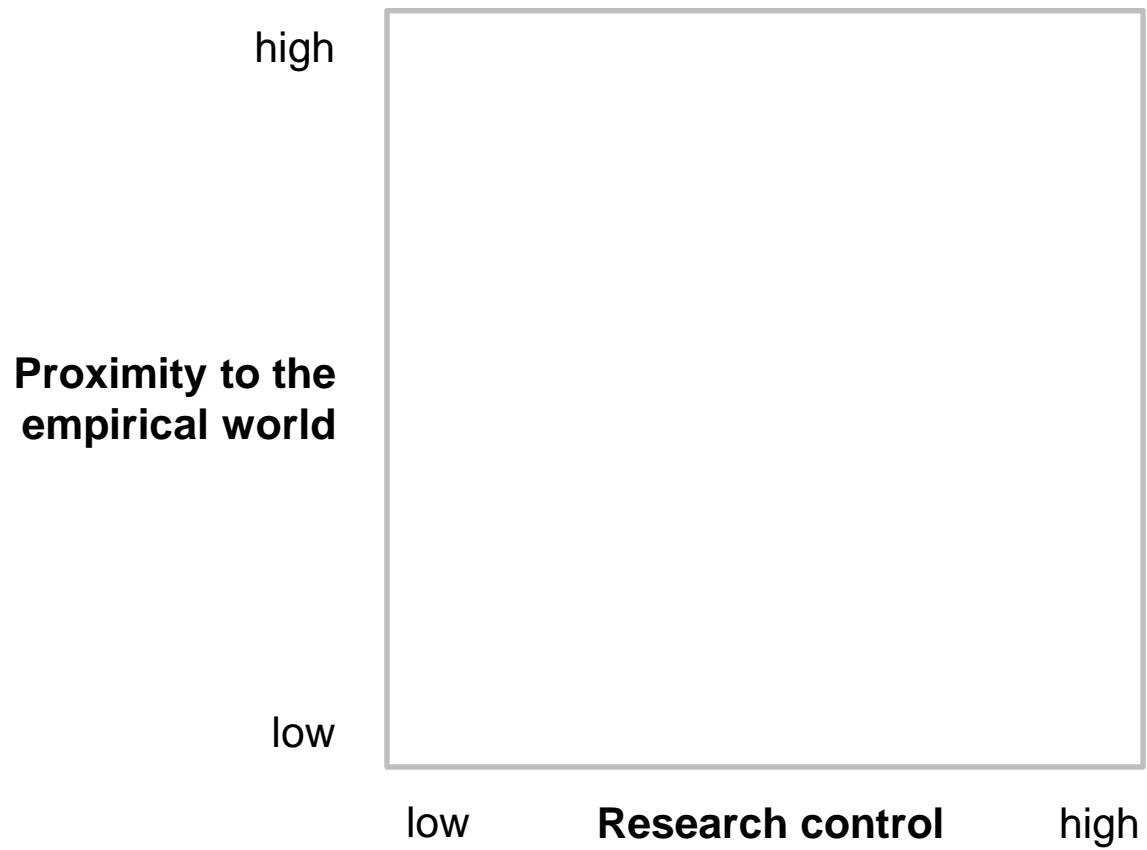
Schubert also seemed very aware that while his social capital assisted him greatly as part of his processes of informing, it would also expose him to accusations of bias and favourable treatment. Thus, Schubert deemed it necessary to demonstrate his capacity to rise above his social embeddedness (his wide network of allegiances and friendships), and project through his conduct an unerring image of fairness and consistency.

The cornerstone of the rules are that we [now] treat each club on its merits but most certainly consistently and fairly without fear or favour, passion or ill will. And that's been somewhat of a philosophical success in relation to the credibility of what we do... there was always going to be someone that would point the finger and say oh, he gave Wests or the Roosters a good run because he played there and he's still friends with those blokes. That was never going to wash with me so it was imperative that we treated every club exactly the same as every other club (Ian Schubert, Interview #3).

One particular demonstration of this has been Schubert's uncompromising stance to enforcing the NRL salary cap. All evidence of breaching has been taken seriously, irrespective of the scale or excuses offered. In this regard, the public reporting of what appears to be relatively minor anomalies have helped generate an aura of hard-nosed salary cap assurance. For example:

Is nothing is sacred - not even marriage - when it comes

Positioning qualitative research



Qualitative research and theory

“Why do qualitative papers always contain these strange sociological concepts rather than the more straightforward economic or psychological theories?”

(Most) economic or psychological theories are developed in an effort to create “**context-free**” **understanding** of human behaviour.

- Economic behaviour (e.g. maximizing utility) applies to all situations defined as “economic”
- Cognitive biases are “cognitive” in the sense of being (largely) independent from context

(Most) social theory, in contrast, seeks to theorize on the **context-dependence** of human behaviour

- What is “social” obviously depends on who these other people are and in which context we encounter them

The case for qualitative research

**Why should we be interested in
qualitative research?**

The case for qualitative research

A metaphor

MATCH STATISTICS		COURT PHILIPPE CHATRIER
R. FEDERER		A. UNGUR
15	ACES	5
1	DOUBLE FAULTS	7
64%	1ST SERVE %	64%
78%	1ST SERVE POINTS WON %	71%
66%	2ND SERVE POINTS WON %	56%
50	WINNERS	36
40	UNFORCED ERRORS	37
4/12	BREAK POINTS WON	0/6
2H27'		



The case for qualitative research

What is knowledge?

The “Dreyfus model”:

- (1) Novice
- (2) Advanced beginner
- (3) Competent performer
- (4) Proficient performer
- (5) Expert

Qualitative research in accounting: Overview and examples

Some history

“... business schools (and departments of business) need to move in the direction of a broader and more rigorous educational program, with higher standards of admission and student performance, with better informed and more scholarly faculties that are capable of carrying on more significant research, and with a greater appreciation of the contributions to be made to the development of business competence by both the underlying non-business disciplines and the judicious use of clinical materials and methods”

(Gordon & Howell, 1959).

Some history

- “Revolution” of financial accounting research in 1968 with the emergence of positive accounting studies (Ball & Brown, 1968; Beaver, 1968) published in the *Journal of Accounting Research*.
- Similar development in management accounting: Early research was driven by practitioners and was normative in character. Research meant: development of new techniques.
- Turn to economic theory in the late 1960s and 1970s

Some history

- But accounting also starts to be looked at from a more sociological and psychological perspective, in the beginning especially by means of field research: Organizational location of controllers (Simon et al. 1954); Impact of budgets on people (Argyris, 1952); Politics of the Budgetary Process (Wildavsky, 1964), Accounting and Managerial Behavior (Hopwood, 1973)

Some history



“There is an urgent need to move beyond questions of accounting system design to gain a systematic understanding of the wider human and social factors which influence the role of accounting systems in large and complex organisations”

(Hopwood 1973: 6)

Qualitative research in financial accounting

Examples:

- *Research on standard-setting*, e.g. examining rhetorical strategies in standards (Young, 2003) or examining how standards create reality (rather than just representing it) (Young, 2006; Erb & Pelger, 2015)
- *Research on adoption of accounting standards*, e.g. influence of political ideology on China's adoption of Western accounting concepts (Ezzamel, Xiao & Pan, 2007)
- *Research on annual reports*, e.g. the role(s) of images used in annual reports (Preston, Wright and Young, 1996)

Qualitative research in auditing

Examples:

- *Research on the work of auditors*, e.g. socialization of junior auditors (Anderson-Gough, Grey, and Robson, 2001), career progress (Kornberger, Justesen & Mouritsen, 2011), gender relations in audit firms (Kornberger, Carter & Ross-Smith, 2010), negotiation between audit partners and CFOs (McCracken et al., 2008)
- *Research on the emergence and translation of new audit techniques and standards*, e.g. Robson et al. (2007), Mennicken (2008)

Qualitative research in management accounting

Examples:

- *Research on the work of management accountants*, e.g. roles and identities of management accountants (Lambert & Sponem, 2012; Morales & Lambert, 2013; Goretzki et al., 2013), professional competition with other functional areas (Ezzamel & Burns, 2005)
- *Research on various management accounting systems and their use*, e.g. budgeting, performance measurement, transfer pricing, ERP systems, etc. (...)

Examples of qualitative research: Auditing

Guénin-Paracini et al. (2014). Fear and risk in the audit process. AOS

Relying on an ethnographic study conducted in the French branch of a big audit firm and using a psychodynamic perspective to interpret the collected data, we show that auditors' sense of comfort (Pentland, 1993) arises only at the end of the audit process, and that the rest of the time, public accountants are inhabited primarily by fear. Fear plays a crucial but ambivalent role in auditing. On one hand, auditors and audit firms cultivate this feeling through informal and formal techniques to stimulate vigilance, encourage self-surpassment, mitigate the anesthetizing effect of habit and maintain reputation. On the other hand, audit teams' members strive to alleviate their fear in order to form and convey their conclusions with a certain degree of comfort.

.(...)

Fear and risk are closely related phenomena. Michael Power (2007a, p. 180) notes that 'the significant driver of the managerialization of risk management is an institutional fear and anxiety'. Yet the experience of fear and the role that fear plays in risk management processes is most often overlooked in the literature. In this respect, our study contributes to 'emotionalize' and challenge the cognitive and technical orientation adopted by most academics and regulators in their understanding of audit risks and auditors' scepticism.

Examples of QR: Management accounting

Morales & Lambert (2013). Dirty work and the construction of identity. An ethnographic study of management accounting practices. AOS

This paper examines the processes by which identity work influences accounting and organisational practices. Analysing ethnographic material, we study how accountants engage in a struggle for recognition in a context where tensions emerge from the confrontation between idealised occupational aspirations and situated possibilities. To theorise this struggle we draw on Everett Hughes's conceptualisation of a moral division of labour. Building on his concept of "dirty work", we differentiate between the "unclean" and the "polluted". Accountants have to perform tasks that are incompatible with the aspirational identities they claim; more than "boring", these tasks become symbols of misrecognition. We call these unclean tasks. Yet even tasks that, in a more favourable context, would be associated with prestigious aspects of the job, can become degrading in specific situations. We call them polluted work. We highlight how trying to comply with a positively-anticipated role transition can help avoid unclean work yet generate more polluted work. Our analysis suggests that paying greater attention to symbolic differentiations between prestigious and shameful aspects of work can improve our understanding of accounting, identity work and organisational practices.

Examples of QR: Corporate governance

Stolowy et al. (2014). The construction of a trustworthy investment opportunity: Insights from the Madoff fraud. CAR

In this paper, we use the investment fraud of Bernard Madoff to inquire into the production of trust in the context of financial markets. Drawing upon empirical data related to U.S. individual investors (interviews and letters) as well as documentary material, we investigate the mechanisms through which investing with Madoff came to be seen as a trustworthy investment opportunity. We show how different types of information contributed to construct Bernard Madoff as a trustworthy investment manager and how Madoff avoided meeting demands for accountability by manipulating investors in face-to-face encounters. We shed particular light on the role of institution-based forms of trust which play a critical role in facilitating economic exchanges. More specifically, we suggest that the Madoff case illuminates how the provision of information can lead to an “illusion of trustworthiness” that is difficult to escape for investors. An element of such illusion, we suggest, is inherent to the functioning of financial markets more generally.

Types of qualitative research designs

Cross-sectional study	Qualitative interviews or focus groups at a single point in time; qualitative content analysis of a set of documents relating to a single event or a specific period in time
Comparative study	Ethnographic or qualitative interview research on two or more cases where some comparison is sought between them
Single case study	The intensive study of a single case (e.g., an organisation) by means of interviews, observations, document analysis
Longitudinal study	Ethnographic research over a long period, qualitative interviewing on more than one occasion, or qualitative content analysis of documents relating to different time periods

Source: Adopted from Bryman & Bell (2011, p. 68)

Qualitative research in accounting journals

Which journals publish qualitative research?

Management Accounting Research aims to serve as a vehicle for publishing original scholarly work in the field of management accounting. The Journal welcomes original research papers using archival, case, experimental, field, survey or any other relevant empirical method, as well as analytical modelling, framework or thought pieces, substantive review articles, and shorter papers such as comments or research notes subject to peer review. The Journal provides an international forum for the dissemination of original scholarly contributions drawing on any relevant source discipline suitable to examine and elicit novel implications for management accounting practices or systems in use in any type of organization globally.

Qualitative research in accounting journals

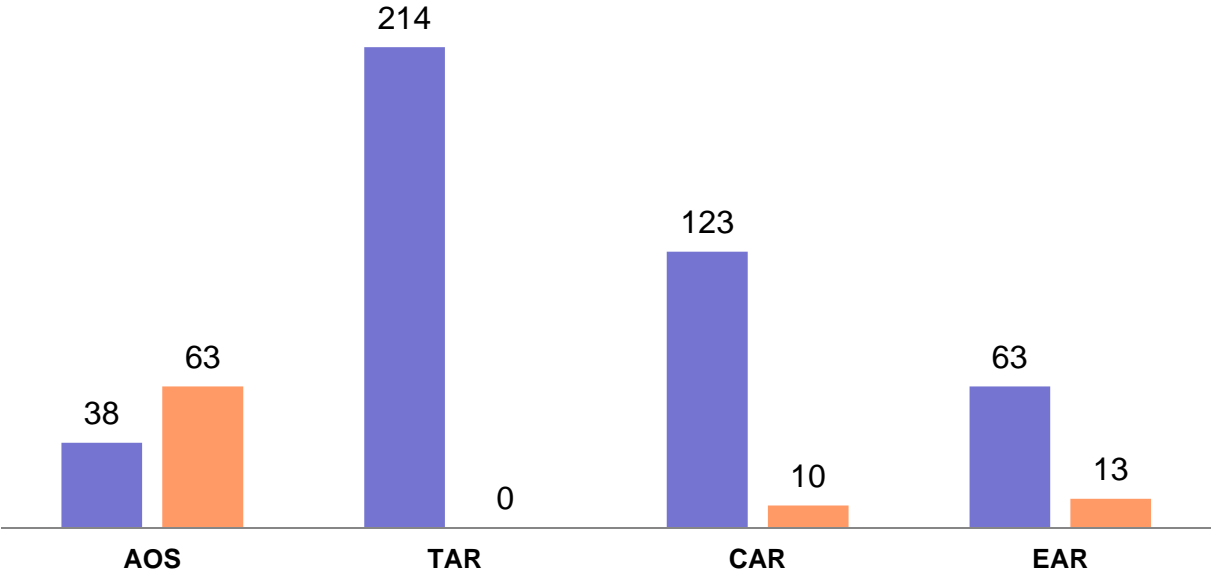
Which journals publish qualitative research?

The primary criterion for publication in *The Accounting Review* is the significance of the contribution an article makes to the literature. Topical areas of interest to the journal include accounting information systems, auditing and assurance services, financial accounting, management accounting, taxation, and all other areas of accounting, broadly defined. The journal is also open to all rigorous research methods.

Qualitative research in accounting journals

Papers published 2012-2014*

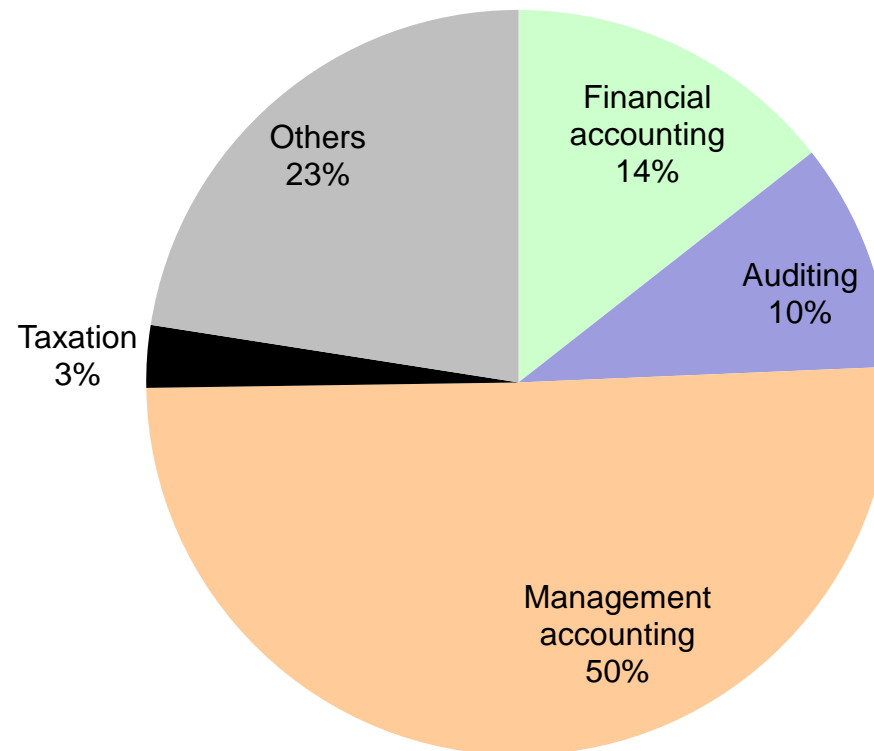
■ Quant ■ Qual



*excluding commissioned papers

Qualitative research in accounting journals

Qualitative papers in selected journals 2012-2014*



* AOS, TAR, CAR, EAR

Qualitative research in accounting journals

Journals to consider:

- Accounting, Organizations and Society
- Contemporary Accounting Research
- European Accounting Review

- Management Accounting Research
- Journal of Management Accounting Research
- Accounting, Auditing and Accountability Journal
- Accounting and Business Review
- Critical Perspectives on Accounting
- Qualitative Research in Accounting and Management

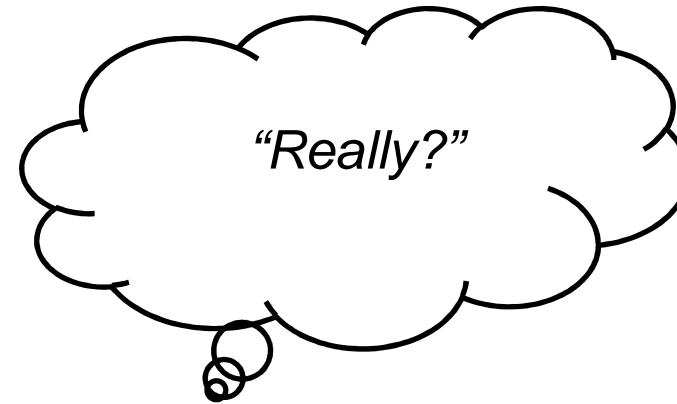
Evaluating qualitative research

*On the basis of which criteria would you assess
a piece of qualitative research?*

The two major concerns



→ Contribution



→ Reliability and validity

Contribution

I find it hard to precisely specify what a “good contribution” is, but I can think of some “points of orientation”:

- Does the paper make me think differently about a particular accounting practice?
 - Variations in the practice (over time, space)
 - “Inner dynamics” of a practice
 - Drivers behind a practice
 - Consequences of that practice
 - Tensions around the practice
 - Interaction with other practices
- Have I become aware of an important phenomenon, practice, event or actor (group) that I was not very much aware before?

Contribution

Contributing to the literature involves some problematization of that literature:

- This is not the whole story...
- Yes, but...
- It may be more complicated than that...

Examples:

- “In this respect, our study contributes to ‘emotionalize’ and challenge the cognitive and technical orientation adopted by most academics” (Guénin-Paracini et al., 2014)
- “Our analysis suggests that paying greater attention to symbolic differentiations between prestigious and shameful aspects of work can improve our understanding of accounting, identity work and organisational practices” (Morales & Lambert, 2013)

Contribution

Contributing is about making theoretical propositions with the help of empirical data

“Science can be viewed as an intellectual process that occurs within the context of two distinctive environments, the **empirical observational world** and the **non-empirical metaphysical one**. Although scientific statements may be oriented more toward one of these environments than the other, they can never be determined exclusively by either alone. The differences between what are perceived as sharply contrasting kinds of scientific arguments should be understood rather as representing different positions on the same epistemological continuum.”

(J. Alexander, *Theoretical Logic in Sociology*, vol. I, p. 2)

Contribution

“Theorizing” can thus mean (among other things):

- Development of general propositions (“A leads to B”)
- Identification of conditions that make an existing proposition more or less likely to hold (e.g. “under conditions of uncertainty...”)
- Developing classifications, typologies, configurations that can be helpful to understand empirical reality (e.g. “hierarchical and socializing forms of accountability”)
- Coining new concepts that help describe empirical observations (“identity work”, “styles of accountability”, “compromising accounts”, etc.)
- Demonstrating unknown effects of a practice and explaining how they come about (e.g. audits can generate feelings of fear)
- Highlighting and explaining the ambivalence of particular practices (e.g. stretch goals may be either motivating or de-motivating)

Reliability and validity

Besides a compelling contribution, qualitative work also needs to be reliable and valid.

- The “quantitative“ understanding of reliability and validity follows a positivist epistemology (we can know the one reality that is out there...).
- Qualitative research assumes that gaining knowledge of the social world involves a good amount of interpretation and that we can always come up with several different (and relevant!) stories about the same reality.
- This is not to say, however, that “everything goes”.

Reliability and validity

Most qualitative researchers adhere to an understanding of reliability and validity that is between a purely subjectivist and a purely objectivist one.

Purely subjectivist understanding	Inter-subjective understanding	Purely objectivist understanding
Individual interpretations that cannot be validated at all	Plausible explanations that “make sense” and can be intersubjectively accepted as likely ones	Knowledge that can be objectively validated

Reliability and validity

Reliability and validity are usually considered key quality criteria in research

- **Reliability**
 - Has the data collection and treatment process been reliable?
 - Relates mainly to the research process and the design of data collection/treatment
- **Internal validity**
 - Does the study correctly identify the nature of the relationships between events, actions etc.?
 - Relates mainly to the question of causality: does A really cause B, as concluded by the study?
- **External validity**
 - Are the results of the study valid beyond the observed sample/case?
 - Relates mainly to whether the chosen sample is representative for a larger population that is (or should be) of interest.

Reliability

In the context of qualitative research, reliability is often translated into “trustworthiness”.

Example concerns:

- Have interviews been recorded (or have careful notes been taken?)
- Have observations been duly written down in a timely way?
- Have interviewees spoken openly (or did they feel forced to issue a particular opinion)?
- Are interpretations of data plausible? (-> internal validity)

Reliability

“Given the stressful situation for most of our interviewees, we considered it important to try and establish a trustworthy relationship with them. Lincoln and Guba (1985, p. 303) suggest that trustworthiness needs time to develop and that researchers should therefore strive for a “prolonged engagement” with their informants. Such prolonged engagement is obviously difficult to achieve when talking to someone for the first time. In order to mitigate this problem, we devoted the first few minutes of each conversation to introduce ourselves and lay out our research interest. We carefully explained the objective of our research, indicated that the research team included only academics and emphasized that we intended to publish an academic article rather than a press article. The immediate feedback we received from our interviewees was positive and made us rather confident that the interviewees would provide us with truthful accounts of their experiences.” (Stolowy et al., 2014, CAR)

Internal validity

In qualitative research, internal validity can be seen as resulting from two criteria: plausibility and authenticity.

Plausibility: does an explanation that is provided make sense?

Authenticity: do I “see” the explanation at work in the empirical data?

Lukka & Modell (2010)

Internal validity

Example:

“One year ago, the firm was performing reasonably well.

Since then, different people in the organization told us that the new managing director was oblivious to risk and did not consult with them when making decisions.

The firm is now close to bankruptcy.”

Explanation for bankruptcy: unreasonable risk-taking, promoted by authoritarian leadership style

Internal validity

Example 2:

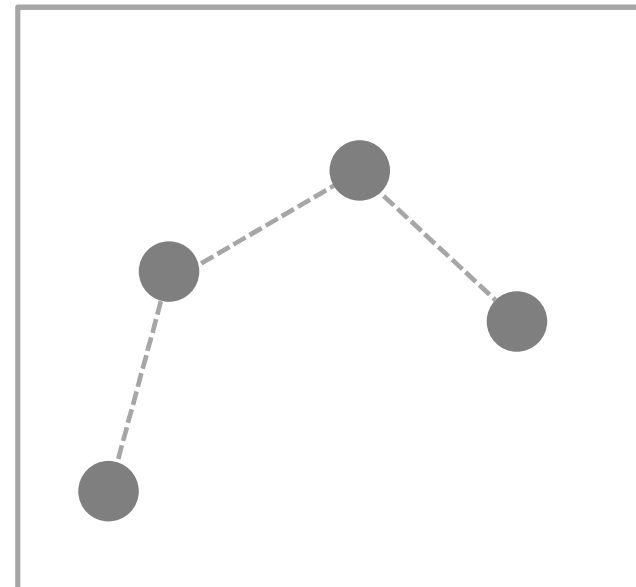
“One year ago, the firm was performing reasonably well.

Then they hired a new managing director. One of his first decisions was to... the project did not develop well.... Competitors were already offering similar products and so the firm’s products were not well received... When some employees suggested to exit the market, the managing director insisted on his opinion. Even more, he started another initiative...

...

The firm is now close to bankruptcy.”

Internal validity



A perfectly authentic account would be a plausible explanation in itself:
“If a description remains in need of an explanation, it means that it is a bad description” (Latour, 2005, p. 137)

External validity

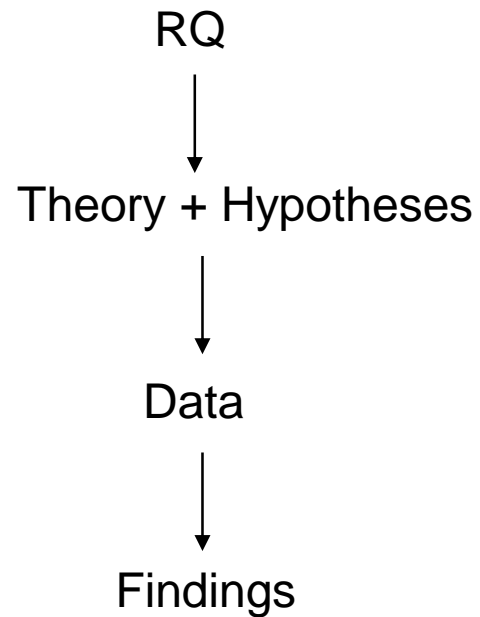
External validity relates to the **generalizability** of findings. In qualitative research, there is no possibility for statistical generalization.

- What a single case can do is to provide evidence on **particular phenomena** and to offer **theoretical concepts** that allow understanding such phenomena (often called “theoretical generalization”).
- What comparative cases or cross-sectional qualitative research can do is to provide evidence of **variation** in practice and to offer explanations for such variation.

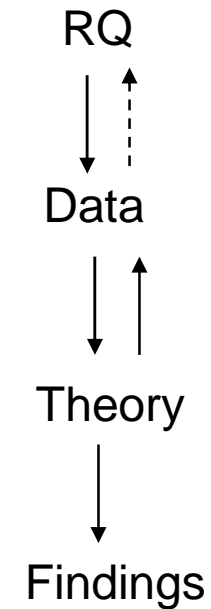
The process of doing qualitative research

The research process

Deductive process typical for archival, survey or experimental studies:



Abductive process typical for qualitative work:



The research process

In qualitative research, data collection and analysis often take place in an **iterative manner**:

- “The practice of doing qualitative field studies involves an ongoing reflection on data and its positioning against different theories such that the data can contribute to and develop further the chosen research questions” (Ahrens & Chapman, 2006, p. 820).

The research process

Things to think about

- How “open” or “closed” should the research focus be?
- How to select the research site / gain access?
- How to “choose” a theory?
- Which data collection methods should be used?
- How to analyze my data?
- How to organize and write it up?

Closed/open focus

Ideal image: definition of exact research interest and question → focused data collection

- The more “in-depth” the research, the more one is bound by the “field of possibilities” that the case organization offers. *“I can’t study what I can’t see!”*
- Difference between cross-sectional qualitative studies and single case studies
- Need to “narrow it down” in single case studies → iterative process

Closed/open focus

Example: Jordan & Messner (2012)

- Starting point: New performance measurement system for lean manufacturing
- First RQ: How are performance measures used to translate “lean” into practice?
- Data: Managers see different “problems” with performance measures, but rather relaxed attitude about this. However, more concern later, when evaluation pressures increase.
- New (final) RQ: How do operational managers’ attitudes towards performance indicators change over time and in response to a change in top management control?

Selecting the research site / gaining access

Choice of the “sample”

- Situation to avoid: having put a lot of effort into fieldwork and then realizing that there is nothing interesting to say...
- Problem of a random sample and reason why qualitative researchers often go for “purposive sampling”

Purposive sampling means:

- I can expect to observe situations, events, processes, practices that are potentially interesting and in line with my research objectives

It does not mean:

- I choose a case that supports my preconceptions

Selecting the research site / gaining access

What helps:

- Some preliminary knowledge of the “fit” with the broad research interest (e.g. they are undergoing a change process...)
- Willingness on the part of the firm to provide access
- Being clear about the scope (a few interviews vs. ethnographic study)
- Offering something in return (e.g. feedback on their practices)
- Ensuring full anonymity

Establish connections:

- Practitioner events (workshops etc.)
- Alumni who now work in firms
- Students who write their master thesis with a firm

Choosing a theory

- A theory is “an orienting set of explanatory concepts” (Ahrens and Chapman, 2006, p. 823)
- Theory helps making sense of data and thus to “organize” the data in a meaningful way
- "Data are not untainted slices of objective reality but aspects of recorded activity that a study finds significant for theoretical reasons" (Ahrens & Chapman, 2006, p. 820).
- Without theory, it is hard to decide how to write up data
- Choosing a theory means choosing a body of literature to talk to.

Choosing a theory

Theories allow us to say something (hopefully) important about the empirical phenomena of interest.

Examples:

- Institutional theory → budgeting → understanding how budgets serve as legitimating devices (Covaleksi & Dirsmith)
- Theory of capital → audit partners → understand what types of capital are decisive for why employees become audit partners in Big4 (Carter & Spence, 2014)
- Enabling and coercive control → design characteristic of performance measures → understand when design problems are or are not problematic (Jordan & Messner, 2012)

Choosing a theory

There is never just one theoretical perspective that can be applied



Choosing a theory

Most qualitative research resorts to concepts from social theory to make sense of its findings

- “**Grand theories**”: e.g. structuration theory, systems theory, practice theory, actor-network theory...
- More specific theoretical concepts or “**middle-range theories**”
 - “Our major task today is to develop special theories applicable to limited conceptual ranges — theories, for example, of deviant behavior, the unanticipated consequences of purposive action, social perception, reference groups, social control, the interdependence of social institutions — rather than to seek the total conceptual structure that is adequate to derive these and other theories of the middle range.” (Robert K. Merton)

Choosing a theory

Crafting a contribution is about relating a theoretical perspective to an empirical domain

- Looking at phenomenon X (domain focus) with new perspective Y
 - E.g. looking at budgeting from the perspective of institutional theory
 - What does the new perspective add to our understanding of the domain?
- Taking perspective Y (theory focus) and considering a particular phenomenon X
 - E.g. contributing to governmentality studies by considering social media
 - How does the empirical focus enrich the theoretical perspective?
- Considering phenomenon X from perspective Y (domain and theory focus) and adding empirical/theoretical nuance
 - E.g. contributing to our understanding of accounting information as sensemaking devices
 - What do we say about accounting as sensemaking devices?

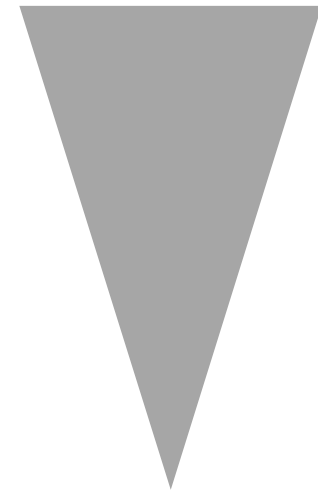
Data collection methods

Distinguish between:

- Background information / getting a “feeling” for the organisation
- Informing your specific research interest

Example:

- Broad interest in “challenges that management accountants face in their work”
- Background data on the firm: interviews, observations, documents
- Challenges are very visible in meetings between accountants and operational managers
- What dynamics do these meetings have? What arguments are mobilized? Etc.



Data collection methods

Methods (and the data collected through them) need to be aligned with the theoretical perspective chosen.

Examples:

- Institutional theory → Need to “zoom out” of the individual organisation to connect to the field-level
- Actor-network theory → Need to “follow the actors”
- Sensemaking theory → Need to observe people’s sensemaking in action

Analysing the data

- Data collected can be quite overwhelming. The goal of “data analysis” is to **identify patterns** that allow empirical details to be aggregated into more general ideas or concept (→ theorizing).
- “Pattern making starts almost as soon as field work begins, for it would be a strangely disinterested researcher who could withhold from at least tentative pattern making at an early stage during the research process” (Ahrens & Dent, 1998, p. 28)
- The challenge is to “follow the leads” without “premature closure”.

Analysing the data

Iterative process:

Empirical sequence

“Regularly, we would get a monthly statement from him [...] And once a year, we would get a summary, a one page summary of what percentage growth there was, and I used [...] those figures [...] for tax purposes. [...] The forms were completely consistent and did not look odd or strange at all” (Investor 5, interview).

Emerging category

Consistency as a mechanism to create trustworthiness



Empirical sequence

“I received regular information, like I would from any other brokerage firm: monthly statements, quarterly statements, a year end statement, the whole thing. Everything seemed very, very legitimate. [...] And every time there was supposedly a sale or a purchase, I received a statement accordingly. You know, I had been dealing with brokerage firms for many years and everything was identical” (Investor 4, interview).

Analysing the data

(On-going) analysis of data can be more or less structured and often proceeds from being lowly structured in the **beginning** to highly structured in the **end**:

- Identifying empirical observations that capture some interesting mechanisms (“that’s interesting...”)
- Look out for whether the same mechanism can be found elsewhere in the data and/or whether other mechanisms observed can be related to it.
- Craft a tentative storyline/argument around these patterns
- Go through the data to see whether there is substantial and consistent evidence for this storyline/argument.

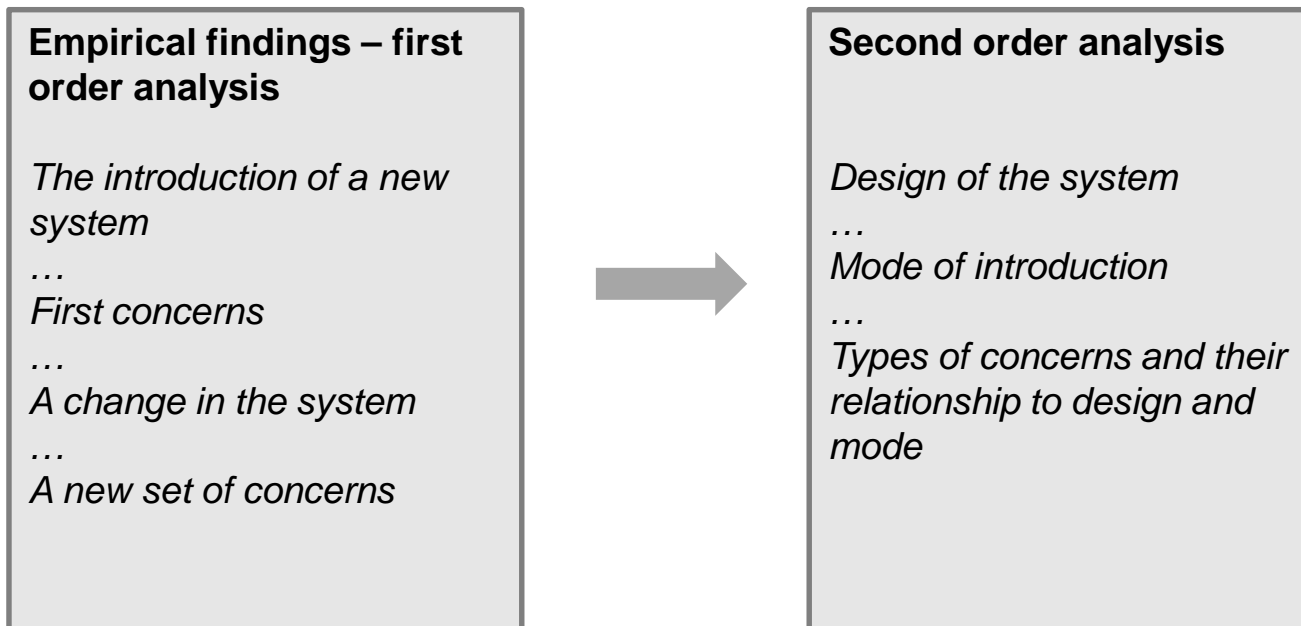
Organizing qualitative material

Ways of organizing and writing up qualitative material

- Organize by empirical categories first, and then again by theoretical categories (“first order” and “second order” analysis)
- Organize by theoretical categories
- Organize by empirical categories and weave in theoretical concepts

Organizing qualitative material

Organize by empirical categories first, and then again by theoretical categories (“first order” and “second order” analysis)



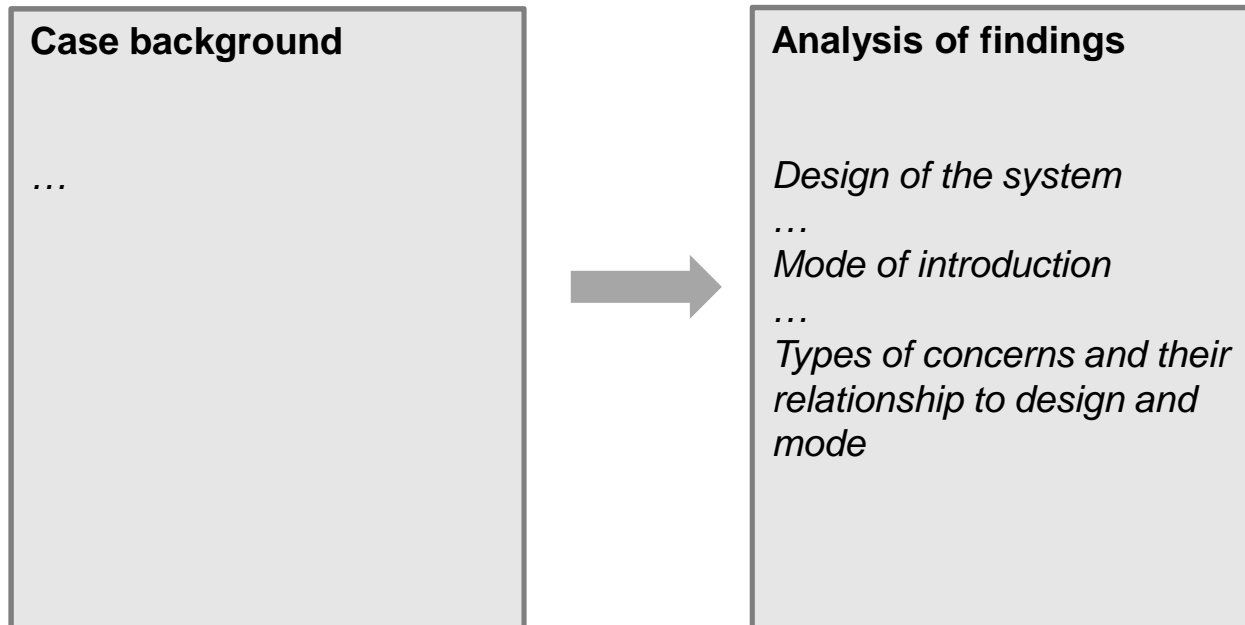
Organizing qualitative material

Organize by empirical categories first, and then again by theoretical categories (“first order” and “second order” analysis)

- Pros:
 - Movement from empirical data to theoretical analysis is transparent
 - Reflects the normal analysis process (from data to theory)
- Cons:
 - Danger of boring the reader with too long an empirical story
 - Unnecessarily long papers as need to refer back to empirics in theoretical analysis
- Applicable to all kinds of qualitative design (cross-sectional, longitudinal, comparative, single)

Organizing qualitative material

Organize by theoretical categories



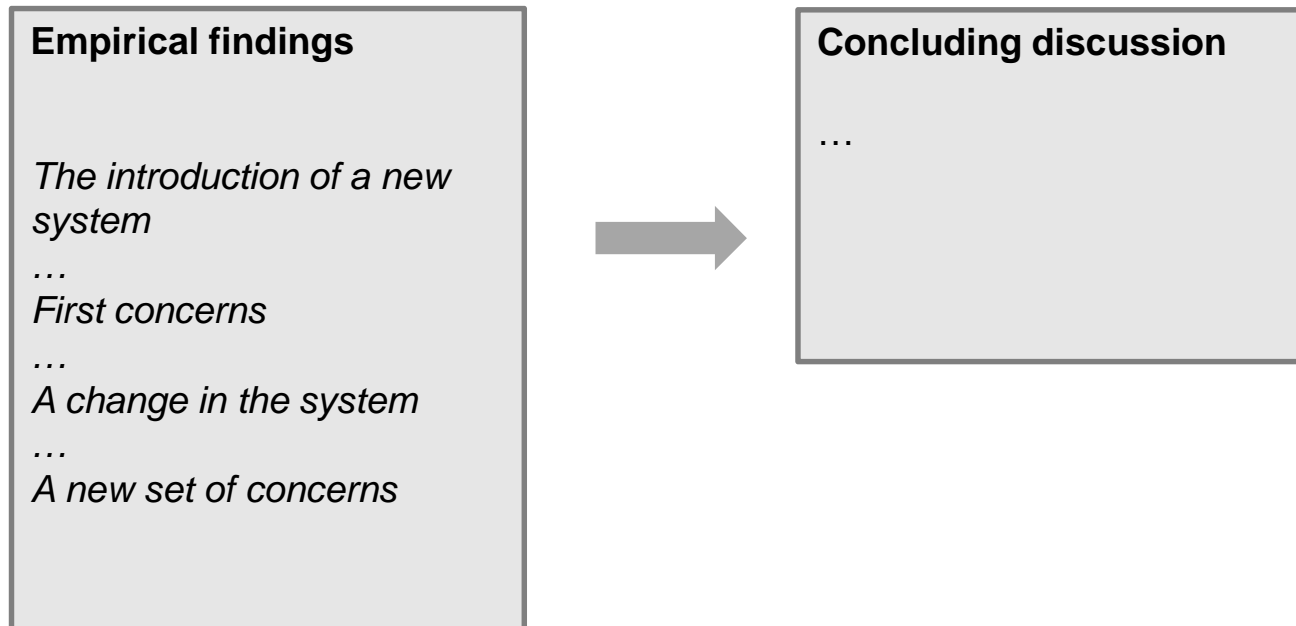
Organizing qualitative material

Organize by theoretical categories

- Pros:
 - Focusing right away on what the reader is arguably most interested in (theoretical insights)
- Cons:
 - Possible perception that data are overfitted to the theoretical categories
 - Risk of losing authenticity / feeling for the empirical “story”
- More easily applicable to cross-sectional data than longitudinal

Organizing qualitative material

Organize by empirical categories and weave in theoretical concepts



Organizing qualitative material

Organize by empirical categories and weave in theoretical concepts

- Pros:
 - Provide readers with authentic and rich empirical stories, while at the same time telling them the theoretical significance of the data
- Cons:
 - Difficult to do
 - Danger of impression as “neither fish nor fowl”
- Most applicable to longitudinal stories

Some tips for writing up qualitative work

- Balancing showing and telling
- Enrolling the reader in a story
- Use tables and figures to guide the reader through the paper
- Stay truthful to your methodological assumptions

See Pratt (2009)

Balancing showing and telling

Two dangers:

- Telling about data, not showing it
- Showing too much data, not interpreting it

Balancing:

- Provide “thick descriptions” (Geertz, 1973) but also “position your data” so as to contribute to theory (Ahrens & Chapman, 2006)
- Use “power quotes” and “proof quotes”

See Golden-Biddle and Locke (1997)

Enrolling the reader in a story

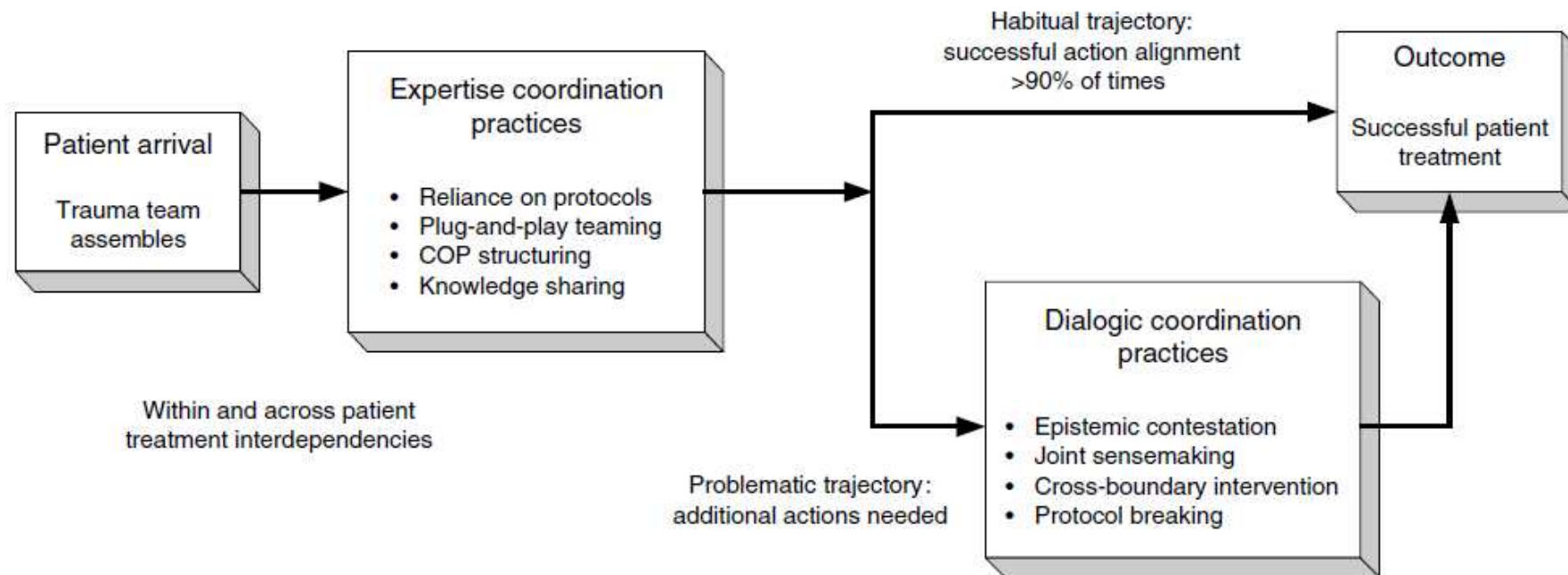
“At the time of the field study, the financial management team was composed of 21 members. The CFO, who joined the firm a year before the observation period, supervises the head of accounting (who arrived two years previously and manages a team of twelve people, including a head accountant), the head of management control (who manages a team of three management accountants and two management assistants) and the vice-CFO. Each management accountant specialises in one division:

- Eric is the accountant of DY. An engineering school and subsequently business school graduate, he worked for two years in a Big Four audit firm before joining TechCo three years prior to our study.
- ...”

Morales and Lambert (2013)

Use tables and figures to guide the reader

Figure 1 Coordination-Focused Model of Trauma Patient Treatment



Faraj & Xiao (2006)

Stay truthful to your methodological assumptions

“It is hard to say whether Division was more oriented towards financial or strategic goals and whether it was ultimately putting more focus on operational efficiency or strategic effectiveness. However, the fact that there were several, at times competing, strategic objectives (a fact that the Ranking Report had criticised) indicates that there was at least no focus on one particular strategy.”

Jørgensen & Messner (2010)

Qualitative methods and the collection of data



Interviews

Interviews may be helpful for different reasons:

- They allow collecting “facts” about the organization
- They help reconstruct stories that could not be directly observed
- They reveal the meanings that people give to different phenomena
- They help identify, and understand, different opinions and perspectives of people regarding a certain phenomenon
- They help the researcher interpret his or her own observations from the field

Interviews

Interviews can be conducted in a more or less structured way, depending on the purpose of the interview

- **Structured interviews**
 - Structured interview is designed to answer clearly defined questions
 - interview is supposed to generate answers that can be coded and processed quickly
 - Interview reflects the researcher's concerns
- **Semi-structured and open (unstructured) interviews**
 - Emphasis on greater generality in the formulation of initial research ideas
 - More flexible / “rambling” is often encouraged
 - Interviewer wants rich and detailed answers
 - Much greater interest on interviewees' perspective

Source: Bryman & Bell (2011)

Interviews

At the beginning of the interview:

- Introduce yourself and why you are here
- Briefly explain the overall research objective
- Explain how the interview data will be used
- Ensure full anonymity to the interviewee
- Suggest using a tape recorder
- Explain that you have prepared an interview guide, but that the conversation can develop openly

Interviews

Interview guide:

- What do I want to find out?
- Create a certain amount of order on the topic areas, so that your questions about them flow reasonably well, but be prepared to alter the order of questions during the actual interview
- Try to use a language that is comprehensible and relevant to the people you are interviewing
- Do not ask leading questions

Source: Bryman & Bell (2011)

Interviews

Types of questions:

- I lack a specific piece of information that I want to ask the interviewee about (“known unknowns”) → Ask questions that elicit focused, short answers
- I lack context / richness in the story of how events unfolded in the organization (“unknown unknowns”) → Ask questions that elicit long, detailed answers

Examples:

- “When did the new CEO present the change agenda?”
- “What was decided upon in the last meeting?”
- “Why was this change project initiated?”
- “How do you see this change project?”

Interviews

“Warming up” and “critical issues”

- When interviewees are asked about issues that are possibly difficult for them to openly speak about, it is helpful to take some time before coming to these questions

Examples for warming up:

- “Could you please, first of all, tell me a bit about yourself and how you came to work in this firm?”
- “What are your main activities?”
- ...

It is important to bear in mind that some interviewees have little time and patience and want to get the interview over as quickly as possible.

Interviews

Interviewer: /eh/ Generell, wie erfolgreich ist das Unternehmen?

Controller: So, das Unternehmen ist also im Großen und Ganzen erfolgreich, wir gewinnen immer mehr und mehr Marktanteile dazu. Wir sind also einer der größten xxx in Österreich und wir bauen nach wie vor unseren Markt aus. Wenn sich Gelegenheiten bieten, kaufen wir auch kleine xxx dazu.

Interviewer: /eh/ Ja dann zu ihrem persönlichen Tätigkeitsbereich; vielleicht können Sie auch /eh/ ganz kurz mal beschreiben was Sie persönlich an Aufgaben wahrnehmen.

Controller: In meinen Tätigkeitsbereichen sind Finanz und Rechnungswesen gegeben. / hauptsächlich betrifft diese also den Bereich der ganzen Finanzbuchhaltung. /ahm/ Controlling /ah/ Finanzierung

Interviewer: Haben Sie Mitarbeiter?

Controller: Ja, also es sind also noch sechs weitere Mitarbeiter in meiner Abteilung, die sich also () und die zu meiner Zufriedenheit arbeiten.

Interviewer: Seit wann sind Sie da, in diesem Unternehmen?

Controller: Ich bin seit 17 Jahren im Unternehmen.

Interviewer: /hmm/ Und haben da wann immer schon im Finanz und Rechnungsbereich hier gearbeitet?

Controller: Ich war immer schon im Finanz und Rechnungswesenbereich.

Interviews

Group work/discussion

Imagine that you are interested in understanding the drivers behind the introduction of management control systems in start-up firms. Craft an interview guide targeted at managing directors of the start-ups.

Interviews

The best interviews are those where the interviewee forgets during the conversation that this is an interview.

This requires “skillful interaction”:

- Avoiding to permanently look at the interview guide
- Listening attentively and signaling genuine interest
- Signaling (some) expertise and empathy

Ethnography and participant observation

- **Ethnography** as the practice of writing (graphy) about culture (ethno) is not only used in social anthropological research but also in management research (organisation as cultural entities)
- Ethnography is about trying to understand social behavior in its natural contexts (usually happens through observation)
- Organisational ethnographers ...
 - aim to understand the organisation from the insider's point of view
 - engage in fieldwork that tends to commit them to a period of time spent in the organisation or long stay 'in the field'

Source: Bryman & Bell (2011)

Ethnography and participant observation

“I spend much of each day wandering around, talking to people and observing their daily activities. I had an office in the same corridor, where I would type my field notes on a laptop computer. Even when typing notes, I left my office door open. I sat facing the door, looking up when people walked by, inviting conversation if an engineer or manager chose to enter.

In addition to being present and available to talk to engineers, I conducted interviews and attended meetings... Later, I shadowed engineers... to get a sense of how they accomplished their work. Moreover, I sat for hours in each of the software labs observing and talking to the engineers at work and listening to the ‘natural’ interactions that occurred in the labs” (Perlow, 1997, p. 143)

Source: Bryman & Bell (2011)

Ethnography and participant observation

There are different **degrees of intervention** (involvement vs. detachment) when it comes to ethnography or participant observation:

- Pure observation (e.g. passive participation in meetings)
- Active participation in one particular domain, but research focus on a different issue of interest (e.g. Morales & Lambert, 2013).
- Active participation in the issue of interest as an action researcher

Ethnography and participant observation

Ongoing access

- Gaining and securing access to people (not only to the organisation)
- There might be problems with people ...
 - They will have suspicions about you
 - They will worry that what they say or do may get back to bosses or to colleagues
 - They may sabotage the research, engage in deceptions, misinformation, and deny access to “back regions”
- ... the researcher has to manage
 - Play up your credentials/gain legitimacy (e.g. past work and experience)
 - Pass “tests”
 - Determine and play your role
 - Be prepared for changes in circumstances that may affect your access

Source: Bryman & Bell (2011)

Ethnography and participant observation

Key informants are very important

- “The ethnographer relies a lot on informants, but certain informants may become particularly important to the research. They often develop an appreciation of the research and direct the ethnographer to situations, events, or people likely to be helpful to the progress of the investigation” (p. 436)
- However, researcher has to make sure that s/he is not only seeing social reality through the *key informant's* eyes (remember fairness as a measure for quality of qualitative research)!

Source: Bryman & Bell (2011)

Ethnography and participant observation

Field notes as an important instrument to preserve experiences

- Detailed summaries of events, behaviour, and initial reflections on them
- Specify key dimensions of whatever is observed or heard
- Principles of taken field notes:
 - Write down notes, however brief, as quickly as possible after seeing or hearing something interesting
 - Write up full field notes at the very latest at the end of the day, include such details as location, who is involved, what prompted the exchange, data and time of the day etc.
 - Use digital recorder to record initial notes (transcribe later)

Source: Bryman & Bell (2011)

Ethnography and participant observation

A way to get started in a setting that may seem overwhelming. What to write down:

<p>Initial impressions</p>	<ul style="list-style-type: none"> ▪ Physical environment (e.g. tastes, smells, sounds) ▪ Look and feel of locale and people ▪ Physical setting (e.g. size, space, noise, colors, equipment, movement) ▪ People in the setting (e.g. number, gender, race, appearance, dress, movement, comportment, feeling tone)
<p>Key events or incidents (Researcher's perspective)</p>	<ul style="list-style-type: none"> ▪ Something that surprises or runs counter the expectations ▪ Incidents, feeling tone, impressions, interactions (verbal and nonverbal) ▪ Events that please, shock, anger → Everything that matters is worth writing down ▪ Strong reactions, deep sympathy and repulsion ▪ Are others in the setting similarly surprised, shocked, pleased, or angered by an event? ▪ Under what conditions do such reactions occur and how did those affected cope with the incidents and persons involved?
<p>Open sensitivity (Participants' reactions)</p>	<ul style="list-style-type: none"> ▪ Actions, interactions, and events that catch the attention of/are meaningful to people ▪ When do people stop and watch? ▪ What do they talk and gossip about? ▪ What produces strong emotional responses for them (e.g. troubles and problems)? ▪ How do people in the setting understand, interpret, and deal with troubles and problems? ▪ Who did what? How did others react? ▪ Talk to those involved and those witnessing the incident about their impressions → catch particular meanings they attribute to these activities (e.g. evaluations) ▪ Collect a series of incidents and interactions of the same type → regularities or patterns? ▪ Are the different actions that result of the preferences and temperaments of those involved or of their different understandings of the situation because they have different positions in the local context?

Ethnography and participant observation

How to write field notes? Do's and Don'ts

Details	<ul style="list-style-type: none">▪ Details of what you sense are key components of observed scenes or interaction▪ Sensory details which one could easily forget but which one deem to be key observations about the scene
No evaluative summaries	<ul style="list-style-type: none">▪ Avoid making statements characterizing what people do that rely on generalizations▪ Composing detailed, textured descriptions
Concrete sensory details	<ul style="list-style-type: none">▪ Records of actual words, phrases, or dialogue▪ Don't write down "angry words", but the actually spoken words, e.g. "shit" ...▪ Gestures, facial expressions, etc.
Specific circumstances or context	<ul style="list-style-type: none">▪ General impressions and feelings, even if the fieldworker is unsure of their significance at the moment▪ Who was present, what they said or did, what occurred immediately before and after, etc.
No interpretation	<ul style="list-style-type: none">▪ Don't interpret reactions in field notes, write down "facts"▪ Don't interpret <i>why</i> one expressed emotions but <i>how</i> one expressed the feelings.

Ethnography and participant observation

The danger of going native:

- “In participant observation, even more than in other qualitative methods, it becomes crucial to gain as far as possible an internal perspective on the studied field and to systematize the status of the stranger at the same time. Only if you achieve the latter will your research enable you to view the particular in what is everyday and routine in the field. **To lose this critical external perspective and to unquestioningly adopt the viewpoints shared in the field is known as ‘going native’** [...] Researchers who seek to obtain knowledge about relations in the studied field, which transcends everyday understanding, also have to **maintain the distance of the ‘professional stranger’**” (Flick, 2009, p. 22)

Events

Good events for listening to, and presenting, qualitative accounting research:

- Interdisciplinary Perspectives on Accounting Conference (every three years)
- Management Accounting as Social and Organisational Practice Workshop (every year)
- Financial Reporting as Social and Organisational Practice Workshop
- New Directions in Management Accounting Conference (every two years)
- Annual Congress of the European Accounting Association

Resources

Some helpful resources on qualitative methodology and methods:

- Flyvbjerg, B. (2001), *Making Social Science Matter*
- Golden-Biddle, K. & Locke, K. (1997), *Composing Qualitative Research*
- Silverman, D. (2010), *Qualitative Research*
- Ahrens, T. & Dent, J. F. (1998). Accounting and Organizations: Realizing the Richness of Field Research. *Journal of Management Accounting Research*, 10, 1-39.
- Ahrens, T. & Chapman, C. S. (2006). Doing qualitative research in management accounting: positioning data to contribute to theory. *Accounting, Organizations and Society*, 31, 819-841.
- Lukka, K. & Modell, S. (2010). Validation in interpretive management accounting research. *Accounting, Organizations and Society*, 35(4), 462-477.
- Chua, W. F. (1986). Radical Developments in Accounting Thought. *The Accounting Review*, 61, 601-632.