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**Using Qualitative Research in Accounting and Management Studies: Not a New Agenda**

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**Abstract**

Today more and more researchers publish their qualitative works in top management and accounting journals. The contribution of this approach in management and accounting studies continues to gather momentum. Policy maker both in public and private sectors are increasingly recognizing the important and value of this method since it offers detail and rich analysis of management and accounting in an organization. However, there are still many researchers in these fields are reluctant or even reject to employ this method arguing that qualitative approach is not scientific and the results are also not scientific. Therefore, the purpose of this paper is to discuss the issue of using qualitative method in management and accounting studies. The paper is started by looking the conceptualization of qualitative research. After that, a paradoxical view of qualitative and quantitative methods is discussed. This is followed by discussions of using qualitative research in management and accounting studies. Finally, the use of interpretive case study will be reviewed and discussed in this paper.

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**Introduction**

For some researchers, qualitative research is considered as second class research (Bluhm, 2010). As a consequence, they are reluctant to employ this qualitative method in conducting their researches, even some universities and business schools also often oppose the qualitative approach, and usually consider as not enough for research purpose. There is a belief that social science is considered as not much different from natural science and it can be studied in the same way as physical object (Kottler and Victor, 2010).

Besides, many business schools today are preoccupied with the mechanics of statistical techniques believing that these techniques offer a highway to the advancement of knowledge and science (Gummesson, 2000). The faculty members are also often unfamiliar with qualitative approach and the opportunities offered by qualitative method and case study research.

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However, various current literatures indicate that contemporary interdisciplinary research in accounting and management has been increasingly employing qualitative research methodologies (Parker, 2003). In addition, more and more researchers publish their qualitative works in top accounting and management journals (Parker, 2003, Gummerson, 2000). It must be acknowledged that the quantitative method is still the most widely used approach in conducting any research in the field of accounting and management as well as the majority of accounting and management researchers remain unacquainted with or resistant to such methodologies. The information presented in the paper is not new in the sense that we attempt to highlight new issues about research methodology but the issue of different views among researchers regarding the most appropriate approach to conduct academic research that still continues until now, particularly, a minor view to qualitative work. As such, the objective of this paper is to discuss the issue of using qualitative method in the field of accounting and management. The paper starts by looking at the conceptualization of qualitative research and it is followed by a paradoxical discussion between qualitative and quantitative methods. Discussions of using qualitative research in accounting studies, particularly the use of interpretive case study and grounded theory will be reviewed in this paper. Finally, the paper provides the conclusion and recommendation

### The Conceptualization of Qualitative Research

Many definitions of qualitative research have been proposed in the literature. Muela-R. (2006, p. 6) states that qualitative research is a process of inquiry that draws data from the context in which events occur in an attempt to describe these occurrences, as a means of determining the process in which events are embedded and the perspectives of those participating in the events, using induction to derive possible explanations based on observed phenomena.

This definition acknowledges the contextual nature of inquiry. It has been described as watching people in their own territory, interacting with them in their own language, on their own terms and attempting to understand the complexity, while analysing and interpreting data from various sources.

Strauss and Corbin 1990, as quoted by Hoepfl (1997, p. 48), broadly defined qualitative research as “any kind of research that produces findings not arrived at by means of statistical procedures or other means of quantification...the qualitative inquiry accepts the complex and dynamic quality of the social world”. The same definition was also given by Ali and Yusof (2011) who said that “any investigation which does not make use of statistical procedures is called “qualitative” nowadays. This definition shows that the qualitative analysis results are a different type of knowledge than that of a quantitative inquiry.

Almost similar view is also expressed by Kick and Miller (1968) in which qualitative research is defined as “an approach to study social research that involves watching people in their own territories and interacting with them in their own language and term” (Tailor, 2010, p. 62)

Several authors have identified what they consider to be the prominent characteristics of qualitative research. Hoepfl (1997, p. 49) describes the characteristics of qualitative research as follows:

1. Qualitative research uses the natural setting as the source of data. The researcher attempts to observe, describe, and interpret settings as they are, maintain what Patton calls an “empathic neutrality”.

2. The researcher acts as the “human instrument” of data collection.
3. Qualitative researchers predominantly use inductive data analysis.
4. Qualitative research reports are descriptive, incorporating expressive language and “presence of voice in the text”
5. Qualitative research has an interpretive character, aimed at discovering the meaning events have for the individuals who experience them and the interpretations of those meanings by the researcher.
6. Qualitative researches pay attention to the idiosyncratic as well as the pervasive, seeking the uniqueness of each case.
7. Qualitative research has an emergent (as opposed to predetermine) design, and researchers focus on this emerging process as well as the outcomes or product of research.
8. Qualitative research is judged using special criteria for trustworthiness.

There are many types of qualitative research methods practiced by researchers in conducting academic research. This can be in the form of case study, grounded theory, ethnography, phenomenology, focus group, just to name a few (see also Trumbull and Watson, 2010). This kind of research method tries to obtain an in-depth understanding of phenomena, recognizing that an existential objective reality cannot be captured. Instead, the qualitative researcher recognizes and investigates a world of intangible relationships, meanings, understandings and interpretations that are complex, multidimensional and cannot exist independently of actors and researchers (Parker, 2003). This is multi-method in focus, involving an interpretive, naturalistic approach to its subject matter (Kasinath, 2013). It is argued that the emphasis of qualitative research is on process and meaning. It employs multiple methods in pursuit of complexity, depth, richness and rigor.

Data collection techniques used in this kind of study can be in the form of in-depth and focus group interview and participant observation. Besides that, samples are not meant to represent large populations, but they are, small, purposeful samples of articulate respondents are used because they can provide essential information, not because they are representative of a large group (see also Sale et al, 2013). Besides that, this approach acknowledges the reflexive research design, accepts researcher bias, the non-standardized data collection and analysis tools which have been most troublesome to the positivistic traditionalists or quantitative researchers.

#### A Paradoxical Views between Qualitative and Quantitative Research

It is argued that the underlying assumptions of qualitative and quantitative approaches have created differences which extend beyond philosophical and methodological debated among researchers. Each paradigm has been claimed as the “best” method, if not the only method, for doing research by their proponents. Welch (2010, 186) says that “for more than a century the advocates of qualitative and quantitative research paradigms have engaged in ardent dispute”. Therefore, it is not surprising if there are some arguments for and against using this certain paradigm.

The qualitative method is a research approach which is based on interpretivism and constructivism (Sale et al., 2002, Parker 2003). It is originally emerged as a strong reaction against the prevailing view during the early part of the twentieth century, both Europe and North America that people could-and should-be studied in the same way as physical object (Kottler and Minichiello, 2010). Its objective is to develop theory with inductive

investigation. The study frequently starts with the collection of specific data, and lead to more general understanding of the topic (Sale et al., 2002, Trumbull and Watson, 2010). Qualitative researchers aim to study the social world as nearly as possible to its natural state and be in close personal contact with the natural setting so that they can observe, describe and interpret what happens in that setting, how it happens, in what contexts and what meanings are imputed by participants (Parker, 2003). The questions asked in this type of research usually begin with words like How, Why, or What. The qualitative researcher tries to obtain an in-depth understanding of phenomena, recognizing that an existential objective reality cannot be captured (Parker, 2003).

Interestingly, the issues of not objectivity have been most troublesome to quantitative researchers. They claim that qualitative research cannot produce valid and reliable findings which are value free. Qualitative research has also become the subject of criticism for a variety of reasons in the field of accounting and management as other disciplinary fields such as:

1. That it is akin to 'soft science' or journalism.
2. That it is simply 'humanism' in disguise.
3. That it is 'unscientific' and 'subjective'.
4. That it breaks the 'value free' assumptions of scientific research.
5. That it cannot produce verifiable truth statements.
6. That it cannot produce statistically generalisable findings.
7. That it lacks rigor

(Parker 2003, 16)

Parker (2003) argues that all of these criticisms spring fundamentally from a lack of familiarity with and awareness of the methodological philosophies and principles that inform the methods employed.

On the other hand, the quantitative method is aimed to test theory deductively. This approach is based on positivism since the ontological position of quantitative paradigm is only one truth, an objective reality that exists independent of human perception. Epistemologically, the researchers and investigated are independent entities. Quantitative researchers are trained to believe that they are neutral value free agents, independent of their research subjects and research data (Parker, 2003, p. 17). Therefore, the researchers are able to study the phenomena without influencing it or being influenced by it.

According to Taylor et al (2010, p.159), this method is designed to "provide objective description of phenomena and to demonstrate how phenomena can be controlled through specific treatments" and they make assumptions that findings will be based on existing law and principles. Most data are numerical and can be statistically treated. Denzin and Lincoln (1994) as quoted by Sale et al., (2013, p.44) say that "the objective of quantitative work is to measure and analyze causal relationships between variables within a value free frame work". Consistently, Taylor (2010) states that "the major purpose of quantitative research is to make valid and objective descriptions on phenomena, where researcher is attempting to show how phenomena can be controlled by manipulating the variable". In this approach, the investigator attempts to achieve objectivity by not letting his or her personal biases influence the analysis and interpretation of the data. Nevertheless, the qualitative researchers critique quantitative research as a method that cannot address the full range of problem in the behavioral sciences as well as social sciences such as in the field of accounting and management since there is no researchers are value free. Parker (2003) notes that all

researchers bring to their research objectives, research question framing, project scope definition, survey questionnaire design and interpretation of results a whole raft of values: their prior education, their disciplinary focus, their understanding of the literature relating to the topic, and the paradigm within which they have located themselves. Table 1 provides a summary of differences between qualitative and quantitative research methods.

Table 1: *Differences between Quantitative and Qualitative Research Methods.*

Quantitative	Qualitative
1. Representative sample. Based on central limit theorem.	1. Small sample; not representative, idiosyncratic.
2. Literature review at the beginning of the study.	2. Literature review at the end of the study.
3. Data collected through instruments based upon precisely defined variable.	3. Emphasizes organizing, coordinating, and synthesizing large quantities of data.
4. Objective control for bias replicable and reliable.	4. Subjective strive for personal data, value laden.
5. Deductive in nature.	5. Inductive in nature.
6. Test theories.	6. Develop theories.
7. Develop conclusion based upon data outcome oriented.	7. Develop values and judgement based upon data-process oriented.
8. Clarity based upon interpreting numerical data.	8. Complex and rich experiences; void of most numerical data.
9. Known reliability and validity.	9. Unknown reliability and validity.
10. Standardized measuring devices.	Non-standard measuring devices.
11. Intervention; no participant involvement.	11. Participant involvement.
12. Adhere to the scientific method use HO+HA to accept, reject, prove, or disprove hypotheses.	12. Does not follow the scientific method step-by-step, seeks meaning or essence.
13. Numerical data.	13. Narrative data – words to describe the complexity.
14. Controlled – laboratory setting.	14. Conducted in the natural environment – 90 to the co-researcher's world.
15. Various instruments are used.	15. Principally use observations and interviews.
16. Based upon facts, causes, and relation shifts.	16. Based upon understanding, meaning and essences of the human experience.
17. Short duration.	17. Long duration.
18. Separate, a study component parts (reductionistic).	18. Together, tries to understanding the whole.
19. Descriptions based upon numerical data.	19. Rich narrative descriptions.
20. Subjects.	20. Participants, co-researchers.
21. Conducted using known measurements, techniques, and formulas.	21. Measurements frequently not known researchers.
22. Descriptions of human behaviour cannot always be expressed in numbers	22. Human behaviours can be accurately described in words.
23. Assume stable reality (static).	23. Assume a dynamic reality.
24. Verification oriented	24. Discovery oriented

25. Validate themes and relationships.	25. Discover themes and relationships.
26. Assume an objective reality.	26. Assume that social reality is constructed by participants.
27. Analyze social reality through variables.	27. Make holistic observations of the total context within which social action occurs.
28. Use statistical methods to analyze data.	28. Use analytic induction to analyze data.
29. Use statistical inferences procedures to generalize findings from a sample to a defined population.	29. Generalize case findings by searching for other similarities.
30. Study populations or samples that represent populations.	30. Study cases.

Source: Tailor (2010, p. 160)

### The Trend of Using Qualitative Approach in Accounting and Management Studies.

Despite the fact that nowadays the quantitative method is still the most widely used in conducting any researches in accounting and management studies as mentioned previously, it must be acknowledged that over a number of year various current literatures indicate that there has been a significant amount of qualitative work produced by some well-known accounting and management researchers as well as PhD students in both business organizations and nonprofit sectors (Parker, 2003). Examples include Rahim and Goddard (1998) who conducted case study on two state Religious councils (SRC) in Malaysia, namely ASRC and BSRC to examine accounting practices in these two organizations by using an interpretive methodology. Norhayati, and Nabiha's (2009) study of the performance management system in a Malaysian government linked company, and Norris's (2002) study of activity based information usage in the banking sector.

It is indicated that case study has become one of the common methods used in a qualitative inquiry in the fields of accounting and management (Mohamed et al., 2010). In addition, the narrative of Parker (2003) also points out that these kind of empirical studies can be found in considerable numbers in accounting and management research literatures in the past two decades. They have been particularly prominent in journals such as *Management Accounting Research*, *Accounting, Auditing and Accountability Journal (AAAJ)*, and *Accounting, Organizations and Society*. A large number of empirical field based case studies covering subject areas such as public sector accountability, social and environmental accounting, management accounting, intellectual capital valuation, management control, non-profit organisation and health system financial management. It is argued that case study or labelled as field research provides the pertinent information more elaborately than hypothesis testing and it allows researchers to develop theoretical explanation of management and accounting practices (Parker, 2003; Mohamed et al., 2010). By studying accounting and management practices in their organizational context it is hoped that a fuller understanding of the behaviour of the organizational members can be attained. Yin (1994 as quoted by Nabiha (2010, p. 30) asserts that "case studies provide an opportunity for researchers to "retain the holistic and meaningful characteristics of real life events". This is consistent with the narrative of Parker (2003) in which field research offers researchers opportunities for richly drawn accounts of organisational practices, deep understanding of actors and their worlds, contextual theorising from field derived research data, mapping of patterns of change over time, and studying issues that are complex and context dependent

In addition to the case study, various literatures indicate that grounded theory has also been used in many qualitative studies and has spread to many disciplines including accounting and management studies. This is evidenced by the growing literature concerning the application of the grounded theory as a general method for qualitative investigation of social phenomena (Hansen and Kautz, 2005). Examples of the use of grounded theory in accounting and management include the work of Goddard (2004) who used the grounded theory to study the relationship between accounting, governance and accountability in local government in UK; Czarniawska-Joerges (1998) who examined changes in organizational control; and Czarniawska-Joerges and Jacobson (1989) who traced connection between the budget process in organizations and the cultural context in which the organization exists. Lye (1996) used the grounded theory to conduct innovative research into new phenomenon, namely, the process of change that led to the introduction of accrual-based Crown Financial Statements for public sector accounting in New Zealand (Kirk and Staden, 2001; Goddard, 2004, Rahim Goddard, 2003)

### Conclusions and Recommendations

Qualitative research has been broadly defined as any kind of researches that produce findings not arrived at by means of statistical procedures or other means of quantification which is based on interpretivism and constructivism. It recognizes that an existential objective reality cannot be captured. Various current literatures indicate that the interest in qualitative approach in the field of accounting and management seems to grow. Nevertheless, it must be acknowledged that there are some arguments against the use of this approach and many researchers still remain resistant to such methodology. The issues of subjectivity, invalidity, and unreliability findings are usually voiced and have been most troublesome to quantitative researchers.

Therefore, there is a need for all management of business schools as well as accounting and management scholars everywhere to improve their understanding of qualitative research method and try to understand the opportunities offered by qualitative methodology in conducting research in the field of accounting and management. Since the resistance of using this method is fundamentally coming from a lack of understanding and familiarity with awareness of methodological philosophies. It is suggested for universities to teach their students both quantitative and qualitative methodologies, at least each approach to be taught by three credit hours. If it is not separated, the lecturers who have a good understanding and vast experiences in a certain methodology will only focus their teaching on this particular method, or if the subject offered for only three credit hours, then the subject should be taught by those who expert in both methods. If the faculty members who meet these criteria are not available, then two lecturers who are good in quantitative and qualitative research methodology should be asked to teach the subject.

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