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HIGHLIGHTED PAPER

What is accounting? What should it be? What should we profess and teach?

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ABSTRACT

Differences between accounting researchers and many accounting practitioners and professional institutions on what constitutes the domain of accounting has grown considerably over the past fifty years. In contrast to the frequent allegations that accounting researchers pay insufficient attention to the needs and problems of practice, this paper argues the converse, namely that accounting education and training within universities and professional courses neglect accounting research. This has consequences for the legitimacy of accounting as a profession, inhibits developing skills sought by prospective employers, and can blind practice to the emergence of important new issues.

Recently, there have been calls from academics to redefine accounting. In addition to including technical practices, they seek greater emphasis on ethics, morality, theory, sustainability, and accountability. This broader, interdisciplinary approach focuses on public rather than private interests; seeks broader, often non-financial reporting on sustainability goals; serving a wider range of stakeholders; and devising new processes of accountability, especially to empower civil society groups. Illustrations of these themes are explored in the paper. It concludes by offering ways to reform accounting courses. Ideally academic and professional leaders could devise, on an equal footing, courses leading to qualification as a professional accounting that better serve the needs of employers and utilise scientific academic research. Failing this universities could offer two accounting degrees, one emphasising technical material and exemptions from professional examinations, and another more oriented to contemporary accounting research and develops skills sought by employers relating to communication, continuous learning, critical analysis, and multi-functional teamwork.

Keywords: Accounting; Ethics; Morality; Education; Sustainability; Accountability.

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1. Introduction

Within academia there has been a growing movement to redefine what accounting is, what it should be, and what should be taught, as reflected in previous articles in this journal, especially McPhail (2022), Parker and Troshani (2022), and Sangster (2022). Together they reflect upon tensions and divisions within universities researching and teaching accounting on their relationship to accounting professional institutions, especially regarding course content. In contrast to commentaries alleging how academia neglects the needs of practice, this article argues that many accounting professions' continuing neglect of accounting research and failure to incorporate it into courses, especially but not only for entry into the accounting profession, threatens the accounting profession credentials. Its techniques should be based on scientific knowledge and a failure to engage with contemporary research may stymy opportunities for advancing accounting practice.

Much of the accounting profession differs from many other professions, especially law and medicine, as it primarily serves the interests of private and corporate clients rather than other stakeholders, such as employees, and society generally. This furthers tensions between the profession and academia, which is more oriented to serving the public interest, and furthering and diffusing knowledge, rather than owning it privately for commercial gain. Moreover, unlike other major professions' knowledge, much accounting taught and practised lacks a sound and generally accepted theoretical basis. Yet academic accounting research in the past fifty years has made major strides in this respect, albeit without achieving any consensus upon ascertaining a single dominant theoretical approach.

2. What is accounting?

Clear, accepted, and precise definitions of accounting are essential for defining its ends, scope, and purpose (Carnegie et al., 2021); and thence what is taught by professional institutions and university accounting departments and what falls within the domain of accounting practice. However, the definition of accounting has become controversial. Carnegie et al. (2021) complain that current definitions, despite variations, need updating because they overly emphasise technical matters. Hence their alternative definition portrays accounting as 'a technical, social and moral practice concerned with the sustainable utilisation of resources and proper accountability to stakeholders to enable the flourishing of organisations, people and nature.' (Carnegie et al., 2021, p. 69). If accounting is so viewed then they claim its knowledge base must incorporate contemporary accounting scholarship, especially inter and multi-disciplinary work. They argue that these changes would help challenge the stigma of accounting being boring, accounting work being tedious and involving daunting hours; and would help attract and train future leaders wishing to change the world for the better. Others have argued for a similar exercise for research and courses in university departments (Hopper, 2013, 2019). Alongside this are longstanding findings that much accounting education, whether in university courses or for professional qualification, fails to develop skills that prospective employers desire. Few potential employers would disagree that technical knowledge should be imparted, but they also value highly social skills such as communication and teamwork, and the capacity for critical analyses, problem-solving, continual learning, and working in multi-functional groups. However, developing these skills are often neglected in training oriented to the technical (American Accounting Association, 1986).

In summary, there are divisions between academic researchers and professional associations over what accounting is, for accounting researchers have extended its remit beyond the normal domains of accounting tasks, issues, and systems; and what accounting should be, especially whether it should primarily serve private or public interests, and primarily concentrate on financial reporting or also provide non-financial information on sustainability goals. The answers to these questions have profound implications for what professional associations and university accounting departments profess and teach.

3. The accounting profession and the neglect of research

Accounting researchers are frequently criticised for having little impact on accounting practice or accounting education, As Lee (1989, p. 238) commented, 'accounting research activities do not appear to have had a major part to play in shaping the content of professional education programmes or the conduct of accounting practice, despite continuous concern that the opposite is the case. A considerable proportion of research appears to exist in increasing isolation from education and practice.' He reproduces the common presumption that research should serve practice, often to solve short-term pressing problems. This assertion needs challenging.

Until the late 1960s accounting research was primarily normative – it sought to improve practise and was relatively theory free. Ball and Brown's (1968) seminal paper fostered a major switch, especially amongst North American accounting academics, from normative to descriptive, economistic research. Market-based research employing mathematical and statistical methods, theoretically based primarily on neo-classical economics, and primarily focussed on financial reporting, grew considerably, e.g., investigating the impact of financial reporting content upon firms' stock prices. This major change in academic focus, especially in the USA, grew further with the rise of positive theory research initially popularised by

Watts and Zimmerman (1978), which extended to management accounting. This too adopts an economic approach, namely agency theory, to studying accounting, depicting relations as essentially contractual and presuming that managers act in their self-interest. Together this research seeks to explain and predict which firms will or will not use a particular accounting method and its effects, but it does not prescribe which should be use or what may be in the public interest. Not all the economic, empirical, and highly quantitative accounting research since the late 1960s has explicitly adopted positive theory, but it normally claims it is scientific, objective, descriptive, value free, and pursues data-driven statistical methods. The focus has lain on corporations, capital markets, governance, and controls. This market-based research has made significant contributions, e.g., identifying the stock price effects of changes in financial reporting, and factors influencing management compensation contracts, and capital structure of firms. It has been influential, e.g., upon the policies of international accounting standard setters and financial regulators, and since the 1970s it has dominated the contents of the earliest and prestigious accounting research journals from the USA, especially the *Journal of Accounting Research* and *the Accounting Review*.

Other academics, especially from Europe and Australasia, have been criticised this trend, and the subsequent exclusion of alternative theories (particularly within the social sciences), important topics (e.g., history, behavioural issues), and other research methods (especially qualitative ones) by these journals. They take issue with their claim that the quantitative, economics-based research is value-free, objective, and neutral, pointing out how it is impossible to avoid value judgments when choosing research topics and designing and executing research studies. Moreover, the claim that it only explains and *predicts* what people might do ignores what they *should* do, i.e., it fails to consider what may be in the public interest. For example, concentrating on capital market effects of accounting disclosures, and assuming managers and owners invariably pursue their (often conflicting) self-interests to maximize their wealth, neglects their possible adverse effects, and fails to recognise how accounting is an instrument of power and control that helps create, shape, and legitimise understandings of the world that favour corporations and privileged sections of society. For example, value-added financial reporting which makes employees' contribution more transparent, was abandoned in jurisdictions such as Italy, due partly to the strictures of standard setting bodies pursuing market-based accounting policies.

Critics of the status quo, of which the author is one, advocate for accounting that serves a wider range of stakeholders and issues cognate not just to corporations and capital markets, but also civil society, and non-private institutions, such as government and non-governmental organisations (NGOs). Extending the scope of issues investigated has flourished, especially accounting to improve accountability and to foster sustainability. In the 1980s important research journals specialising in, or willing to include research on such topics, e.g., *Accounting, Organisation and Society*, the *Accounting, Auditing and Accountability Journal*, and *Critical Perspectives on Accounting*, and associated academic networks have emerged, especially from Europe and Australasia. More new journals of a similar ilk, too many to list, sympathetic to alternative avenues of research have followed. Much of this research falls within the umbrella term of 'interdisciplinary accounting research'. Now some of these newer journals have high impact and citation scores internationally.

The growth of interdisciplinary accounting research has had a major impact upon what topics some academic accounting researchers are investigating; the research methods adopted; the countries, regions, and type of organisations investigated; the stakeholders being served; and the theoretical approaches adopted, The topics pursued are too numerous to fully enumerate but they include behavioural and organisation theory approaches to management accounting; investigating corruption; developing human rights, employee, and decent work accounting; the measurement and conception of risk; the role of accounting in aiding development in poor countries; how civil society actors can create counter accounts to challenge government and corporate reports, e.g., when 'greenwashing' occurs; and whether new public sector management principles incorporating private sector practices, e.g., outsourcing, and output-based accounting performance measures, within some government sectors, e.g., health and education, has proven effective. Inter alia, it has revealed how accounting changes can have unanticipated and sometimes undesirable consequences, often ignored in conventional, traditional accounting courses. They may not always bolster efficiency and rationality as purported in textbooks. Instead, they may be used for external legitimation, post-decision rationalisation, criminalising political opponents, and to aid creative problem-solving.

Today interdisciplinary accounting research has expanded the domain of what accounting is and should be beyond the traditional domain widely taught and practised. Consequently, what many academics regard as accounting and what it should be, can differ substantially from that of practitioners. The interdisciplinary accounting research community argue that acting morally, ethically, and in the public interest, should be central to accounting, whether in academia or the profession, and both should pursue a broader societal mission. However, incorporation of this work in professional and many university degrees has often been minimal, partly because narrowly trained academics and professional accountants lack exposure to this work, or have dismissed it as irrelevant, impractical, or financially unproductive. Sometimes this is justified, but there are many instances where accounting research has identified and extensively researched new topics that subsequently became pressing for practice. For example, social and environmental accounting research that emerged in the 1970s, was then considered as marginal and even eccentric in mainstream circles.

Now the profession is beginning to incorporate it into its domain. If new avenues of inquiry and practice created by interdisciplinary accounting research is not incorporated into accounting education and training, then further developments in practice may be stymied.

Unfortunately, the gap between conceptions of accounting knowledge held by accounting professions, practitioners and some accounting teachers, and accounting researchers, especially those within the interdisciplinary movement, is frequently large and may possibly be growing. This is worrisome for accounting being deemed a profession rests upon its practices lying on a complex and scientifically determined body of knowledge. If the practices enacted and taught neglect research employing rigorous research methods, then they may lack theoretical and empirical validation. Theories are vital to understand what accounting methods may be effective or not, and why. For example, research on divisionalisation and transfer pricing based on operational, economic, and behavioural theories clearly indicate how, why, and under which circumstances, which accounting treatments will be effective or not. If accounting knowledge has no theoretical base this does not mean it lacks value but rather, as Gambling (1977) observed, relegates its techniques as having properties akin with witchcraft – spells, lotions and accounting prescriptions that may work despite not knowing why. This is troublesome for a profession claiming unique expertise and exclusive rights to perform some tasks. Its reputation rest on beliefs that its practices derive from a sound knowledge base, but this is not invariably so. For example, there is a long history of management accounting innovations, such as activity-based costing and balanced scorecards, being quickly adopted within accounting syllabuses and prescribed for businesses by accounting firms before they have been rigorously tested. This would be unacceptable in professions such as medicine with respect to new drugs or treatments.

If accounting education and training fails to incorporate contemporary research, then this can produce intellectual and practice stagnation. There is often a long-time lag between pathbreaking and 'blue skies' research being incorporated, if at all, in technically and practice-oriented accounting education. However, if students are not exposed to such research and are just taught technical material, then developing the critical analysis, problem-solving, and continuous learning skills valued by potential employers will be inhibited, and may render practitioners unable to access, appreciate, evaluate, or apply new developments.

4. What should we profess and teach?

4.1 Technical practices

The revised definition of accounting by Carnegie et al. (2021) recognises that technical practices are a part of accounting knowledge. Probably few involved in accounting education would deny that teaching these are essential. Rather the argument of reformers is that they overly dominate courses, are unnecessarily detailed, and are too numerous. Instead, they argue that the important aim is to understand basic systems and concepts. A fuller understanding of these can be gained experientially and from rigorous academic reflection during coursework on practical issues encountered in the workplace. Too often accounting syllabuses adopt a 'tick box' approach of trying to cover multiple rules, regulations, and systems, some of which may be unlikely to be encountered in practice, may change, or be similar. Moreover, given the rise of enterprise reporting systems and computerised accounting packages, the accounting methods used may be predetermined and difficult to change. The dangers of overly stressing technical matters are that knowledge gained may be superficial, transitory, and push out other important topics. Given the sheer volume and the constant expansion of new systems, rules, regulations and issues, the most important pedagogical aim is to impart a basic understanding of the concepts and theories underpinning these and imparting continuous learning skills.

4.2 Accounting as a social and moral practice

An area where this is relevant, not least to developing critical thinking and creativity, is accounting as a social and moral practice. Interdisciplinary research has illustrated how accounting can be an instrument of power and control. It is neither neutral nor objective as often portrayed but helps create, shape the world, and legitimise practices (Hopper et al., 2015), e.g., what is reported on and how – why is say financial data and profit prioritised over say value added per employee?

The inability to be totally neutral and objective is not attributable to malicious intentions by accountants or others (though it can be) but because philosophically and psychologically this is impossible though we can strive to be more so. We make choices on what systems we profess and exercise, to whom we serve, to what ends; and we are prone to selective perceptions and seeking cognitive balance. Hence, we tend to exclude and ignore views contrary to our own. An important aim of higher education is offsetting this by exposing students to and making them more receptive to competing viewpoints regarding the role and nature of accounting, some of which may run contrary to their own beliefs.

According to Tsahuridu and Carnegie (2018: 1), 'Accounting is seriously misrepresented … if … seen only as technical practice. Accounting is a practice that underlies and enables organizational action and much of human activity. In this way, accounting is fundamentally a social practice, which guides and influences the behaviour of people in organizations and society, thereby impacting our lives, as well as organizational and social functioning and development. When we understand the full dimensions of accounting, we also get to appreciate how morality is at its core.'

Most accounting associations recognise this and have adopted or adapted codes of ethics recommended by international federations to govern members' behaviour. For example, the International Association of Accountant's (AIA) code of ethics states each AIA member should follow five principles:

- Integrity - You must be straightforward and honest in all professional and business relationships.

- Objectivity - You must not compromise professional or business judgment because of bias, conflict of interest or the undue influence of others.

- Professional competence and due care - You must maintain professional knowledge and skill (in practice, legislation and techniques) to ensure that a client or employer receives competent professional service.

- Confidentiality - You must not disclose confidential professional or business information or use it to your personal advantage, unless you have explicit permission to disclose it, or a legal or professional right or duty to disclose it.

- Professional behaviour - You must comply with relevant laws and regulations, and avoid any action that may bring disrepute to the profession.

The document claims, 'The AIA's robust membership requirements and disciplinary framework adds additional reassurance and protection to the businesses that rely on accountancy services. All accounting professionals must act in the public interest using their professional judgement and skills to build trust in the profession. It is for these reasons that AIA members are expected to engage with and apply the fundamental ethical principles to ensure:

- The client's needs are met.
- The public interest is not compromised.
- Risk is properly managed.
- All parties are treated fairly.

The above is admirable and reasonable but limited. It fails to satisfy those wanting accounting to serve more stakeholders and institutions (see Taylor & Williams, 2021). The only clients mentioned are businesses and there is little on the pursuit of the public interest other than not acting disreputably and abiding within laws and regulations.

In my experience the accounting curricula of professional associations and some universities increasingly cover ethics, albeit somewhat cursorily, by informing students of professional codes of ethics or, more extensively, requiring students to analyse case studies containing ethical issues. This is welcome but whether it significantly changes potential behaviour in the workplace is debatable. A more comprehensive approach that permeates the entire curricula is likely to be more effective. However, to bolster this the curricula needs courses informed by philosophical, ethical, sociological, and other social science material. Following academic accounting research over the past fifty years there is now an abundance of work relevant to such a course.

Unlike the legal profession and law schools, accounting has failed to create a branch of knowledge equivalent to jurisprudence - the philosophy and theory of law. This primarily covers what the law is and what it should be. It includes questions of how people and social relations are understood in legal terms; the values exercised in law; its systems, institutions, and principles; how legal knowledge is derived - whether implicitly or explicitly from theory and science; and its application within the legal system and societies. Its roots go back two thousand years across different jurisdictions worldwide. Many of its schools, as in most social sciences, are diverse and sometimes conflicting. Academic research in accounting, albeit much more recent, has schools of thought resembling those in jurisprudence, e.g., it too has positivist, critical and interpretive schools, to name a few. This is not just an academic pursuit. The philosophical approach adopted by professional decision-makers has practical consequences. For example, the rift between theories of living constitutionalism and originalism within USA courts, including the Supreme Court, is not merely an esoteric debate among judges but affects controversial judicial decisions such as abortion laws. Accounting regulation is similarly affected, though accounting training plays little heed to this. For example, the International Accounting Standards Board's (IASB, 2018) updated conceptual framework seeks to provide a theoretical basis for formulating accounting standards, but this has attracted criticism from academics. For example, Zhang and Andrew (2022), arguing from a critical perspective, claim it aligns 'the purpose of financial reporting with the demands of finance dominated capitalism (p. 3) and they dispute 'whether [its] financial market-oriented notions of the public interest will ever be capable of addressing the grand challenges facing contemporary society, such as wealth inequality and the climate crisis' (p. 4).

It is not the purpose of this article to adjudicate who is right in such disputes but rather to reinforce how morality is at accounting's core, and acting ethically and serving the public interest is central to a profession. Moreover, accounting is inevitably a social practice as it entails making choices that have socio-economic repercussions for different constituencies. For example, some critics, e. g. Sikka et al. (1989), have argued that often accounting concentrates on satisfying decision makers' (financial) information interests without morally evaluating their social consequences, e.g., the effect of tax avoidance schemes that heighten inequality in societies, and their effects upon employees and communities. The failure of accounting courses to rigorously examine the theoretical, philosophical, and moral foundations of practice, despite the now large body of relevant work by academics, is concerning and renders the claims of accounting to be a profession based on scientific knowledge and a rigorous ethical code questionable. Also, it stymies students developing critical skills of analysis and formulating new conceptions and techniques of accounting.

4.3 Addressing sustainability

In 2015, the United Nations General Assembly adopted seventeen Sustainable Development Goals (SDGs) to succeed the Millennium Development Goals, most for achievement by 2030, though some have no end date. They seek *within 15 years a world free of poverty and hunger, and safe* from the worst effects of climate change. The SDGs cover: no poverty; zero hunger; good health and well-being; quality education; gender equality; clean water and sanitation; affordable clean energy; decent work and economic growth; promoting industry, innovation and infrastructure; reducing inequality; sustainable cities and communities; responsible consumption and production; action on climate change; protecting life below water and on land; peace and strong institutions; and partnerships to achieve the goals.

Standard setters, the accounting profession, and its firms have begun to include sustainability reporting within its remit. This is welcome for accountants' expertise is potentially relevant to auditing corporate social reports; measuring and reporting on sustainability targets, especially by corporations; ensuring their reporting is accurate, uniform, and transparent; thoroughly incorporates environmental risks; and providing cost analyses of environmental decisions. Accounting's auditing expertise can expose 'greenwashing.' Ethically, practitioners should be exposing, not facilitating this. However, determining and monitoring targets is difficult due to their scale, complexity, lack of data, aggregation and disaggregation issues, and different methods across jurisdictions. Hence making comparisons is difficult. Given the scope, scale and complexity of SDGs, devising and monitoring targets requires skills from many disciplines. Accountants cannot do this alone but must work effectively in multi-disciplinary teams. Here, the ability to undertake continual learning is an imperative, for key reporting targets and the theories underlying sustainability reporting is a dynamic, rapidly changing field. Fortunately, within accounting academia, there is now a substantive body of relevant academic research for practitioners to draw upon (e.g., see Adams, 2022b).

However, the determination of standards rests upon the theory and moral stance of the preparers. These can differ substantially between practitioners and academics and within academia. Standards are being formulated by different sources. The IASB has made it clear that material climate change risks must be incorporated in International Financial Reporting Standards governing financial reporting. Its International Sustainability Accounting Standards Board has developed globally applicable, industry specific sustainability standards, though their adoption by companies is currently not mandatory. The objective is to provide a global baseline of sustainability disclosures that enable companies to provide comprehensive sustainability information to global capital markets and meet the information needs of investors. Thus, the remit is to inform capital markets and investors of financial risks emanating from climate change factors, which can substantially affect valuations of companies.

Many academics have heavily criticised this business centric approach (Gray, 2010). Most concur ‘that much of the realist and procedural baggage associated with conventional accounting is no longer apposite when seeking to account for sustainability’ Gray (2006, p. 47). It has been alleged that the Board ignored academic research and academic submissions during the consultation stage (Adams & Mueller, 2022). Carol Adams, a leading researcher in the field has even accused the Board of being the enemy of sustainability (Adams, 2022a). Contributors to her book reviewing academic research on sustainability reporting advance avenues on how this can change. Basing standards and systems on sound theory and evidence-based research figure strongly. Unfortunately, efforts by accounting professions and accounting standard setters to develop a conceptual framework to underpin their recommendations have been woeful. They can be contradictory, philosophically naïve, and pay little or no attention to non-capital market oriented academic work on this area. The critiques of Hines (1988, 1991) remain apt. One cannot avoid making social and moral choices when establishing standards. The lack of professional courses of the ilk of jurisprudence, as mentioned previously, compounds problems in this area.

In contrast to the IASB, other institutions are producing accounting sustainability standards employing another conception of what accounting is. Many pursue a multi-stakeholder approach encompassing all the SDGs. The Global Reporting Initiative (GRI), an international independent standards organisation, founded in 1997, helps businesses, governments, and other organizations to make transparent their impact on issues such as climate change, human rights, and corruption. It soon gained support from the United Nations Environment Programme. Following growing pressure from various stakeholder groups, e. g., governments, consumers and investors, for companies to be more transparent about their environmental, economic, and social impacts, many multinational, large, and small and medium-sized enterprises, governments, NGOs, and industry groups have adopted GRI's voluntary sustainability reporting framework, and its sustainability reporting standards are those most used globally.

In January 2023, the European Union (EU) adopted the Corporate Sustainability Reporting Directive. This requires EU and non-EU companies with activities in the EU to file annual sustainability reports alongside their financial statements. The intention is to help businesses increase the transparency and accountability of their reporting, and help multiple stakeholders through analysis, benchmarking, and auditing. The standards are based on technical advice from the European Financial Reporting Advisory Group, an independent, multistakeholder advisory body. Investors, companies, auditors, civil society, trade unions, academics, and national standard-setters have been closely involved with developing standards for environmental disclosures on pollution, water and marine resources, biodiversity and ecosystems, resources and the circular economy, e.g., regarding clean water and sanitation (SDG 6), affordable and clean energy (SDG 6), sustainable cities and communities (SDG 11), responsible consumption and production (SDG 12), climate action (SDG 13), and life below water and on land (SDGs 14 and 15).

However, the SDGs go beyond environmental issues, i.e., no poverty (SDG 1), zero hunger (SDG 2), good health and well-being (SDG 3), quality education (SDG 4), gender equality (SDG 5), decent work and economic growth (SDG 8), industry, innovation and infrastructure (SDG 9), reduced inequality (SDG 10), peace and justice strong institutions (SDG 16), and partnerships to achieve the goals (SDG 17). Hence the GRI and EU reporting standards require organisations to make social disclosures covering employees, supply chain workers, affected communities, customers and end-users, and governance. The shift to broader standards brings into play accounting research on topics currently neglected in much accounting education (Hopper, 2019), e. g., the absence of gender-based budgeting in most accounting courses, and human rights accounting. Although many companies now provide employee reporting giving information on poverty reduction, wages, job creation, rights at work, social protection and social dialogue, and gender equality, progress remains disappointing, e.g., a GlobalData study (2022) based on first-quarter 2022 earnings call transcripts, found no mentions on factors relating to SDG1 (zero poverty) and SDG17 (partnerships). Also, SDG 16 on partnership has implications for accounting practice and what is taught. It entails giving civil society greater voice not only with respect corporations but also government institutions, NGOs, and charities. However, this too is neglected in accounting courses. For example, participation in budgeting, emanating from Brazil, now widely adopted globally, rarely appears on syllabi.

The GRI and EU examples illustrate how sustainability reporting goes beyond determining the material effects of climate changes upon corporations' value. Many other approaches exist but lie beyond the scope of this article, e.g., Bebbington and Rubin (2022) explore a stewardship approach. Moreover, there are increasingly major ethical and moral questions involved, e. g., should sea floors and animals be granted a legal personality and constitute stakeholders with rights? However, what is distinctive in the GRI and EU examples is that reporting covers all the SDGs, the process of formulating standards is participatory and involves a wide range of stakeholders, financialisation does not reduce each issue to a monetary measure, academics and academic research have played a prominent role, and the public rather than private interests predominate. This stands in contrast to the IASB approach. Accounting academics and practitioners must become more knowledgeable of accounting and sustainability research, which reverts to the need for such material to be more prominent in syllabi.

4.4 Accountability

Accounting, accountability, and governance are interconnected, and must combine effectively to attain desired ends (Carnegie & Napier, 2023). Accountability, a subset of governance, should monitor and evaluate whether the organisation is serving its stakeholders' interests. In the past two decades, the accountability of private, government, and not-for-profit organisations across the globe has become a major research topic across many social science disciplines, including that of accounting. Previously, accountability within accounting was associated with financial reporting that makes corporations answerable for their actions and results, primarily to shareholders and capital markets. Accounting facilitates this by preparing accurate financial statements and checking they are correct through audits. However, as discussed, there is now growing pressure for corporate accountability to include being responsible for their impact on society and the environment, alongside revealing the material risks of ecological factors upon the value of companies – vital to investors and shareholders. Whatever the range of factors the organisation is being held accountable for, transparency is vital for evaluating performance and guarding against possible misuse of powers. It is sad that much of the accounting profession is not in the vanguard advocating for greater transparency.

Accounting researchers have increasingly pressed for a broader understanding of organisations' accountability, particular regarding sustainability, e. g., Brown et al. (2015), Busco et al. (2018). However, Dillard and Vinnari (2019) observe that social and environmental accounting research shows that increased levels of such reporting has not increased accountability. They attribute this to current accounting systems (accounting-based accountability) limiting what is disclosed. Increased disclosures to secure greater social and environmental accountability represent merely incremental changes to traditional accounting reports designed to meet the needs of financial capital providers. For Dillard and Vinnari (2019, p. 19), 'Accounting is a system and craft for making visible the activities of an actor. Accountability implies constraining or giving up power by providing information, being transparent regarding decision-making, actions, and outcomes and being subjected to consequences of the evaluation thereof. Being held accountable implies accepting, or being coerced into, the obligation (demand) to act responsibly toward affected constituencies.' They outline how alternative accountability systems (accountability-based accounting) might better address the aims of interested constituencies beset with multiple, and often conflicting, interests operating in a pluralistic society. The critical dialogic accountability system offered, drawing on Brown (2009), recognises that accountability for some stakeholders is constrained by asymmetries of power. Dialogic accounting seeks to recognise these power differentials and the multiple and often contrary ideological orientations of stakeholders, and the need to offer effective participatory processes whereby all stakeholders are involved in exercising accountability and negotiating acceptable change. This requires making information accessible to non-experts, recognising its subjectivity, not reducing everything to a monetary form, and recognising the potential for transformation through debate and reflection (Godowski et al., 2020). The desire is to recognise that pluralistic democracy sometimes must extend beyond monologic resolutions, i.e. dictated by a single source, or (Habermassian) approaches whereby parties reach a rational consensual solution, to dialogic approaches whereby stakeholders with multiple, conflicting, irreconcilable aims can negotiate acceptable, albeit perhaps unstable and temporary, resolutions to their differences.

An example of this line of research is contained in Tanima et al. (2020, 2023). This is a longitudinal, ongoing, grounded study of empowering poor, marginalised women in Bangladesh in receipt of microfinance loans from a local reformist NGO. In addition to employing dialogic accounting and accountability approaches it draws on work within gender and development studies challenging neoliberal market-based discourses claiming that small loans enabling women to undertake entrepreneurial activities can empower them. She found that the NGO's accountability mechanisms emphasised financial targets, especially loan repayments, and frustrated the NGO's desire to grant the women opportunities to exercise meaningful accountability upwards. Careful participation with the women, initially to gain their trust and reveal the major difficulties they face, was followed by discussions of alternative models of microfinance, accountability, and the socio-economic and political reasons causes of their problems. Later stages have fostered alliances between the women, sympathetic NGOs, dominant powerholders, and external experts and activists to advocate and mobilise for political change.

This example of dialogic accountability is not offered as a panacea or necessarily the most significant research currently on accountability, despite the author's attachment to it. Rather it is offered to illustrate how contemporary accounting research is raising significant issues on what accounting is and should be for both practice and accounting education. First, it illustrates how the boundaries of what accounting is varies considerably between that practised and taught in technical, professional oriented courses, and what many leading accounting researchers are investigating. Second, it brings into prominence how the public interest orientation of accounting researchers, in contrast to the more circumscribed private interest orientation of practitioners and many professional accounting associations and firms, leads to the pursuit of different topics. Given much accounting work is privately funded it is unlikely that practitioners would be paid for say pursuing dialogic approaches and even if they are public institutions and publicly funded, governments are unlikely to pay for work challenging its policies. Third, it raises the question of 'who does accounting?' Accounting in the academic arena may extend beyond what qualified accountants do and may view anyone as potentially an accountant, especially within processes of accountability. These issues prompt dilemmas for what is taught in courses to qualify as a professional accountant and within university accounting degrees.

5. Ways forward

This article has argued that academia and practice increasingly hold different conceptions of what the domain of accounting is and should be. Admittedly these differences exist within each sector (the entire accounting profession should not be demonised), but the divide is, allegedly, greater between academic researchers and practitioners. Practitioners and the accounting profession tend to retain a narrower conception, primarily focussed on financial reporting and auditing to serve the private interests of a few stakeholders, though some leaders within the profession 'have enthusiastically embraced the SDGs, seeing a pivotal role for accountants and accounting in supporting their realization.' (Bebbington & Unerman, 2018, p. 1). However, many accounting researchers have embraced a broader conception of accounting than their counterparts in the profession and practice. This embraces a multi-stakeholder approach; emphasises the public interest; covers, inter alia, morality and ethics, social theories, the SDGs, and new forms of accountability incorporating non-financial data and vigorous processes of engagement. However, such research has often not been incorporated within many university accounting degrees due to professional dominance in determining syllabi, e. g., South Africa universities predominately teach to mainly technical syllabuses set by the profession and consequently little research is conducted or conveyed to students (Verhoef & Samkin, 2017). Accounting professions, standard setters, and large accounting firms are increasingly directing considerable effort and resources into accounting for sustainability. However, if courses do not incorporate broader approaches prominent in accounting research, the danger is that accounting professions, regulators and practitioners may struggle to adapt and accept multi factor, multi-stakeholder approaches. This is not trivial given that legislators appear to be increasingly adopting such approaches.

It may be inevitable and desirable for each sector to pursue different conceptions of what accounting is. Academia should challenge and extend practice, and academics hold different views on whether the gap between what is researched and taught is problematic. Tucker and Parker (2014) in a cross-national study found leading management accounting departments and their academics' opinions were starkly divided on this. However, the lack of influence of accounting research upon practice and the profession is worrisome. For example, Fraser and Sheehy (2020) studied differences in utilising research by accounting, engineering, and medical professionals in Australia. They found that regarding them 'reading academic material, the accounting rate declines dramatically to 21.3%, with engineering being 56% and medicine 91.5% [i.e.] .... nearly 80 percent of accountants rarely or never read academic material. This compares with less than 45 percent for engineers and less than 10 percent for medical practitioners. Further evidence supporting the lack of interest in academic material by accountants is ... that a majority (51.3%) never read academic material. This compares to 11.1% for engineering and 3.4% for medicine. ..... If one in two practitioners cannot understand the title of accounting research and only one in four are interested in reading ... popular research articles, then one could conclude that the connection between practice and academia is problematic at best.'

The reasons for the level of disconnect between practice and academia in accounting are contested and many. It is not the intention of this article to review these but rather to reflect on how university and professional education and courses may proceed in the future. The presumption is that there is a pressing need to change aims and content of accounting education and training to incorporate consideration of it as a social and moral practice; embracing social and environmental and public interest issues prevalent in contemporary accounting research; serving the needs of a wider range of constituents; and emphasising its role and application in pluralist democratic processes.

Ideally, qualification as a professional accountant should rest on integrated professional and university courses, as in leading professions such as law, engineering, and medicine. The content and aims of the courses require mutual respect and equal negotiation between academic leaders and experts in both the professional and university sectors; a desire to develop not only students' technical skills but also their, critical, analytical, learning, and social skills; and possibly to reflect on academic and work experiences and their inter-relationship. From casual observation, especially in Scandinavian countries, this is achievable.

However, in some jurisdictions, such as the UK, this may be impossible due to an unwillingness of the professions to incorporate broader accounting research within courses, and their desire to recruit trainees from all graduates, not merely accounting ones. This poses a quandary, especially for research led accounting departments and as argued above, the credentials and perceived legitimacy of the accounting profession. Given the undesirability of the status quo, and the apparent impossibility of achieving integrated courses, a pragmatic solution may be for university accounting departments to offer a professionally and technically oriented degree designed to meet professional accreditation and exemption requirements, alongside another that incorporates basic technical material but concentrates on the broader topics in contemporary accounting research, especially regarding ethics, morality, sustainability, and accountability. This would be an interesting innovation. Which degree would attract most students? Will the characteristics of recruits to each differ? Which degree develops (or does not) develop specific skills? Which graduates would be sought by employers most? Answers to these questions would be revealing.

Endnotes

[i] The writer's perspective on the accounting profession derives primarily from experiences when working as an academic in the UK, USA, Australia, and New Zealand, although he has researched and worked in many other countries worldwide. The issues raised here may be less prominent in other jurisdictions though nevertheless they remain worthy of consideration.

[ii] This problem extends to many accounting degrees in universities, partly because of accounting professions' stipulation of what must be taught to gain exemptions in their examinations.

[iii] If accounting research is a social science, as normally assumed, then this is unsurprising. Most social science disciplines contain a multitude, sometimes conflicting, theoretical schools. This is not invariably a disadvantage as it can broaden the range and understanding of phenomena studied. The theoretical choice can reflect the researcher's values, aims, or the nature of the problem under scrutiny. The author of this paper has had a longstanding commitment to critical and socio-political approaches and undoubtedly this influences the content and arguments made here.

[iv] Philosophically this is wrong for such research creates and reproduces a version of reality (Hopper & Powell, 1985).

[v] https://www.ifac.org/knowledge-gateway/building-trust-ethics/discussion/accounting-social-and-moral-practice. Accessed 5/9/23.

[vi] https://www.aiaworldwide.com/insights/ethics/. Accessed 4/9/2023.

[vii] Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC, and Directive 2013/34/EU, regarding corporate sustainability reporting.

[viii] See Bebbington and Unerman (2018) for a useful review.

[xix] These have value but cannot deal with situations where parties have conflicting and seemingly irreconcilable aims.

[x] University courses are often too preoccupied with grading students. In contrast professional courses tend to have a pass/fail result sometimes with medals for exceptional candidates. If universities had similar grading systems, they could more effectively develop the social, communication, and critical analytical skills desired by employers.

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