



ELSEVIER

Contents lists available at ScienceDirect

Critical Perspectives on Accounting

journal homepage: www.elsevier.com/locate/cpa

مجلة المحاسبة والنظرية
 free paper.me
 paper
 FREE

Inducing structural change in academic accounting research



Brett R. Wilkinson^{a,*}, Chris H. Durden^{b,1}

^a Department of Accounting & Business Law, Baylor University, One Bear Place, Waco, TX 76798-8002, USA

^b School of Business, James Cook University, P.O. Box 6811, Cairns Mail Centre, Cairns, QLD 4870, Australia

ARTICLE INFO

Article history:

Received 4 August 2012

Received in revised form 9 March 2014

Accepted 17 March 2014

Available online 1 April 2014

Keywords:

Accounting research

Institutional change

Duality of structure

Public interest

ABSTRACT

Researchers have expressed concerns about the stagnation of accounting research over an extended period of time, especially in the U.S. context. The literature provides extensive documentation of the problem and many suggestions for change; nonetheless, little change has ensued. In this paper, we draw on the sociology literature to provide a theoretical basis for a programme of structural change. We suggest that there is little merit in researchers seeking to effect incremental change because the current structures are so deep and those with the power to effect change are well served in maintaining these structures. The lesson from the sociology literature, and an application of this literature to accounting research, is that successful structural change almost certainly requires a significant resource shift. It is this resource shift that allows new schema (the underlying beliefs and assumptions) to emerge. There is evidence that such resource shifts precipitated the development of the current structure that shapes accounting research and it is unlikely that significant structural change can be achieved without a similar resource realignment. We call on accounting researchers to shift their attention away from documenting the problem and towards applying pressure to policy-makers to take action.

© 2014 Elsevier Ltd. All rights reserved.

1. Introduction

Researchers have extensively documented a progressive narrowing of the research agenda in accounting (Gendron, 2008; Khalifa and Quattrone, 2008; Lee, 1995; Reiter, 1998; Reiter and Williams, 2002; Williams et al., 2006). In addition to the academic research, Presidents of the AAA (Rayburn, 2006; Sunder, 2006) have discussed the problem, presidential scholars of the AAA have lamented the problem (Hopwood, 2007), committees have explored the problem (Demski et al., 1991) and even accrediting agencies have acknowledged hearing of the problem (AACSB International, 2008). Despite all this documentation, accounting research in the U.S. continues on the same trajectory. Accordingly, we must conclude one (or more) of three things: accounting researchers really don't believe it is a problem; accounting researchers agree that it is a problem but no one knows how to fix it; or that those with sufficient power to effect change are unwilling to do so.

In this paper we turn to the sociology literature to derive an understanding of how structural change occurs. Specifically, we draw on the work of Barley and Tolbert (1997) who develop a structural change model. We apply this to the accounting research context. We validate the model's relevance to the accounting context by showing that the work of prior researchers resonates clearly with the predications of the model. Ultimately, we suggest that the Barley and Tolbert change model

* Corresponding author. Tel.: +1 254 710 6161; fax: +1 254 710 1066.

E-mail addresses: Brett_Wilkinson@baylor.edu (B.R. Wilkinson), Chris.Durden@jcu.edu.au (C.H. Durden).

¹ Tel.: +61 7 4042 1015; fax: +61 7 4042 1474.

teaches us that incremental change in accounting research is highly unlikely. This is one reason why we have seen so much documentation of the problem but so little change. Instead, we argue that a radical shift in resourcing is essential in order to precipitate change. We call on concerned researchers to collectively take up the challenge and target their efforts towards such a resource shift.

The remainder of the paper is structured as follows. In the next section we briefly review the literature documenting the research stagnation problem. We then examine the theoretical change models developed in the sociology literature in Section 3 and apply this to the previous research on accounting stagnation in Section 4. In Section 5 we propose a specific programme for change centred on a resource shift. The final section contains our conclusions.

2. The research stagnation problem: a review

The research stagnation problem in accounting academia is well documented. Essentially the problem can be summarized as an aggressive narrowing of what constitutes legitimate accounting research. Ironically, however, many mainstream U.S. researchers remain blissfully unaware of the debate and the research documenting the problem. This is because the debate has occurred primarily outside the most prominent accounting journals and thus, as Reiter (1998) suggests, many of the most prominent accounting researchers have most likely never even read them. Consistent with this observation, Schwartz et al. (2005) find that doctoral students have limited familiarity with journals outside the premier journals and familiarity is even lower among those in elite doctoral programmes.

In this section, we provide a brief overview of what is already well established in the literature, even if it is not yet widely understood by the mainstream. We do not explore the details of this well established debate but refer interested readers to the studies cited. We break our discussion into a review of published academic studies and published commentary. The purpose is to identify what is already well documented prior to proposing a model for change.

Before turning to our review, we note, as prior researchers have done, that this problem is not an accounting specific phenomenon. It is rather a manifestation of a much broader problem confronting the social sciences. Habermas (1971) refers to the scientization of politics by which outcomes are cast as objectively derived from science and therefore beyond challenge. This confers considerable power on those that control the prevailing science and curtails public debate. Seidman (1996) suggests that science serves as a boundary marker that “signifies what talk of the social counts as knowledge and therefore deserving of public authority and national resources” (p. 704) with other non-scientific discourses being relegated to a position of inferiority. This science/non-science binary, he notes, confers considerable power on those whose discourses are deemed to be science and subjugates those deemed non-scientific. Accordingly, this demarcation in accounting as to what is acceptable and what is not acceptable science should not really surprise us. In many respects, it simply represents a power struggle as to who controls the scarce resources available.

2.1. Research studies

In accounting, the science boundary lines have been drawn increasingly tighter over a period of decades. We commence our review in the mid-1990s at which time Lee (1995) observed that the debate over the declining relevance of academic accounting research had been running continuously for over two decades. Lee draws on the work of Bourdieu (1988) and Whitley (1984) regarding the role of intellectual reputation in scientific disciplines to explain how academic accounting research became isolated from professional practice. He documents the construction of a professional elite, facilitated by the American Accounting Association (AAA), using processes such as journal rankings, control of editorial boards, control over the doctoral programmes (entry to the academic profession) and promotion and tenure (success within the profession) and research awards. In essence, he concludes, the AAA provided homogeneity to a low-paradigm consensus discipline in order to facilitate the development of reputational capital.

In related work, Williams and Rodgers (1995) analyze the composition of the editorial board of *The Accounting Review* (TAR), the premier journal of the AAA, from its formation in 1967 through 1990. They find evidence that the editorial board has been dominated by Ph.D. graduates from a limited set of schools over this time. This is concerning, they note, because this journal is viewed as one of the most elite accounting journals and thus a limited group controls the development of academic reputations. Further, they document a surprisingly high paradigm consensus across the most elite U.S. journals, inconsistent with the nature of the accounting discipline. They suggest this is likely a forced consensus and one that can be interpreted as being designed to facilitate control over the reputation building process.

Lee (1997) builds on the earlier evidence of domination by an elite group of U.S. researchers by examining the composition of the editorial boards of six journals (*The Accounting Review* (TAR), *Journal of Accounting Research* (JAR), *Journal of Accounting and Economics* (JAE), *Accounting and Business Research* (ABR), *Accounting, Organizations and Society* (AOS) and *Abacus*) over a 30 year period (1963–1994). He documents strong evidence of domination by an elite group at all journals. He concludes that there is effectively a closure of the accounting knowledge production process when the emphasis is on pedigree and research method rather than the relevance of the contribution.

If researchers had hoped that recognition of the crisis in accounting research would lead to change, they were soon to be proven wrong. Reiter (1998) examines the reaction of the academic accounting community to the crisis, or claims of a disconnect between accounting research and practice. Ultimately she finds that the reaction to the crisis was simply “a further wave of accounting imperialism” (p. 162). Ironically, accounting researchers did not shift away from the dominant

model but rather sought to expand it and to colonize new areas, a response that she attributes to the hierarchical reputational structure of the discipline.

Extending the prior work on the role of the AAA, [Lee \(1999\)](#) examines the composition of the executive committee of the AAA over an 80 year period. He documents domination of the committee by an elite group of three universities (or even greater domination when the elite group is widened to 20). He rejects the possibility that this is merely the outcome of a healthy meritocracy, concluding instead that it is indicative of a power play by which a particular group uses the reputation creating role of the AAA to maintain its control of the accounting academy.

Research in the 21st century has continued to document the deep problems associated with the dominance of a single paradigm, at least in the U.S. [Reiter and Williams \(2002\)](#) revisit the crisis in accounting research and draw upon [Longino's \(1990\)](#) analysis of what constitutes “good conversation” in scientific research; that is, the type of conversation that promotes legitimate growth and knowledge creation. Their citation analysis leads them to conclude that the structure of the accounting discipline actively inhibits good scientific conversation due to a lack of transformative critique. They note the irony that: “At the time when the lack of progress of accounting research was noted, the organization of the U.S. accounting academy was such as to make scientific progress nearly impossible” (p. 590).

[Williams et al. \(2006\)](#) provide compelling evidence of the decline in status of behavioural research in accounting and the dominance of the neoclassical economics research paradigm. They note that while behavioural research previously stood as a counter balance to the economics based agenda, such research has now been largely marginalized in the academy. The concern, they note, is that this impedes true scientific progress and relegates accounting research to little more than a reputation-building structure, a common theme in this literature.

One counter argument to the research outlined above is that it is all the result of a competitive market; that is, the research agenda that has become dominant has done so on the basis of its inherent superiority. In sharp contrast to this conclusion, [Tuttle and Dillard \(2007\)](#) apply institutional theory to the accounting research setting to demonstrate that the observed homogeneity (or lack of diversity in the research agenda) is the result of something other than a competitive market solution. The results of their analysis are compelling and raise significant public interest concerns about a publicly funded research programme that seems to serve primarily the interests of those inside the system, not the public.

[Gendron \(2008\)](#) approaches the problem from a performance measurement perspective. Using a Canadian-based case, he highlights the way in which easily available hard performance measures like journal rankings are used to simplify the process of evaluating academics and academic departments. Essentially, these measures allow quick and seemingly objective measurement but the superficial nature of the measures (journal “hits”) translates into an oppression of intellectual curiosity and innovation. Again, the focus is on reputation building and reputations are built by publishing in highly-ranked journals, which permit only a limited range of intellectual and methodological exploration.

In a recent study of journal content, [Just et al. \(2010\)](#) analyze the top accounting journals over an 18 year period and find troubling evidence of a highly homogenized agenda. These findings confirm earlier research and should alarm the academy. Their conclusions warrant repeating:

accounting research in the main journals is guided by a dominant set of assumptions and ... the community of scientists shares a constellation of beliefs, values, and techniques. ... we see a high homogeneity in terms of research method (archival), mode of reasoning (quantitative), school of thought (statistical modelling), accounting area (financial) and foundation discipline (accounting and economics/finance literature) (p. 24).

[Just et al. \(2010\)](#) find that the average age of articles cited in the top accounting journals is much older than what is typically observed in the natural and social sciences and that it has increased over time, rising from 9.5 years in their first period (1990–1995) to 11.5 years in their third period (2002–2007). This, they suggest, is consistent with the claims of a lack of innovation in accounting research and a lack of substantial theoretical development in accounting since the [Watts and Zimmerman \(1986\)](#) work on positive accounting theory.

Perhaps even more concerning than this trend, is the role being played by the AAA in aiding the narrowing focus in Ph.D. education. Ultimately, this confers power to stifle all future deviations from orthodoxy. [Fogarty and Jonas \(2010\)](#) examine the U.S. doctoral consortium as a means of socialization of doctoral students into the academy. Absent any underlying agenda, those invited to present at the consortium should be those who have demonstrated success in research and thus [Fogarty and Jonas \(2010\)](#) compare faculty who are invited to present at the consortium with those of a “prolific author” group. They find that the consortium faculty (that is, those who are regularly given the opportunity to influence the socialization of future faculty) are significantly more likely to have obtained their doctorates from high prestige institutions and to be financial accounting researchers. They have a publishing advantage over the prolific faculty group only with regard to publications in the top three journals (*JAR*, *JAE* and *TAR*). Outside this specialized group of three, their advantage dissipates. Fogarty and Jonas point out the AAA's responsibility for excluding other discourses from this socialization process. They note that it is hard to interpret this as anything other than the promotion of special interests, given the secretive way in which the consortium is organized and the limited information dissemination.

Two other recent studies accord very closely with the structural explanation we provide in this paper. [Ravenscroft and Williams \(2009\)](#) document the shift in emphasis in accounting from accountability to decision usefulness. They note the way in which research such as [Ball and Brown \(1968\)](#) provided accounting with a purpose (decision usefulness) and generated a

scientific credibility that “naturalized a particular worldview, thus placing its essentially moral nature beyond debate” (p. 776). This development did not occur in a vacuum. Rather, it was driven by well-resourced vested interests. Chabrak (2012) identifies the role played by several major private foundations in funding the work produced at the University of Rochester. These foundations, including the Olin Foundation and the William E. Simon Foundation, had the explicit goals of promoting the neoclassical agenda. In essence, the research that these foundations funded gave “deregulation in accounting a scientific credibility, whereby the state should have one role, i.e. the enforcement of contracts” (Chabrak, 2012, 472). Ultimately, funded by politically motivated private foundations and think tanks (Chabrak, 2012), neoclassical economics researchers were able to bury the moral and political underpinnings of the agenda in a barrage of scientific evidence that left no room for discussion (Ravenscroft and Williams, 2009).

To a large degree, the concerns raised are a U.S. phenomenon, or perhaps a North American phenomenon given the Canadian issues identified by Gendron (2008). Lukka and Kasanen (1996) present evidence suggesting that there is no global academy in accounting but rather two powerful and competing elites: one centred in the U.S. (via TAR, JAR and JAE) and one in Europe (via AOS). Similarly, Locke and Lowe (2008), who acknowledge that there are deep concerns in the U.S., provide evidence from surveys conducted in Australia, New Zealand and Britain that indicate much greater diversity in accounting research in non-U.S. settings. These findings are encouraging. Nonetheless, for U.S. academics the direction of the U.S. accounting academy presents significant concerns from a public interest standpoint. Ultimately, vast public resources are being expended and, as Williams et al. (2006) point out, despite decades of investment there is relatively little to show for it. Surely as accounting academics we should be concerned about holding our own academy accountable for its use of limited public resources.

2.2. Published commentary

In addition to the empirical research on accounting stagnation, the issue has been discussed extensively by leading figures in our discipline. These comments come not only from those outside the mainstream but also those who are frequently identified as insiders. In this section, we briefly examine comments from a range of high profile academicians.

The issue of methodological conservatism has been most eloquently addressed by the late Anthony Hopwood. Hopwood (2007) speaking to the AAA annual meeting in his capacity as Presidential Scholar provides a personal reflection on a time when accounting research was characterized by excitement and innovation. With contagious enthusiasm he describes a vibrant accounting research agenda that was highly interdisciplinary, marked by enquiries driven by strong normative beliefs, and constituted a time when “Knowledge almost literally was moving before your very eyes” (p. 1365). He contrasts this with the recent state of accounting research which he describes as having become inwardly focused and increasingly linked to career progression, thus becoming a means to an end rather than an end in itself. This careerist focus, he notes, discourages innovation, promotes a methodological conservatism and results in a research agenda that proceeds “on the basis of the availability of data and methods rather than a deeper intellectual curiosity” (p. 1371).

Like Hopwood, Joel Demski has also lamented the loss of vibrancy in accounting research. He describes a research agenda that is “insular, largely derivative, and lacking in the variety that is essential for innovation” (Demski, 2007, p.155). Consistent with Hopwood’s concerns about careerism, Demski also suggests that “Arguably, our published work is focusing increasingly on job placement and retention” (p. 155). There seems to be a common theme in both Hopwood and Demski’s comments that research has been reduced to a career-shaping role rather than emphasizing the derivation of knowledge.² Interestingly the impact of the career-shaping role was previously identified by Whitley (1986) who predicted that the positivist agenda would be successful specifically because of “the way the academic career system operates in the U.S.A.” (p. 643).

Concerns about the narrowing of the research agenda have also been expressed several times by several AAA presidents. These include Judy Rayburn’s assessment that:

As our top journals reduce the scope of published research; our discipline limits its scope. A retrenchment of the range of accounting research in North America is in process. The effect is observable in the reduced diversity of research specialities among accounting department faculty, and results in a narrowing of the training in our doctoral programs (Rayburn, 2006, p.1).

Similarly, Shyam Sunder in his presidential message exhorted AAA members to allow their imaginations to explore alternative worlds, reflecting:

Imagine a world in which scholarship is driven by the curiosity to address questions whose answers we would like to know . . . Imagine, having our research agendas driven not so much by research method but by the questions we seek to answer. . . . Imagine a world in which we actually read, not just count, the work of our colleagues to make up our individual minds about how interesting and exciting we find their content (Sunder, 2006, p.3).

² A related issue is the growing shortage of Ph.D. candidates and how US Ph.D. programmes seem to be increasingly less able to attract US students. Although many international students may ultimately remain in the US after completing their education, it should concern the academy that US individuals appear less interested in pursuing an academic accounting career.

Finally, even the AACSB has engaged in the debate. The report of the AACSB International Impact of Research Taskforce identifies concerns regarding the perceived value and impact of academic accounting research. Although the Taskforce noted that not all research needs to have an immediate application to practice, it acknowledged that business schools continue to face criticism for “producing research that is too narrow, irrelevant, and impractical” (AACSB International, 2008, p.10).

The most recent development is the Pathways Commission (2012) report on the future of accounting education, sponsored by the AAA and AICPA. Although the Commission’s report is much broader than accounting research, it identifies concerns with the lack of innovation in research, lack of breadth in doctoral education and the disconnect between practice and accounting research.

The fact that published empirical research, comments from high profile academicians, past AAA presidents and the AACSB has evidenced concern about the direction of our discipline, should be sufficient to induce change. Nonetheless, there is little evidence that real change is occurring in the U.S. academy and concerns have been expressed that it is beginning to spill over to other jurisdictions (Hopwood, 2008; de Lange et al., 2010). For example, de Lange et al. (2010) highlight the influence of the U.S. academy on the evaluation of accounting research in Australia. Parker et al. (1998) identify the “influence of U.S. inspired positivism in Australian academia since the 1970s” (p.378) and suggest that government efforts to measure research have fostered an increasingly narrow definition of what constitutes “suitable scholarship”. Although Lowe and Locke (2005) present evidence of continuing diversity in the U.K., concerns have been expressed about the influence of the U.S. positivist agenda in Europe. Hopwood (2008) suggests that pressures arising from national and international university ranking exercises are contributing to a “context in which it is easier for the American mainstream to become a more prominent force in a European setting” (p.94).

In the following section we turn to the sociology literature to understand the process of structural change. Our intent in doing so is to highlight that evolutionary change is unlikely. Instead, we call for researchers to begin political agitation for a dramatic shift in resources. Such a radical resource shift underpinned the development of the current structure in two ways. First, in the late 1950s the Carnegie and Ford Foundations came out with significant reports and an associated large injection of financial resources³ with the explicit purpose of making business school research more scientific. This was the catalyst for change in general but did not itself create the current bias towards the neoclassical agenda. It was the second major resource infusion – from powerful interest groups with an established agenda – that enabled a single philosophy to become synonymous with scientific research (Chabrak, 2012; Van Horn and Mirowski, 2009). The ability to limit science to a single dimension naturalized a particular worldview and placed it beyond the scope of discussion (Ravenscroft and Williams, 2009). This resource driven shift in the schema that underpin academic thinking is a classic example of Giddens’ notion of duality of structure (1976, 1979, 1981, 1984). We examine this phenomenon in the following section. It is this phenomenon that underscores the central thesis of our paper: that a substantial resource shift is essential to real and lasting change.

3. Theoretical models of change

Institutions can, and do, change. Integral to the concept of institutional change is the general notion of “duality of structure” introduced by Giddens’ (1976, 1979, 1981, 1984). Sewell (1992) notes that structure is a complex concept to define but that “structure empowers what it designates. . . . Whatever aspect of social life we designate as structure is posited as ‘structuring’ some other aspect of social existence” (p. 2). For example, Sewell notes that gender might be said to structure employment opportunities and class may be viewed as structuring politics. Further, Sewell points out that the notion of structure helps explain why social relations are reproduced over time, frequently without awareness or intention on the part of the actors involved. This lack of awareness on the part of the actors is crucial in understanding why structures like those shaping the accounting research environment can be so persistent.

According to Giddens, structures are virtual in nature and underpin the practices and patterns of social systems. He suggests that structures consist of both *rules* and *resources* and that these influence each other recursively, forming a “duality of structure”. The behaviour of agents is integral to this notion of duality of structure because it is the action of knowledgeable agents that results in the reproduction of structure.

Sewell (1992) elaborates upon and clarifies Giddens’ notion of duality of structure. Rather than Giddens’ rules and resources, he defines structures in terms of *schemas* and *resources*. Schemas are the underlying assumptions and metaphors (that may not be conscious) which govern social practices and behaviours. Resources on the other hand are actual in existence and can be either human or non-human. With regard to the duality of structure, Sewell points out that:

If resources are effects of schemas, it is also true that schemas are effects of resources. If schemas are to be sustained or reproduced over time . . . they must be validated by the accumulation of resources that their enactment engenders. Schemas not empowered or regenerated by resources would eventually be abandoned and forgotten, just as resources without cultural schemas to direct their use would eventually dissipate and decay. Sets of schemas and resources may properly be said to constitute *structures* only when they mutually imply and sustain each other over time (p. 13).

Like Giddens, Sewell also emphasizes the crucial role of human agency and the ability of human agents to exert influence over and therefore change structures. He suggests that “agency arises from the actor’s control of resources, which means the

³ Gordon and Howell (1959) and Pierson (1959), respectively.

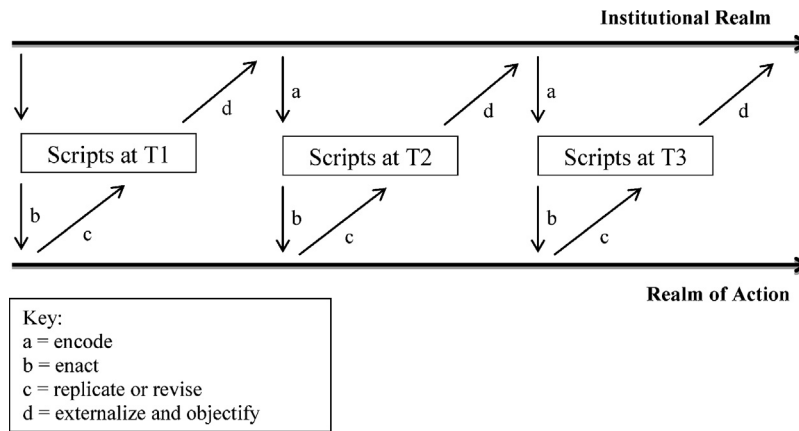


Fig. 1. Barley and Tolbert's (1997) institutional change model.

capacity to reinterpret or mobilize an array of resources in terms of schemas other than those that constituted the array" (p. 20). Both Giddens and Sewell note that the degree to which agency may be exercised does vary between actors. That is, actors have different degrees of power to effect change. Thus, Sewell notes that the social position a person occupies governs their access to resources, as well as their knowledge of different schemas, and thus determines the extent to which they can effect change. This is a crucial point because it is the *existing* structure that defines the individual's social position. As Sewell points out, "Structures, and the human agencies they endow, are laden with differences in power" (p. 21).

Sewell (1992) also identifies two key dimensions of structure: depth and power. He suggests that the depth and power of structures have implications for the durability and dynamics of those structures. Depth, relating to schema, refers to the extent to which a structure is taken for granted or is unconscious. The deeper the structure, the more pervasive it is and the lower the level of actor awareness of the schema. Sewell suggests that the durability and strength of a structure is governed primarily by its depth. Power on the other hand, concerns the magnitude of the resources mobilized by a structure. It is a measure of the structure's ultimate impact and tangible influence.

Barley and Tolbert (1997) provide an empirical foundation to the theoretical work of Giddens and Sewell by articulating "a model of how institutions are formed, reproduced, and modified through an interplay of action and structure" (p. 94). They do this by moving from Giddens' static portrayal of structuration to a dynamic model. The model is depicted in Fig. 1. By this means they link structuration theory with institutional theory to provide a basis for better understanding how institutions are reproduced and altered. In other words structuration theory can then be used to help understand what underpins or sustains the processes of institutionalization, including accounting research homogeneity.

A central tenet of the Barley and Tolbert (1997) model is the concept of scripts or behavioural regularities, which they define as "observable recurrent activities and patterns of interaction characteristic of a particular setting" (p. 98). The model consists of four "moments" and conceptualizes institutionalization as occurring and changing through time in a continuous process. In the first moment, scripts in particular settings are encoded with the institutional principles. In the second moment, actors enact these scripts. Importantly, Barley and Tolbert note that this frequently occurs outside the consciousness of the actors who "simply behave according to their perception of the way things are" (p. 102).

In the third moment actors either replicate or revise the scripts. Barley and Tolbert note that replication by actors is much more likely than revision or change and that this tendency underpins the persistence of institutions over time. In explaining this tendency, they note that change typically requires some intentional and conscious choice, perhaps as the result of an exogenous shock. They suggest that "contextual change is usually necessary before actors can assemble the resources and rationales that are necessary for collectively questioning scripted patterns of behaviour" (p. 102). In the fourth and final moment, the newly arising patterns of behaviour are objectified and externalized and "acquire a normative, 'factual' quality" (Barley and Tolbert, 1997, p. 103).

4. Development of the current structure

In this section, we apply the Barley and Tolbert (1997) structural change model to the current literature. This is a helpful model that has been applied in other areas accounting contexts (see for example Dillard et al., 2004). We do not seek to provide new evidence; rather, we examine the existing evidence through the lens of the model. The information reported is already well documented in the literature. We present it in the context of the model in order to verify the applicability of the model to the accounting research setting.

4.1. Moment 1 (Institutional Realm): script encoding – emphasis on objective science

Recall that in the first moment, scripts are encoded with institutional principles. In the context of accounting research, the current problems have their roots in the norms and practices established at the societal level in the post-World War II period.

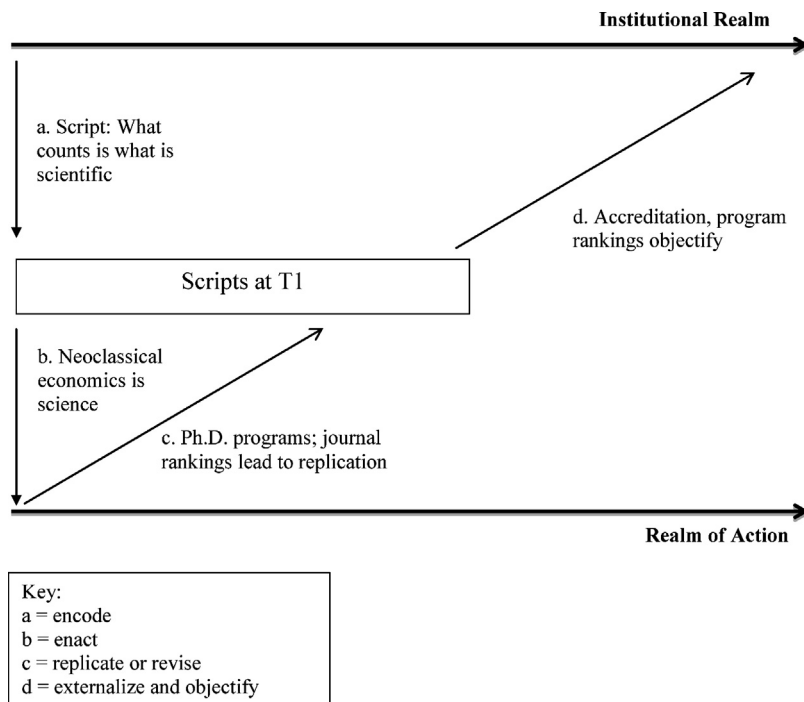


Fig. 2. An application of Barley and Tolbert's (1997) institutional change model to accounting research.

Seidman (1996) suggests that it was not until the post-World War II period that science became the dominant form of knowledge. In this period, the natural sciences enjoyed immense prestige and science and scientific research was viewed as offering great possibilities (Whitley, 1986). On a more subtle level, science proves useful because through objective science, debate in the political arena can be curtailed (Habermas, 1971).

Reflecting this, Fig. 2 shows our adaptation of the Barley and Tolbert (1997) model to accounting research. At the top left of the model, the growth in the power of "objective" science and belief in its possibilities provides the initial impetus. At this point, the script, encoded with institutional principles, becomes "what counts is what is scientific." As Van Wyhe (2007) notes, accounting researchers "saw that the call of status and increased independence came from another direction. ... Research that involved statistics and computers, and not research involving philosophy and logic" (p. 176–177) was the path to success. In conjunction with this move, the Ford and Carnegie Foundation resources provided the substantial shift in resources needed to support this shift in business school thinking. According to Dyckman and Zeff (1984) the Ford Foundation gave universities in excess of \$30 million in funding over the period 1953–1964 "chiefly to encourage the application of mathematics and statistics, and the social sciences to business problems" (p. 233). The ability to mobilize such vast sums of financial resources renders the structure very powerful (Sewell, 1992).

This shift in Moment 1, however, provides a necessary but not sufficient condition for explaining the dominance of the neoclassical agenda in accounting research. The second condition arises in Moment 2.

4.2. Moment 2 (Realm of Action): enactment – neoclassical economics is science

The second moment is the action moment, when actors act upon the encoded scripts. The acting out of the "what counts is what is scientific" script is seen in the embrace of economics. Concurrent with the growing faith in objective science, confidence in the discipline of economics was growing (Whitley, 1986). The belief in the science of economics served to create powerful schema that ultimately would have considerable resource allocation implications. In essence, people made sense of things by holding onto the notion that economics is science and that science is objective; therefore, what is predicted by economic models must be valid.

The resources that were created by the scientific belief schema and that reinforce the schema included the development of computers, large databases and "substantial advances in the development of statistical techniques and quantitative analysis" (Davidson, 1984, 282). Consistent with Sewell's (1992) explanation, these nonhuman resources have no intrinsic power to impact society. Their power, however, derives from the schema that gives them meaning. Here, these resources were given meaning by their association with the potentialities of "scientific (economic) research" (for example, large financial accounting databases became meaningful in the context of conducting positivist research). At the same time, their very existence served to enable the so-called scientific methods to become dominant in business research. This in turn facilitates the science/non-science binary identified by Seidman (1996), ensuring the exclusion of the non-science from that which is considered to be knowledge.

It is at this point that the next resource shift occurred that facilitated the rapid development of the deep structure that now defines accounting research. Chabrak (2012) explains that a series of private foundations with a specific goal of promoting the neoclassical agenda began actively funding university research. In essence, these vast financial resources enabled certain actors to draw on existing resources (the available databases and statistical tools) to create a new scientific interpretation of reality. This scientific foundation permitted them to frame a particular ideology as being beyond debate (Ravenscroft and Williams, 2009). Of course, the philosophy that was now encased in science was the very philosophy espoused by the Foundations that funded this research (Chabrak, 2012). With society having already embraced the notion that only scientific research counted, it was then only necessary for these foundations to harness the power of science for themselves. As Van Horn and Mirowski (2009) note, although the proponents of the neoclassical philosophy were initially antagonistic towards science, they soon realized that they could harness its power and “the mystique of science thus became one of the major neoliberal calling cards of the Chicago school” (p. 163).

4.3. Moment 3 (Realm of Action): replication or revision – Ph.D. training and the rankings system

The third moment in the model is the decision point. Actors either replicate the existing script or choose intentionally to revise the script. Recall that Barley and Tolbert (1997) note that replication is much more likely than revision, which is why institutions tend to persist.

In terms of academic accounting research, there are two forces that have almost guaranteed replication rather than revision. First, the Ph.D. process (a resource) serves to reinforce the existing belief in the objective science of economics (the schema). The closed loop of the Ph.D. process (Lee, 1995) ensures that those entering the academic profession are groomed to reinforce the existing structures. There is evidence that U.S. programmes expose their students to a limited range of perspectives, especially at the most elite programmes (Schwartz et al., 2005).

Second, journal ranking structures have been set in place to ensure that everyone knows how to act (Gendron, 2008). By definition, these mechanisms promote replication rather than revision. In the U.S., tenure and promotion decisions in accounting departments are integrally and explicitly linked to publication in peer-reviewed journals. Hull and Wright (1990) suggest that while quantity is easily measured, quality is highly subjective and creates a preference among administrators and faculty for journal ranking indexes. Despite the claims of the AACSB International that different schools are encouraged to pursue different missions, there is a remarkable convergence in the journals that accounting departments value and most (but not all) of the top journals are oriented towards neo-classical scientific research. Bonner et al. (2006) assess the results of 16 different journal ranking studies (both U.S. and international) and conclude that five journals – AOS, *Contemporary Accounting research* (CAR), JAE, JAR and TAR – are consistently ranked in the top five. In the U.S., some questions exist as to the continuing role of AOS in the top five. For example, Merchant (2010) provides anecdotal evidence that the majority of the most prestigious U.S. accounting programmes now include the *Review of Accounting Studies* in their top five along with JAR, TAR, JAE and CAR.

Given the structure of the Ph.D. training process and the pressures to conform brought about via journal rankings, the probability that revision occurs at the third moment is remote. This helps explain why there has been so little change despite the documented problems of research stagnation.

4.4. Moment 4 (Institutional Realm): accreditation and programme rankings

The fourth moment entails objectification and externalization at the institutional level. Here, we see the accreditation process and the ranking of programmes as being critical. For accounting and business programmes, the AACSB International is widely viewed as the premier accrediting agency. Accordingly, it has the power to externalize and objectify certain practices. In its 2008 report on the impact of research, the AACSB International acknowledged that accreditation standards have been criticized for creating an undue emphasis on a limited range of research outputs, namely refereed top-tier journal publications (AACSB International, 2008). In theory, the AACSB model allows for different universities and programmes to have different missions; however, as the AACSB impact of research report points out, the emphasis in business schools is nearly uniformly on basic research published in peer reviewed academic journals.

Closely related to this phenomenon is the ranking of programmes which is influenced in part by the way an institution is perceived by its peers.⁴ This explains why deans and administrators are concerned about “research and publication portfolios that perform well in media rankings” (Hopwood, 2007, p. 1372). Sauder and Espeland (2009) provide an in-depth case study of law school rankings, drawing upon Foucault’s concept of disciplinary power. Having “become naturalized and internalized as a standard of comparison and success” (p. 79), rankings generate intense pressure on organizations to conform, to adopt common goals and directions instead of pursuing different niches and change the very way that schools

⁴ For example, according to the *US News and World Report* website (<http://www.usnews.com/articles/education/best-business-schools/2010/04/15/the-business-school-rankings-methodology.html?PageNr=2>) its ranking methodology includes a “quality assessment” which comprises 40% of the overall rank. This quality assessment is broken down into several components, 25% of which is a peer assessment score. In the case of the *Business Week* business school rankings, the role of high quality publications by faculty is even more pronounced. According to their website (http://www.businessweek.com/bschools/content/nov2008/bs20081113_320726_page_2.htm#MBA8http://) the methodology for determining a school’s rank includes a 10% weighting based on faculty publications in 20 different business journals. There are only two accounting journals listed in this 20: TAR and JAR.

perceive their role and purpose. Fundamentally, rankings “shape organizational cognition, changing how people notice and what they notice” (p. 72).

In the business school setting, [Martins \(2005\)](#) explores the extent to which business schools exhibit organizational change in response to external rankings. He finds that even where managers do not believe in the validity of the rankings, they still adjust their behaviour in response to the rankings. [Martins \(2005\)](#) suggests that a possible explanation for this result is “that managers are reacting to the impacts of the rankings on their stakeholders’ resource allocations to their organizations, despite potential misgivings about their validity” (p. 714).

It is not difficult to see, then, that the pressures that come from accreditation and from external rankings of programmes serve to objectify the beliefs that have been enacted previously. As a result, there is now a widely accepted reality as to what constitutes good accounting research.

5. Effecting real structural change: resource shift

We have previously noted the importance of Giddens’ duality of structure, by which schema and resources are interconnected in a process by which each sustains (and creates) the other. Disrupting this cycle becomes critical in effecting change. In this section, we first argue that efforts to achieve change have focused on the wrong “moment”, moment three, of the [Barley and Tolbert \(1997\)](#) change model. We then suggest that real change is likely to occur only as a result of a radical resource shift that triggers institutional level change. Such a resource shift is critical because it permits the emergence of new and revised schema.

5.1. Emphasis on the Moment 3 and the failure to effect change

As outlined above, numerous researchers have documented the problems of research stagnation. This evidence is compelling. In response, researchers and commentators have provided numerous suggestions for effecting change. These include, among many others, making the editorial process more visible ([Gendron, 2008](#)); AAA pressure to increase research diversity ([Hopwood, 2007](#); [Pathways Commission, 2012](#); [Tuttle and Dillard, 2007](#)); cooperation with colleagues in other disciplines such as sociology and political science ([Hopwood, 2008](#)); pressure on academia and accrediting agencies from practitioners ([Hopwood, 2008](#); [Pathways Commission, 2012](#); [Tuttle and Dillard, 2007](#)); influence via doctoral education ([Gendron, 2008](#); [Pathways Commission, 2012](#)) and loosening the ties between research and career path ([Hopwood, 2007](#)).

More recently, the AAA and the AICPA sponsored the Pathways Commission report on a national strategy for the future of accounting education. Although the report is much more broad-ranging than accounting research, the report proposes several “action items” directly relevant to accounting research. These include:

- Encourage innovation in accounting research;
- Encourage academic journals to publish research that addresses critical and emerging practice issues;
- Widely disseminate practice-relevant research to practitioners (p. 30).

It is not our intent to criticize any of these suggestions. In fact, we believe that if each were followed, there would be a radical and beneficial change in the accounting research agenda. Our concern, rather, is to understand why there has been so little progress in implementing change in the past and why the action items of the Pathways Commission are at risk of becoming merely a symbolic gesture.

We argue that the suggestions for change are largely ineffectual due to two closely related phenomena: first, [Giddens’ \(1984\)](#) notion of time-space distancing, and second, that most of the proposed changes are operationalized at “moment three” of the [Barley and Tolbert \(1997\)](#) model; that is, the moment at which actors either replicate or revise the existing scripts.

[Giddens \(1984\)](#) describes time-space distancing as the extent to which institutions become self-perpetuating over time. He suggests that as time-space distancing increases, the ability of individual actors to effect change is diminished. In essence, as institutions become self-perpetuating over time, the opportunity for agents *internal* to the system to generate change decreases. In the accounting research context, the extensive literature documented earlier suggests that the current structure is characterized by substantial time-space distancing. There is therefore a low probability that agents internal to the system can effect change even if they wish to do so.

Closely related to this concern, then, is the fact that most change suggestions tend to apply at the moment at which actors either revise or replicate the existing script (moment three of the [Barley and Tolbert \(1997\)](#) model). Recall, however, that Barley and Tolbert describe the most likely outcome as replication because actors typically need some kind of contextual change or resource shift in order for them to question current scripts. There must be some reason for actors to reinterpret the script; absent such a reason, revision is unlikely. Coupled with the time-space distancing issue, this almost guarantees that there will be little real incremental change. This is borne out empirically in the constant failure of the efforts of any AAA president (e.g. [Rayburn, 2006](#); [Sunder, 2006](#)) to effect lasting change despite identifying the same phenomenon. To understand these problems further, we apply them to several legitimate change suggestions that have been made.

5.1.1. Pressure for greater accounting research innovation/AAA pressure

Numerous authors have suggested that the AAA take a role in reinvigorating accounting research and the recent [Pathways Commission \(2012\)](#) report essentially reiterates this notion. The Commission notes that the AAA is appointing a taskforce to explore ways to reinvigorate accounting scholarship. No specific details are offered but potential ideas are listed as including “doctoral education, journals, scholarly retreats, engagement with practice, identification of ‘big issues,’ building historical awareness, and a possible white paper on the current state of accounting scholarship” (p. 56).

Despite the validity of these suggestions, one foundational problem remains: the changes largely require schema reinterpretation by actors at moment three of the [Barley and Tolbert \(1997\)](#) model but these actors face almost no incentive to bring about anything other than symbolic change or lack the power to bring about change due to the effect of time-space distancing. The [Pathways Commission \(2012\)](#) implicitly recognizes this problem when it notes the primary impediment is that deans and chairs focus on programme rankings which are driven by publication in select journals and that tenure and reward structures emphasize such publication activity. Although the Commission recommends deans and chairs modify the reward structure to recognize the value of professional internships and service activities, it is difficult to see why deans and chairs would voluntarily reinterpret the current schema when their own success is evaluated at least in part by rankings performance. Both faculty and deans and chairs face strong incentives to replicate rather than revise the current schema (or conversely, they face significant sanction if they attempt to revise the schema in isolation). The likelihood that they simply decide to change the reward structure is very low, even if it is a good idea.

The only real possibility for AAA-induced change lies in a resource shift. If, for example, the AAA were to mandate documented and on-going research diversity at TAR (a resource) this would facilitate almost immediate schema reinterpretation and revision to the current script (that is, the script that suggests the most prestigious research is neo-classical economics based research). Schema revision would follow resource shift. The prior literature, however, documents that those who benefit from the current reputation building structure are the ones who control the AAA ([Lee, 1999](#)) and the editorial boards of the top journals ([Lee, 1997](#); [Williams and Rodgers, 1995](#)). In that context, anything beyond symbolic change is unlikely.

5.1.2. Influence from the profession

Change-inducing influence from the profession is appealing because it appears to be external to the system (recall that it is internally driven change that is unlikely with greater time-space distancing). However, we argue that the profession have to some degree become complicit in the operation of the system. For example, the major public accounting firms routinely sponsor AAA events that serve to reinforce the status quo (see for example, [Fogarty and Jonas' \(2010\)](#) discussion on the doctoral consortium). As long as they enjoy the benefits of access to student hires from prestigious programmes⁵ they appear relatively unconcerned about the lack of value in academic accounting research.⁶ In fact, [Gendron \(2008\)](#) points out that the current superficiality in measuring research performance may in fact enhance the perception of research legitimacy because our society prefers simple answers. As he suggests, superficiality becomes a vicious cycle because those researchers who become highly ranked under the existing (superficial) performance measurement system attract the resources to do more research and thereby the opportunity to influence the conversation. External rankings therefore enhance a school's reputational standing which in turn helps to attract high quality students who are then sought after by the professional accounting firms.

5.1.3. Accreditation

The AACSB also appears something of an outsider to the current system. Although the AACSB recognizes that there have been concerns raised about the value of research and the emphasis on top-tier journal publications ([AACSB International, 2008](#)), it adheres to its position of programme diversity whereby different schools pursue different (but apparently equal) missions ([AACSB International, 2012](#)). Given the extensive evidence documenting the dominance of one research agenda in the U.S., it is difficult to accept that there is equality of mission among programmes. In this respect there is no real incentive for AACSB to press for a re-examination of the current scripts because they benefit from the status quo, as evidenced by the strong membership base in the U.S. However, the AACSB's expansion of accreditation into international jurisdictions and the types of Schools accredited does reflect greater acceptance of a broader research agenda, at least outside of a U.S. context.

There is considerable evidence that limited, if any, real change is occurring despite the fact that the problems have been well documented. There are sometimes symbolic change gestures but none of the actors that have the ability to effect change have an incentive to do so. This tendency towards replication is consistent with the predictions of the [Barley and Tolbert \(1997\)](#) model and it is thus not surprising that we have seen so little change. How the academy responds to the most recent documentation of the crisis by the [Pathways Commission \(2012\)](#) remains to be seen. However, we should be concerned by [Reiter's \(1998\)](#) finding that the last response to calls for greater innovation and relevance (in the 1990s) was simply for the

⁵ For example, the Big 4 firms designate “premier schools” or strategic universities that represent priority recruitment sites. This advantages both the firm and the individual school. It is not uncommon for programmes to openly promote the fact that they have been designated a “premier school” (or similar term) by one of the Big 4.

⁶ For example, the KPMG Foundation website lists 14 conferences or symposia for which it is the sole sponsor. These include four section mid-year meetings and the JAR conference. Despite this level of sponsorship, there is no evidence of any pressure on the academy to provide more practice relevant research. <http://www.kpmgfoundation.org/foundinit.asp> (accessed August 1, 2012).

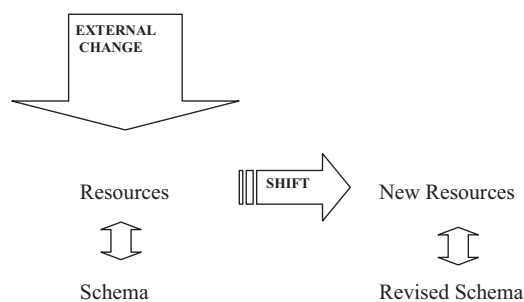


Fig. 3. Processes of external change.

dominant model to colonize new areas. There is a great danger that the academy will again respond to calls for “innovation” by applying current methodologies to new areas rather than then embracing different research perspectives and methods. In the following sections we suggest that ultimately the only real solution for schema revision is a dramatic resource shift. The only way for this to occur is via some kind of external shock.

5.2. *The need for external shock and resource shifting*

Although change can occur in an evolutionary manner, Barley and Tolbert (1997) point out that institutional change is most likely to occur when exogenous forces disrupt the existing system, such as changes in laws, technologies or economic conditions. Essentially, actors are too enmeshed in the current scripts to be able to reinterpret the current scripts until there is some external shock to the system. This external shock creates new resources leading to revised schema, as shown in Fig. 3.

In order to understand the importance of the role of an external shock, it is necessary to revisit the external shock that set in motion the sequence of events leading to the current state of accounting research in the U.S. The original shock appears to have come in the form of the Ford and Carnegie Foundation reports and the enormous resource reallocations that they set in place (Dyckman and Zeff, 1984; Langenderfer, 1987; Whitley, 1986). This significant funding injection came with the explicit objective of making business schools more scientific (Dyckman and Zeff, 1984) and originated from outside the system. Ultimately, the resources facilitated a fundamental shift in the underlying schema and, consistent with the two major written reports, it is clear that this reorientation was intentional. As we have noted, however, this was only the first step needed to facilitate the dominance of the neoclassical agenda. The second necessity was that science be defined in a particular manner. Again, a major resource shock from a series of private foundations with a particular political agenda was needed. Chabrak (2012) documents that several major foundations injected vast financial resources into universities, which ultimately developed scientific positions that supported the philosophical goals of these foundations. These resources allowed for the development of the schema that have ultimately reinforced the current structure that defines accounting research.

Reversing this process is likely to require another explicit resource shock. Anything less than such a shock is unlikely to initiate change, consistent with both Giddens (1984) and Barley and Tolbert (1997). The question then becomes one of identifying the sources from which such a shock might come and proposing mechanisms for precipitating such a shock.

5.2.1. *Mobilization of political influence (financial resources)*

Ultimately, the challenge for those who would rectify the current research imbalance in accounting is to show university management, higher education regulatory bodies, politicians and others who help to shape higher education policy direction that the current structure is imposing a real cost on society. When these policy-makers see that there is a true cost to taxpayers and society more generally, they no longer see this as a petty debate contained to the ivory-tower.

The costs are both direct and indirect. The most obvious direct cost, and one that is a highly sensitive political issue, is the cost of higher education and the divorce between teaching and research. Reports of recent conflict at the University of Texas between the Board of Regents and the President regarding the research-teaching balance serve as a case in point.⁷ Research conducted for the Board highlights some of the attention that academic research is now attracting because of the rising costs of education. The research notes: “Some taxpayer-funded research, if it sees the light of day at all, will be published in largely obscure, thinly read academic journals, many of which are also funded by taxpayers, directly or indirectly” (O’Donnell, 2011, 5–6). This conflict has attracted the attention of the governor and state legislature as efforts are made at ensuring that rising educational costs do not relegate the university experience merely to the domain of the rich.

A related threat is that of the MOOC (Massive Open Online Content). These threaten to substantially disrupt the higher education sector. If we are unable to offer a research programme that is meaningful, there is a significant danger that our teaching task is simply commoditized and automated, with the research task concentrated in a few elite institutions. Heller (2013) cites Stanford University’s president, John Hennessy, as having stated that “As a country we are simply trying to

⁷ For further discussion on the conflict see Hamilton and Smith (2012).

support too many universities that are trying to be research institutions . . . Nationally we may not be able to afford as many research institutions going forward.” The notion that MOOCs might significantly replace faculty members should serve as strong motivation for ensuring we have a research programme that is not only meaningful but also diverse, making it much harder to concentrate in the hands of a few elite schools. If lower tier institutions simply seek to mimic the research agendas of the more elite (Hopwood, 2008), then Hennessy’s prediction may well become a reality.

In order to provoke political action, it is time for researchers in the critical domain to call attention to the cost-benefit trade-off associated with major state universities providing dramatically reduced teaching loads and high salaries to researchers in return for “hits” in *TAR*, *JAR* and *JAE*. What exactly are taxpayers getting for this investment? This is a controversial question that many insiders have quietly asked but are afraid to articulate outside the academy. As accounting academics, however, we have a crucial role to serve as the conscience of society and to hold accountable those with the power over limited taxpayer resources. We agree with Hopwood’s (2008) suggestion that it is time to admit that some of the most highly noted programmes in terms of the standard measurement process have in fact contributed very little in terms of knowledge creation. Is there any reason why critical researchers should not be exposing these programmes that have consumed vast taxpayer resources and contributed little beyond their own reputation-building agenda?

Some researchers in the critical domain may be concerned that the same relevance questions could be directed at critical accounting research. Although this may be true, the mainstream is increasingly alienating non-mainstream research to the point that it is in danger of disappearing within another generation or two of researchers. Williams et al.’s (2006) documentation of the marginalization of behavioural accounting research should be sufficient motivation for any non-mainstream researcher. If critical researchers fail to challenge the mainstream now then it is possible that it will soon be too late.

The indirect costs of the lack of diversity in accounting research are perhaps even more insidious than the direct ones. Topics of major social significance such as ethics and social justice are simply excluded from the mainstream debate because they do not fit neatly into the research methodologies favoured by the leading journals. Even those that do enter the mainstream literature are examined from a limited perspective. For example, research on corporate social responsibility (CSR) is primarily conducted using archival data and adopting a shareholder wealth maximization approach that ignores other interested stakeholders (Moser and Martin, 2012). Although *The Accounting Review* recently embraced the possibility of CSR research, the senior editor in his introduction acknowledged that considering non-shareholder maximization behaviour would evoke strong reactions and concluded that it is now up to the “market” to determine the place of CSR research in accounting research (Evans, 2012). The depth of the current structure and the implications of time-space distancing (Giddens, 1984) make it likely the market will decide that non-archival CSR research and/or research that considers anything beyond shareholder wealth-maximization belongs somewhere other than the “top” mainstream journals.

Public regulators, accounting bodies, major accounting firms, state legislatures and other funding bodies need to be shown that not only has “scientific” accounting research (or business research more generally⁸) failed to deliver positive outcomes but what has been done has actually imposed real social and economic costs (Ghoshal, 2005; Ferraro et al., 2005). Critical researchers have a unique opportunity to show that accounting and business academe has forfeited its role as social critic and severed itself from practice.⁹ This has ultimately resulted in a research agenda devoid of innovation, constrained by methodological conservatism and aimed largely at the internal accounting research community alone (Hopwood, 2007). Some efforts have been made at highlighting the problems in the context of the Global Financial Crisis (see for example Arnold, 2009); however, we must ensure that our discussions extend beyond our own circles and to the external parties with the power to effect change.

It is interesting that many of the same charges that were levelled at the academic accounting community at the time of the Ford and Carnegie Foundation reports and that generated a groundswell of external activity designed to reinvigorate business school research apply equally to contemporary accounting research. One particular irony is that the original Ford Foundation report called for much greater emphasis on the teaching of ethics. In 2009 *The Economist* noted that the time is ripe for great change in business education much like it was at the time of the Ford Foundation report as “the research-practical application debate, the emphasis on ethics and the demand for MBAs provoked by the financial crisis come together.”

5.2.2. The role of private foundations

Beyond policy-makers, there is a vast array of resources under the control of private foundations. The leadership, reports and resources of two major private foundations set in motion the changes that have led to the state of business education and research that we have today.¹⁰ Is it possible that private foundations 50 years later can be prevailed upon to help change American business today by changing business education? Many of these foundations have noble social goals and should be

⁸ See for example Bennis and O’Toole (2005).

⁹ See for example Bricker and Previts (1990) for a discussion of the schism between research and practice that occurred in dramatic form following the Ford and Carnegie Foundation reports.

¹⁰ Note that the reports were backed up with resources. One concern we have with the recent Pathways Commission (2012) is the lack of resourcing to bring about the changes proposed. Although the report urges vital change, the report explicitly recognizes the shortage of funding and suggests that interested stakeholders such as the AICPA and AAA will need to provide the funds to promote change. The lesson from the sociology literature would appear to be that without a significant resource shift, change is less likely to be sustained.

interested in the implications of business education for society. Interestingly the Ford Foundation's website describes the Foundation as being:

on the frontlines of social change around the world, working with visionary leaders and organizations to change social structures and institutions—so that everyone has the opportunity to achieve their full potential and have a voice in decisions that affect them.¹¹

This stands in stark contrast to the lack of innovation that characterizes accounting research. The Bill and Melinda Gates Foundation embraces four central values, one of which is innovation. According to the Foundation:

We believe that many of the most intractable problems can only be solved through creative and innovative solutions. In pursuit of these, we embrace risk and learn from failure, helping others to avoid the same pitfalls in future. We strive to remain focused, strategic and calculated in our risk-taking, as we challenge convention, question assumptions and confront stereotypes.¹²

If these foundations are concerned about the issues impacting our society, then the massive ethical failures in business and the possibilities of change should excite them.

Regardless of whether the impact comes from policy-makers or private foundations, there is an urgent need for an external resource shock to set in motion the wheels of change in accounting research. This resource shift is the key to revising the underlying schema that enable the current structure to be maintained. If external interested parties can be convinced that the accounting (and business school) academic community has reached a level of stagnation from which it cannot extricate itself but which is imposing substantial costs upon society, they may be induced to pressure for change from outside, much as occurred in the 1960s.

6. Conclusions

Over an extended period of time, numerous researchers have identified the problematic nature of the research stagnation that increasingly characterizes accounting academe, particularly in the leading journals within the field. Many excellent suggestions for change have been made. To date, however, limited efforts have been made to address this problem, resulting in growing concerns that the accounting literature makes little or no real contribution to the accounting profession (e.g., Williams et al., 2006; Hopwood, 2007). Current developments like the Pathways Commission (2012) report offer the hope of change but run a significant risk of becoming symbolic gestures only, like so many efforts before them.

In this paper, we apply the Barley and Tolbert (1997) model to understand the current phenomenon and identify possibilities for change. Drawing upon the structural change literature, we identify a critical role for change arising external to the current system. Giddens (1984) addresses the power implications of increased time-space distancing noting that the ability of agents to effect change from within decreases as structures become self-perpetuating over time. For this reason, we argue that it will take an explicit external resource shock to facilitate the essential schema modification and reinterpretation to bring about structural change.

The mainstream is not going to change by itself. Major ethical failures in the business world and the Global Financial Crisis have proven insufficient to motivate accounting researchers to embrace changes in our thinking. As those who do acknowledge the social responsibility of our profession and recognize that our research is failing to address the vital issues of the day, it is incumbent on us to seek now to influence those public policy-makers and private foundations with the power to deliver an external resource shock. The stagnation problem will only be perceived as something more than ivory-tower infighting, however, when it is demonstrated that there are real economic and non-economic costs to society (both direct and indirect) and that these costs outweigh the benefits. The sociology literature teaches us that wishing for schema revision on an incremental basis is not likely to be fruitful and that even well-intentioned actors are likely to be constrained. This is consistent with the lack of change in accounting research over the past few decades despite a voluminous literature identifying the problem. The point of our paper is that only an external resource shock will provide the necessary environment for schema revision and reinterpretation. We document this by examining the notion of the duality of structure and applying the Barley and Tolbert (1997) model. Although many valid and wide-ranging suggestions for change have been offered over many years, we are unaware of any other research that clearly documents the need for an external shock, as is implied by the sociology theory we examine. We do not suggest that identifying and facilitating such a shock is likely to be easy. On the contrary, the dominant accounting research paradigm is unlikely to release its grip without a significant struggle. However, the real contribution of our paper is the lesson we can learn from the structural change literature in sociology: incremental change offers extremely limited prospects for reforming accounting research and we must therefore focus our attention and efforts elsewhere.

References

AACSB International. *Final report of the AACSB International Impact of Research Task Force*. Tampa: AACSB International; 2008.

¹¹ <http://www.fordfoundation.org/about-us> (accessed July 30, 2012).

¹² <http://www.gatesfoundation.org/about/pages/values.aspx> (accessed July 30, 2012).

