

Accounting theory

Finance



Critical Perspectives of Accounting Affiliation Introduction A critical perspective is defined as an accounting research that makes inquiries on whether particular methods of accounting should be applied. It pays attention to the function of accounting in maintaining the privileged positions of those who have capital and neglecting the voices of those without capital. A critical perspective of accounting is mainly concerned with promoting a better society. Critical accounting research is based on a classical technique that challenges the present structure and nature of the society.

Environmental and social accounting research is likely to implement a bourgeois perspective. Critical theorist says that disclosing social responsibility information could be a waste if not accompanied by major changes in how the society is structured.

Critical perspectives of accounting

A critical perspective on accounting is focused on providing a medium for the increasing number of accounting practitioners and researchers who understands that the traditional practices and theories are not suitable for the problems arising in the current environment. Critical accounting research scrutinizes how individuals react to the different accounting disclosures.

Critical perspective can be described as a research that focuses on the function of accounting in maintaining the advantaged positions of those in authority and undermining the authority of those with no capital. Critical perspective emphasizes on questioning whether certain approaches of accounting should be applied. Some accounting studies have actively advocated for the critical theory of accounting. The strongest known advocates have been Richard Laughlin and Jane Broadbent. In this theory, accounting is viewed as a social science as it demonstrates a more critically

<https://assignbuster.com/accounting-theory/>

oriented method. Critical accounting theory acknowledges the human aspect instead of claiming the intellectual status. Critical perspectives of accounting take a broad variety of stances from highly conventional to extremely radical with an aim of improving the accounting practices. This theory also makes the accountants understand more on social, economic and political impacts of their practice. A critical perspective of accounting is said to be cultural conscious and aware of the significance of the history. Languages are made in the societies, and the effect of culture is vital to understanding a language. With this understanding, there is a realization that societies are regulated by conventions and rules. Therefore, it is important to find out how individuals interpret conventions and rules (Broadbent & Laughlin, 2013, p. 290).

Differences between critical accounting researchers and other accounting researchers

For several years, theory verification and accounting in accounting have been subjected to the so-called mainstream research carried out within positivist model. However, the growing number of researchers is implementing interpretive paradigms, utilizing both constructivist philosophies and critical theory. Indifferent to other accounting researchers, critical accounting theorists are seen to be offering perspectives and results that assist in legalizing and sustaining particular political ideologies. For instance, the critical accounting research made efforts in accounting for inflation that was perceived to be motivated by a desire to calculate the real wealth. Additionally, the theorists of critical accounting emphasized that problems in accounting are a manifestation problems in the society. In their research, they mainly focused on changing accounting practices to the one

<https://assignbuster.com/accounting-theory/>

that has social awareness and social change (Broadbent & Laughlin, 2013, p. 300).

Compared to other accounting researchers, critical accounting researchers worked on communication and language that has been utilized in studying accounting regulation that aroused rhetorical discussions in the accounting system. The critical accounting researchers argued that accounting is a business language that has been there for many decades. In their research, they said that knowledge could only be there through language and communication that is the primary media of communication. Therefore, to have knowledge of accounting, it is important to study the language. It becomes even more necessary to study language since accounting is a business language.

Critical accounting researchers advocate and practice qualitative research methods. The research conducted by critical accounting theorists is very different from that carried out by neo-empirical researchers. Neo-empirical accounting research started from a conventional business school environment normally found in United States. The neo-empirical accounting researchers commonly used quantitative research methods that were different from those used by critical accounting researcher. Critical accounting researchers were interested in understanding the actor's behaviour while other accounting researchers mainly focused on seeking facts and causes of incidences. By using qualitative research method, critical accounting theorists were naturalistic and often used uncontrolled observation compared to other accounting researchers who only used controlled measurement. Critical accounting researchers seek to ascertain and explore while other accounting researchers mainly focused on seeking

<https://assignbuster.com/accounting-theory/>

confirmation and verification through reduction (Broadbent & Laughlin, 2013, p. 305).

Conclusion

In conclusion, the critical perspective of accounting is a research that goes beyond on making inquiries whether particular accounting approaches should be applied. A critical perspective of accounting is mainly concerned with promoting a better society. A critical perspective on accounting is focused on providing means for the increasing number of accounting practitioners and researchers who recognizes that the conventional practices and theories are not suitable for the problems arising in the present environment. Critical accounting researchers advocate and practice qualitative research methods. Compared to other accounting researchers, critical accounting researchers worked on communication and language that has been utilized in studying accounting regulation that aroused rhetorical discussions in the accounting system.

Reference

Broadbent, J. & Laughlin, R., 2013. Accounting Control and Controlling Accounting: Interdisciplinary and Critical Perspectives. London: Emerald Group Publishing.