DEVÉLOPPEMENT DE LA MÉTHODE DE RECHERCHE EN COMPTABILITÉ EN ALBANIE

ÇEPANI Linda
University of Tirana, Albania

LAMANI Diana
University of Tirana, Albania

Abstract:
Many researchers have revealed that the accounting research has evolved overtime from normative to positive research. Today, the main methodologies used by accounting researchers around the world are empirical or analytical but other methodologies are not excluded. The main purpose of our paper is to study the actual development of the accounting research methods in Albania. We present a brief, mainly exploratory review of main approaches in accounting research. We conducted a content analyses of the accounting related papers referred in the International Conferences organized by the Faculty of the Economics, by the Accounting department of the Faculty of the Economics and by the National Council of Accounting in a four years period (2008-2011). It results from our research that the main method used in accounting research in Albania is the empirical method (empirical-archival followed by empirical-case study and empirical survey). We plan to advance our project by adding further data from articles published in economic journals as well as by testing specific hypotheses. In addition, we plan to survey accounting researchers attitudes influenced by institutional differences in the academic systems. Meanwhile we hope this work will contribute some empirical and methodological insights to the ongoing methodological debate in accounting research.

Key words: Accounting research methodology, Accounting research methodology, empirical method

1. Introduction

Accounting research is a central element in ensuring the development of Accounting education curriculum, learning process, modernization and innovation of all parts of accounting practice. The academic research can provide influential information and insights for regulators, auditors, tax consultants, and other practicing accountants.

According to Kinney (1986), the general definition of research is “the development and testing of new theories about “how the world works” or refutation of
widely held existing theories. As for the accounting research the theories concern to how the world works with respect to the accounting practices. Traditionally, accounting research (and research in general) develops and tests theories regarding either “how the world is” (i.e., a positive approach) or “how the world should be” (i.e., a normative approach), but accounting research could also consider theories of “how the world came to be” by considering a developmental or an evolutionary approach of Krische (2009).

One way in which research may be defined and described is by identifying its main focus and methodological techniques. The taxonomic analysis is an important tool to profile the content of accounting research.

Accounting research has traditionally used a variety of approaches. In fact, there seems to be fundamental disagreement between researchers about the status of accounting as a (pure or applied) science.

The main purpose of this paper is to study the actual development of the accounting research methods in Albania. The first section of this paper presents a review of other studies on “accounting research methodology”. We start by mentioning definitions of “research methodology” and “accounting research methodology. In this section we try to explain the difference between “methodology” and “method” of research. We present a research methodology framework and also a classification of main methods applied by accounting researchers today.

In the second section we present the methodology of our research and the method we used to collect the data. Our preliminary results are based on a content analyses of 68 accounting related papers referred in the International Conferences organized by the Faculty of the Economics, by the Accounting department of the Faculty of the Economics and by the National Council of Accounting in a four years period (2008-2011).

In the final section, we attempt to provide preliminary conclusions of our results, which we intend to extend and substantiate in later research. Moreover, we highlight some implications for future research, including the ongoing process to improve and extend our own investigation.

2. Literature review

According to Terre Blanche and Durrheim (1999), the methodology is one of the three major dimensions of the research process. In the business dictionary we found this definition about methodology: “A system of broad principles or rules form which specific methods or procedures may be derived to interpret or solve different problems within the scope of a particular discipline. Unlike an algorithm, a methodology is not a formula, but a set of practices.” Malcolm Smith (2003) brings into attention that is essential to make a distinction between “methods” and “methodologies” in research, because the two are so often confused, or else used interchangeably. Consequently, in many studies methodology forms a difficult and preferably avoided subject of conversation. Blaikie (1993) observes the tendency in the literature “to use one when
the other is more appropriate” just in the same way as philosophers use the phrase “scientific method” when in fact they mean “methodology”. According to Blaikie (1993), de Vaus (2001), Bryman (2008) and Yin (2009), ‘Method’ is the technique or procedure used to gather and analyze data related to a research question or hypothesis. ‘Methodology’ is “how research should or does proceed” and it includes “discussions of how theories are generated and tested – what kind of logic is used, what criteria they have to satisfy, what theories look like and how particular theoretical perspectives can be related to particular research problems”. In other words, ‘method’ constitutes a part of ‘methodology’. Thus when we talk of research methodology, we do not only talk of the research methods, but also consider the logic behind the methods we use in the context of our research study and explain why we are using a particular method or technique and why we are not using others. Therefore, the scope of research methodology is wider than that of research methods. A related phrase that is used synonymously with “research methodology” is “research design”.

Buckley (1976) has classified the methodologies of contemporary research into four main categories: analytic, archival, empirical and opinion. Selection of a methodology of studying a given research problem leads to further choices of domain and research technique (see Fig. 1 as adapted from Buckley(1976).

Many researchers have revealed that the accounting research and the methods of the accounting research have evolved overtime. Many of them use different classifications.

---

*A Framework for Research Methodology*¹

---

¹ Adapted from Buckley, Buckley & Chiang Exhibit 1, p. 15
According to Fülbier and Sellhorn (2008) the main methods used for research in accounting may be classified as below:

We have also used this classification for our research below as we found it more accurate for the Albanian reality.

According to Smith (2003), the researchers who utilize the empirical-archival method base analysis and conclusions on objective data (based on objective amounts for example audit fees, etc) and on historical documents (like texts, journal articles, corporate annual reports, company disclosures etc) collected from third parties. Research mainly applies statistical techniques to data drawn from commercial databases. Comparable law also belongs here.

Data sources can be classified as primary or secondary. Today, this research mainly applies sophisticated statistical techniques to data drawn from commercial databases. However, Fülbier.U.R and Sellhorn.Th (2008) note that the archival research may range from the fundamental analysis of accounting numbers to the content analysis of texts and narratives such as accounting standards and other regulation, as long as the research is restricted to mere analysis without considering non-empirical procedures.

The researchers who utilize the empirical-experimental method base their analysis and conclusions on data gathered by administering treatments to subjects. The researcher manipulates one or more variables with subjects who are assigned randomly to various groups. Frankfort-Nachmias and Nachmias (2000), distinguish between four major research designs: The classic experimental design, the quasi experimental, cross-sectional, and pre-experimental designs.

The field study and case study method studies the role and function of accounting in its natural context. For Gruszczynski.M (2009), the term ‘case study’ usually implies research confined to a single unit of analysis, might be a single department, company, industry, or even country (single unit focus) ‘Fieldwork’ includes more general studies of social activity.

On the empirical-survey method researchers usually ask a random sample of individuals, companies etc. to respond to a set of questions on a given subject.
Important survey methods are mail questionnaires, personal interviews, and telephone interviews.

The researchers who utilize the **non-empirical-analytical method** base analysis and conclusions on theories or substantiated ideas in mathematical terms. These analytical studies use math to predict, explain, or give explanation to theory.

According to Fülbier.U.R and Sellhorn.Th (2008), the analytical research comprises theory construction and evaluation using formalized, mathematical models. This research includes financial modeling, formal game theory, agency models etc. in, among others, the areas of auditing, financial reporting, and disclosure.

The **non-empirical-theory method** includes every form of scientific reasoning which is non-analytical and non-empirical. Fülüber.U.R and Sellhorn.Th (2008) define it as “a set of tentative explanations”, which “provides acceptable answers to interesting questions”.

The studies that do not fit into one of the other methodological categories are considered as **other research methodologies**. This category captures authors adopting multiple methods. In this group, Terre Blanche, M & Durrheim, K. (1999), include research methods not easily assigned to the previous categories, as well as abstracts without any clue about the method and also ambiguous methods.

Table 1. below presents the list of research methods in accounting by Fülüber and Sellhorn (2008) based on the papers presented to the annual congresses of European Accounting Association in 2000 and 2005. About 70% of papers presented to EAA congress in 2005 were classified into the category of “empirical archival methods”.

<table>
<thead>
<tr>
<th>Methods</th>
<th>2000</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Empirical archival – database or archive</td>
<td>51%</td>
<td>70%</td>
</tr>
<tr>
<td>2) Empirical experiment</td>
<td>2%</td>
<td>0%</td>
</tr>
<tr>
<td>3) Empirical field or case study</td>
<td>4%</td>
<td>1%</td>
</tr>
<tr>
<td>4) Empirical survey</td>
<td>7%</td>
<td>6%</td>
</tr>
<tr>
<td>5) Non-empirical – analytical</td>
<td>0%</td>
<td>1%</td>
</tr>
<tr>
<td>6) Non-empirical – theory</td>
<td>7%</td>
<td>6%</td>
</tr>
<tr>
<td>7) Other and ambiguous</td>
<td>30%</td>
<td>16%</td>
</tr>
<tr>
<td>8) Ambiguous</td>
<td>9%</td>
<td>6%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: European Accounting Association, Fülüber and Sellhorn

Two key results of their study are the increasing dominance of positive, empirical-archival studies and the cross-country differences in methodological approaches.

On the other side, Gruszczyński.M (2009) concludes that in terms of
Studies in Business and Economics

quantitative methodology the accounting field is suitable to applying the methods of multivariate statistical analysis and micro econometrics. Even though his paper points out several questions pertaining to correct application of qualitative and limited dependent variables models for accounting research problems. Moreover, most of the articles researched by Ge W., Whitmore G.A. (2009) show ambiguities and errors in the presentation of the logistic regression model. As they find out, incorrect presentations of the model, even in conjunction with a correct analysis, may lead to a serious misinterpretation of research findings.

Cram D.P., Karan V., Stuart I. (2007) indicate that since choice-based and matched samples are not random samples, it is evident that the statistical analyses based on them shall not be the same as for the random samples.

In Albania, the new accounting legislation after the 90’s (the period when the country passed from a centralized economy to an open market economy) attempted to adapt to the changes of the economy. A new law on accounting established the general accepted accounting principles formalizing the accounting framework in Albania. In order to address some elements not yet put into practice in Albania a General Accounting Plan was approved by the Albanian authorities. This Plan was considered to be adequate to fulfill the needs of the market for accounting during those years.

Due to several changes in the economy of Albania this law had to be changed and updated so a new law on Accounting was approved in 2004. This law introduces the national standards (NAS), the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) to be used by Albanian entities based on their activity, size and form of ownership.

In this continuously changing environment, the accounting profession has been faced with several challenges. Not only the accountants had to adapt their knowledge and expertise to the new changes but also the regulators, tax auditors and accounting teachers. As we already mentioned in the beginning, the academic research can provide powerful information and insights to help them in this process. It is by continuous research that the accounting education, learning process, and accounting practice can follow and be adapted to the latest changes in the economy.

3. Research methodolgy

The main purpose of our paper was to investigate on the main approaches used in accounting research in Albania, in a four years period (2008-2011). We have conducted an empirical-archival review of all the accounting related papers referred in the International Conferences organized by the Faculty of the Economics, by the Accounting department of the Faculty of the Economic and by the National Council of Accounting in a four years period (2008-2011). We have focused our research in the above mentioned events as they are specifically referring to accounting.

From the proceedings of these events we have selected 68 papers focusing on accounting including financial accounting and financial reporting, auditing,
accounting information systems, tax reporting etc. As the focus of our research has been the development of the accounting research methods in Albania we have studied the research methodology used in these papers based on the “Research methodology” section of each paper. Sometimes there was not a separate section for the methodology but we concluded based on the method used even though it was not specified.

In order to summarize our results we used the Fülbier and Sellhorn (2008) framework as follows:

Table 2. Accounting research methods in Albania

<table>
<thead>
<tr>
<th>Methods used</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Empirical archival – database or archive</td>
<td>42%</td>
<td>100%</td>
<td>56%</td>
<td>53%</td>
<td>53%</td>
</tr>
<tr>
<td>2) Empirical experiment</td>
<td>0%</td>
<td>0%</td>
<td>3%</td>
<td>0%</td>
<td>1%</td>
</tr>
<tr>
<td>3) Empirical field or case study</td>
<td>16%</td>
<td>0%</td>
<td>31%</td>
<td>33%</td>
<td>26%</td>
</tr>
<tr>
<td>4) Empirical survey</td>
<td>26%</td>
<td>0%</td>
<td>6%</td>
<td>13%</td>
<td>13%</td>
</tr>
<tr>
<td>5) Non-empirical – analytical</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>6) Non-empirical – theory</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>7) Other and ambiguous</td>
<td>16%</td>
<td>0%</td>
<td>3%</td>
<td>0%</td>
<td>6%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

From the table above, we may notice that the main approach used in the accounting research in Albania, on an aggregate basis is the empirical archival method (constituting 53% of the total papers examined) followed by the empirical case study (26%) and the Empirical survey (13%). It results from our study that the use of research methods in Albania has shifted over time. The table shows an increase on the use of the empirical –case study and the empirical-survey method in the last years.

4. Conclusions & implications for future research

The fact that the main method used in accounting research in Albania is the empirical method (empirical-archival followed by empirical-case study and empirical - survey) was an expected result from us. Jensen ,M.C (1976) mentions that in other countries of the world, the “empirical revolution”( in the late 1960s) has been shifting deductive-normative work, considering it as “unscientific” moving towards a positive approach. Even today there seems to be many disagreement about the status of accounting as a (pure or applied) science.

Based on our study, we may conclude that the Albanian researchers are becoming more methodology driven than before. Most of the papers referred in the second half of the study period have a separate section on the methodology used while they are trying to introduce new methods (such as surveys or even experiments) to enrich their methodological approach.
We all agree that the academic research provides important information for regulators, auditors, tax consultants, students and practicing accountants, but sometimes for practitioners and students may be difficult to take full advantage from it. The reason behind this is that, the complex methods and writing style used by academics often hide many of the potential benefits. These weaknesses may turn away practitioners and students. We hope that a research on the research methodology would help both researchers and the practicing accountants. The researchers would better use the actual research methods in order to get more reliable and relevant results while the students and the practicing accountants would get more practical and relevant information by understanding how to read and understand a paper. Ideally, in the future academic research articles may be accompanied by adaptations for students and practitioners. We strongly believe that the combination of practical experience, strong theories, and empirical results will, in the long run, benefit academics, practitioners, and students.

We note that this version of our paper presents preliminary evidence from an ongoing research. However, we use this preliminary draft to report some initial results which are primarily descriptive, exploratory, and intended to generate more formal hypotheses in the future. Our ultimate goal was to empirically investigate on the main methods used in accounting research in the last four years. In the future, we plan to advance our project by adding further data from articles published inside and outside the country in economic journals as well as by developing and testing specific hypotheses. In addition, we plan to survey accounting researchers attitudes often influenced by institutional differences in the academic systems. Meanwhile we hope that this work will contribute some empirical and methodological insights to the ongoing methodological debate in accounting research.

Finally we conclude that Albanian accounting researchers should not only theoretically know the research methods but they must also be open-minded about using several methodologies driven by several research questions.

5. References


