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PRAGMATIC PHILOSOPHICAL APPROACH TO WEIGHTING CORPORATE DISCLOSURE IN ACCOUNTING RESEARCH

Mohammed Lawal

Department of Accounting, Ahmadu Bello University, Zaria

Kaduna State, Nigeria

lawal.mohammed.sani@gmail.com

08065783579

Mohammed Mustapha Bagudo

Department of Accounting, Ahmadu Bello University, Zaria

Kaduna State, Nigeria

mmbagodu@yahoo.com

0803605725

Abstract

The philosophical perspective which underpins any research is fundamental to the outcome of the inquiry and the applicability of its findings. Generally, accounting research was dominated by the interpretive philosophical paradigm during the 'golden age' of accounting research, while contemporary accounting research has been largely dominated by positivism. Notwithstanding the popularization of the two dominant paradigms in accounting research, and particularly positivism in corporate disclosure research, many scholars have clamored for the proliferation of an alternative paradigm in accounting research. Pragmatism which is widely considered as a 'middle-ground' philosophical perspective between the two dominant paradigms has gained some recognition among accounting researchers but has

largely remained obscured in the literature. This article tries to bring to light an alternative approach to benchmarking extent of disclosure in accounting research based on a pragmatic perspective. It prescribes an approach which requires accounting disclosure researchers to weight disclosure based on a matrix of soft or hard disclosure versus news worthy or general information to capture the relative signaling strength of each individual disclosure item. It further concludes that pragmatism can help bring new insights to accounting researchers by altering the way they perceive specific accounting issues.

Keywords: *Pragmatism, Corporate Disclosure, Paradigm, Accounting Research philosophy*

Introduction

The field of corporate disclosure accounting research gained much popularity after the emphasis on use of positive philosophical paradigm by Watts and Zimmerman in 1986. However, before the advent of positive accounting theory, interpretivism was the dominant philosophical paradigm during the ‘golden age’ of accounting research. Unarguably, today both paradigms have contributed immensely to the development of accounting theory, principles and practice. Notwithstanding their contributions to accounting literature, they both appear to have latent weaknesses which have not just impeded the development of a true accounting theory but have also made regulations, practice and standards developed based on these philosophies weak in curbing financial collapses and accounting frauds. This necessitates a probe into these philosophical underlings that underpins most accounting research which has impacted accounting theory, practice and standards settings in no small way. It also whets the appetite to perhaps depart into a new paradigm in developing both accounting theory and practice, because the development of good ‘accounting product’ as Penman (2013) refers to it, can only be achieved if the right philosophy is adopted as the foundation in designing the accounting product.

Generally, positivism and interpretivism have remained the most widely adopted research paradigms in social science research. However, Belkaoui (2004:334) in a review of Kuhn’s general theory of scientific evolution remarked that “...paradigms do not remain forever dominant” given that ‘normal science repeatedly goes astray’. And the quest for a new basis for the practice of science will ultimately lead to a shift to new paradigms. Perhaps this explains the increasing advocacy for bridging of the gap and the search for a “middle ground” between the two dominant paradigms that has polarized accounting and social science research in general over the years (Modell, 2009; Davila & Oyon, 2007).

Finding a common ground would imply a shift in accounting researchers' world views and what constitutes the deeper meanings of knowledge. Essentially, it will mean a paradigm shift into a different philosophical stance altogether. It will lead to a radical change in research methodologies, variables (proxies and/or measurements), underpinning theoretical propositions etc. Therefore in the face of an alternative paradigm, the methodology, theoretical underpinnings and measures of corporate disclosure for instance that suffices will significantly vary from those used under positivism or interpretivism.

Rahman (1961) reported that, Charles Peirce was the first to use the word 'pragmatism' in 1878, however, James (1907) following in Pierce's footsteps, argued in favour of a hybrid philosophical temperament that bridges interpretivism and positivism and provides a middle ground, in essence 'something pragmatic' which he initially called 'radical empiricism' and later pragmatism. Other philosophers like John Dewey and Richard Rorty, immensely contributed to the popularization of the pragmatism philosophy with particularly Dewey introducing a quantitative dimension to its methods (Goldkuhl, 2012). But notwithstanding its long history and progress as a philosophical paradigm, pragmatism has remained uncommonly expounded in accounting literature and research.

Pragmatism has been defined in different ways, however in each definition or narrative to what it means, the key elements and the central idea remains the same. That what is knowledge will only be true if it has the power to cause change in society. Pragmatism also claims that, the quintessence of society is held in a continuous progression of action and not in known structure of relations, thus truth lies in practice. That is why pragmatism refuses to place emphasis on methods of inquiry but the outcome and its usefulness. Thus it relies on a mixed method research technique by combining both qualitative and quantitative approach which is why Denscombe (2010) opined that, pragmatism distinguishes itself from pure theory testing confirmatory research based on positivism and theory building exploratory research based on interpretivism by not seeking single scientific way of finding 'undisputable knowledge'. James (1995:77) brings this construct to light, to precisely explain what pragmatism means by stating:

Pragmatism.... asks its usual question. "Granted an idea or a belief is true", it says, "what concrete difference will its being true make in anyone's actual life? How will it be realized? What experience will be different from those which would

obtain if the belief were false? What, in short, is the truth's cash-value in experiential terms?"

James (1907) simply characterized the truth in terms of what is both useful and accepted. But even before Williams James, Peirce (1878) has posited the pragmatic principle thus:

"Thus we come down to what is tangible and practical as the root of every real distinction, no matter how subtle it might be; and there is no distinction of meaning so fine as to consist in anything but a possible difference of practice."

Therefore, pragmatism can be said to be that philosophical perspective that holds truth to account beyond its abstract construct, emphasizing usefulness and practical verification through concrete structures of outcomes based on experience as its key underlying characteristics.

This paper is focused on discussing the meaning, concept of truth and types of pragmatism. It further explores the literature to establish the nature, functions, broad structure and the how pragmatism as a philosophical paradigm could be used in improving weighting disclosure in accounting research. The study used a desktop research methodology in exploring the literature to expound stylized facts.

Concept of "Truth" in Pragmatism

The key difference between pragmatism and other philosophical stance is the provocative radical notion of truth which is far removed from the rather categorical definition of 'truth' by other philosophies. Understanding difference in notions of truth is important because a researcher's notion of truth can have repercussions throughout his research work (Baker & Schltegger, 2012). The truth to a pragmatist is what works and engenders satisfaction, thus what is 'good'. Therefore the truth is 'experiential' and can only be realized through their effects when applied to events or situations and the outcome determines them to be 'true' (James, 1907). Therefore being 'experiential' makes the validation of truths verifiable only through practical evaluation of the significant difference they can create.

James (1907) emphasized that *"true ideas are those that we can assimilate, validate, corroborate and verify. False ideas are those that we cannot"* and he went further to declare, *"Truth in science is what gives us maximum possible*

satisfactions”. Hence pragmatists asserts that, in reality there are no universal truths out there to be discovered, that the truth is constructed based on the practical realization of the usefulness of an idea (Baker & Schaltegger, 2012) and that the meaning of an idea is the practical consequence of that idea when applied to real life situations (Goldkuhl, 2012).

Rahman (1961:31) recounted that in the pragmatists view, thought is personal and purposive while intellect has no intrinsic value, and it is just an instrument by which we can meet practical situations. Also that, truth is a verifiable, relative and human construction which depends on human evaluation and estimations. This goes to emphasize that there is no sacrosanct path to the truth except what works every other time it is applied in trying to arrive at the truth. Since pragmatism argues that knowledge should be acquired only for useful purposes, and then we can also deduct that, in accounting perspective, what constitutes ‘truth’ to the pragmatist is utility, hence ‘truth’ is simply ‘value relevance’. Therefore accounting disclosures should be predominantly driven by the information value content and information usefulness.

Types of Pragmatism

An accounting system is an elaborate financial information system which is driven towards producing and communicating financial and economic information about a given entity for informed decision making. Even though pragmatism is a single philosophical paradigm, it has it several subtypes. Goldkuhl (2012) identifies three (3) types of pragmatism in information systems research.

- i. Functional pragmatism: this represents being pragmatic towards what has been said about knowledge, which is how knowledge can affect and enhance practice. This is predominantly achieved through evaluation studies, design research or action research.
- ii. Referential pragmatism: this type of pragmatism focuses on actors, actions, activities and practices which are made the prime objects of study. So it generates knowledge about actions as it primary empirical and theoretical focus.
- iii. Methodological pragmatism: this type is preoccupied with how knowledge is created. It pursues the basic ideas of research, uses a hybrid approach by collapsing subjective and objective dimensions onto one. In methodological pragmatism, it is believed that the objective and subjective are not mutually exclusive; it therefore adopts a pluralist attitude by using any method that works.

It is worth noting that some other authors like Dousa (2009) simply differentiated types of pragmatism by the three lead proponents of the pragmatic philosophy, based on their methods, views and approach to pragmatism. They take leads from the names Peirce, James and Dewey to arrive at Peircean, Jamesian and Deweyan pragmatism.

While the Peircean pragmatism seeks to return the human mind back to a state of ‘*belief*’ or satisfaction, albeit equilibrium after a dissatisfying or disturbing experience which he called ‘*doubt*’ through an objective scientific method of inquiry (test of hypotheses). The Peircean, pragmatism is built on the principles of pure science and mathematics. The Jamesian brand of pragmatism on the other hand is a rather subjective one, though pluralist, it argues that the “*mind engenders truth upon reality*”. Thus a person’s interest and experience drives his constructions of the truth, holding the criteria for to be that, a thing is ‘true’ as long as it engenders satisfaction in the light of one’s purposeful interface with that thing in concrete circumstances. However, the Deweyan pragmatism combines the Peircean and the Jamesian perspectives to produce a somewhat methodological pragmatism. The Deweyan pragmatism is objective in its views like the Peircean but does not restrict itself to the use of only quantitative methods of science in conducting an inquiry. It encourages the use of mixed methods to reaching conclusions and establishing claims to knowledge.

Corporate Disclosure Accounting Research

Belkaoui (2004) identified three (3) dominant perspectives to the development of accounting thoughts which drives accounting theory and practice, they include the classical true income (deductive approach), decision usefulness approach and the information/economics approach. These three perspectives constitute the basic building of accounting. Particularly, the decision usefulness aspect significantly underscores the disclosure of accounting practice but generally Penman (2013) reckons that a financial statement should be relevant, neutral faithfully represented and provide comparability. The American Accounting Association (AAA) defines accounting as “the process of identifying (recognizing), measuring and communicating economic information to permit informed judgments and decisions by users of the information”. Even though, the communication of economic information (disclosure) cannot be separated from the other accounting functions of measurement and recognition, Kabir (2010) noted that early accounting research and researchers like Chambers (1966); Ijiri (1975); Littleton (1953); MacNeal (1939) were mostly normative theorists, thus were more concerned with interpreting the problems of recognition and

measurement until Watts and Zimmerman (1978; 1986) brought a paradigm shift to Positive Accounting Theory (PAT) which encouraged description and prediction of managers' choice of accounting practice, disclosure and its effects on the market.

Positivism prides itself with being a true scientific approach to accounting research has been the major driving force behind the proliferation of corporate disclosure accounting research; its philosophical paradigms, research design and methodology are thus tailored along the objective, quantitative and analytical techniques of natural science. Positive accounting theory brought a paradigm shift in accounting research from the normative theory which was preoccupied with trying to know 'what should be' to knowing 'what is' and with this change a greater desire to understand the effects of 'corporate disclosure' in relations to the stock market was triggered (Kabir, 2012; Petruk, Legenchuk & Koroliuk, 2013) leading to the establishment of a number of parsimonious models like Olhson and Feltham (1995) in explaining the relationship between book and market value of firms. Consequently, the proliferation of investigation into information content value or the value relevance of corporate disclosure became unrestrained in accounting research despite the criticisms that positivism has received over the years. Kabir (2012) acknowledged that, the increase in value relevance studies did not bother much with measurement and recognition but largely on information value content.

In reality, financial disclosures and reporting are merely avenues through which management 'communicate' firm's performance and governance position and activities to stakeholders (Healy & Palepu, 2001; Belkaoui, 2004; Kothari, Li & Short, 2009). They generally includes both hard and soft disclosures; Mayew (2012) posited that it is "*any medium of expression or publication through which a firm describes its economic condition*" hence it could also be categorized into qualitative and quantitative disclosure or even verbal disclosure. Corporate accounting disclosure in simple terms refers to all the information which corporate organizations disseminates, through various means into the public domain regardless of whether such disclosures are hard or soft, mandatory or voluntary and quantitative or qualitative.

Corporate disclosures are necessitated by the agency tension that is eminent between managers and providers of capital; they are primarily intended to reduce information asymmetry between the two groups and ultimately their agency cost (Kothari et al., 2009). However, disclosures may also be motivated by other

factors such as increase in capital market transaction, corporate control tussle, litigation cost, display of management talent, stock compensation and propriety cost which could lead to improved stock liquidity, reduced cost of capital and or increase in information intermediation (Healy & Palepu, 2001). Most of these reasons for disclosure according to Coarse (1937) are ‘signals’ being transmitted by managers to dampen information asymmetry between them and external owners. For this reason corporate disclosure accounting research are principally preoccupied with explaining and predicting managers’ behaviour in selecting accounting practice and stakeholders’ responses to them either directly or through information and financial intermediaries (Healy & Palepu, 2001). Disclosure researches are heavily depended on agency theory and its extensions (particularly, signaling theory and stakeholder theory) as general propositions to explaining the selection of accounting practice or disclosure behaviour amongst managers; Sharma (2013) argues that these theories provides very sound underpinning for corporate disclosure research.

Pragmatism and corporate disclosure accounting research

The two major philosophical paradigms that have contributed to accounting research thus far are positivism and interpretivism yet both have suffered significant criticism for their shortcomings in developing accounting research and practice to its full promise (Petruk, et al., 2013). It is evident that between the two paradigms positivism has been the major influence on corporate disclosure research (Kabir, 2010; Sharma, 2013). This explains why analytical quantitative techniques, hinged on the use of archival data and underpinned by agency theory propositions which follows the natural science methods of inquiry where data is assumed to be objective and the researcher passive has remained the most common approach in disclosure research. However, given the premise that accounting is a social science and not a natural science like physics or chemistry that does not have its own theory or universal laws, the positive theory approach suffers major flaws in developing disclosure accounting research. Particularly with respect to disclosure measurement, Kothari, Li and Short (2009) argued that:

“.....disclosures analyzed in previous research are far from comprehensive and the measurement of disclosure proxies is generally subjective, not objective. With respect to studies that use objective measures (e.g., Francis et al. 2006), critics contend the proxies might not capture disclosure quality...”

While from another point of view, Kabir (2010) posits that, positivism has not conclusively answered some fundamental questions it has been confronted with as

a backlash to its attempts to wholesomely import natural science methodology and approach to inquiry into accounting. He concluded that positive accounting theory has not been very successful in emulating natural science resulting in very limited generalizability of its theories due institutional environment of accounting and time dynamics. The key issues he identified are summarized as follows:

- i. The quest of positive accounting theory is to describe and predict accounting practices and disclosures as a function of managerial behaviour did not consider that managers behave arbitrarily and thus are predominantly incongruous, so what criteria should be used for selecting between two competing propositions as a preferred theoretical narrative. How do we choose?
- ii. The accounting discipline is a social science that is extensively practiced under human influence and manipulations unlike natural science. To what extent can we simulate?
- iii. The practice of accounting as distinguished from accounting research grants that, being a practical social continuum, the nature of accounting truth should vary at different material times across different issues. How do we account for this?

Petruk et al (2013) chronicled the development of accounting theory in English-speaking countries; they posited that the resurgence of normative accounting theory is largely due to positive accounting theory's failure to meet the demands of accounting system '*mega-observer*' (stakeholders). To this end, interpretivism on the other hand, according to Mickhail and Graaf (2000) basically suffered from two major setbacks in developing accounting thought and research when it held sway, the first setback was that different researchers can reach multiple and conflicting interpretations and secondly it restricted the researcher from passing an express opinion on the phenomenon being studied.

Based on the forgoing, it is evident that both philosophical approaches to accounting thoughts development have not been seamless in the criteria they provide for developing accounting claim to knowledge. Nevertheless, Sharma (2013) emphasized that both interpretive and positive accounting theories are needed because accountants require prescription in a lot of things and description and prediction in others.

The need for a middle-ground research paradigm as highlighted by the likes of Sharma (2013) and Belkaoui (2004) has led to the growing interest in the

pragmatic approach to accounting research, an approach which, Petruk et al (2013) referred to as the '*normative and positive syntheses*', albeit a multi-paradigmatic approach to accounting theory. Which is what Belkaoui (2004) suggested may be needed when he remarked that perhaps to develop an accounting theory there may be the need to develop an approach that combines the two major approaches to accounting theory into one robust and formidable method. Such a multi-paradigmatic approach should also allow for the use of mixed methods/ strategies for research and should also be decision useful and at the same time driven by practicality and utility. This is the 'middle ground' in philosophy that James Williams (1907) called 'Pragmatism'. However, it is the Deweyan pragmatism or the methodological pragmatism that is best suited for financial disclosure research, due its extensive use of quantitative analytical tools, hypothesis testing that could be used for the determination of significant differences in practice of predicting relationships.

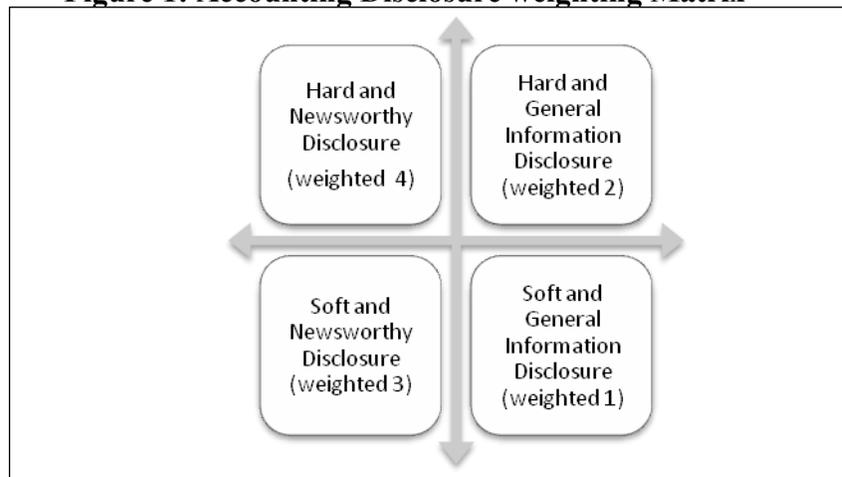
Weighting Corporate Disclosure from a Pragmatic Perspective

Pragmatism predominantly deals with problematic situation via an experimental approach to inquiry (Bartle & Shield, 2008). Its methods are largely *non-theoretical* but highly empirical and its minimum judgment criteria are based on experience and practice. Therefore a radical shift to pragmatism in accounting disclosure research philosophy will imply a change in the accounting notion of '*truth*', methods of inquiry and by extension what constitutes evidence to a researcher. In essence, it will not change the characteristics of 'truth' but it will change how we view what is 'truth' occurrence, albeit from objectivism to constructivism. It may not drive a change in the variables that are studied, but it will largely change how researchers measure and proxy them. For instance, 'financial inclusion' will move from being proxied as the number of ATM channels or bank branches in a given land area to the number of ATM users and their level of use within a given land area, while in the same light, personal empowerment may cease to be measured as actual cash worth of an individual but as his/her level of social inclusion due to a given level of 'cash-worth'. This is because pragmatism changes the world view to a practical implication stance in which the disclosure of for instance 'newsworthy items' in annual reports should be elevated above general information disclosure (Sunder, 2011).

Therefore, in the light of this paradigm shift, for the 'indexing' of accounting disclosure as a research tool in disclosure research should not be used as a dichotomous or un-weighted variable, because the language of disclosure with respect to the use of numbers and or words will transmit different levels of signal

to the market and accounting ‘*mega-observers*’. Since there are hard and soft disclosure items and there are also newsworthy items and general information disclosure items (Sunder, 2011), then a disclosure ratings matrix could be created to weight items of disclosure on a five (5) point Likert scale to reflect their informativeness and strength of signal in the annual report.

Figure 1: Accounting Disclosure weighting Matrix



The different types of disclosure based on the above disclosure matrix should be weighted differently according to the extent to which its signal can influence users of annual reports disclosures in decision-making. None disclosure should be weighted as zero (0) and the other levels of disclosure from 1 to 4. This method provides a pragmatic approach weighting disclosure that focuses on weighting each disclosure item based on its signaling strength taking into account its hardness or softness.

A shift to a pragmatic world view in accounting disclosure research will also engender a change in methodology from purely quantitative approach to a mix of quantitative and qualitative research designs (mixed method design), because pragmatism is not naïvely objective but follows a constructivist approach to truth. And since pragmatism does not narrow its methods of inquiry to a set of unique unchangeable approach like positivism does (Tuli, 2010), then it becomes possible for the social human behaviour aspect of accounting practice to be extensively modeled into disclosure accounting research design and theory development. This means that research data analysis will generally depend on

which methodology and method fits and are more suitable in a particular situation (Tuli, 2010).

Even though the pragmatic paradigm is largely non-theoretical, it however does not mean that theories that have already been popularized in disclosure accounting literature like agency theory, stakeholders theory, legitimacy theory etc. cannot be used to present a narrative of the relationship being investigated or for hypothesis testing. Given that hardly can we find any theory that exclusively and precisely expounds given occurrences against as explained by any other theories, then the relative explanatory power of each theory should be relied upon to choose from among these theories the most appropriate to use in underpinning specific disclosure research.

The impetus driving the philosophy of accounting research and particularly disclosure accounting research towards becoming multi-paradigmatic are based on the following salient points:

- i. Since accounting disclosure is aimed as satisfying financial statements users, pragmatism is a utility driven philosophical stance.
- ii. Flexibility in methodology, driven the need to acquire knowledge for practical useful purposes and not merely for prescription or description.
- iii. Truth is relative and changes, while the notion of truth in positivism and interpretivism stays static, pragmatism exhibits dynamism that could extensively capture and account for human behaviour in accounting disclosure research.
- iv. Pragmatism emphasizes empiricism and evidence and yet may at the same time be principle guided thus it represents a middle-ground between the two major philosophical stances in disclosure research.

Despite the recent wide acceptance of pragmatism, it should be noted that there are criticism of its usefulness in underpinning accounting research especially where the objective is theory testing (Modell, 2009). Davila and Oyon (2008) and Modell (2009) are already leading the way in promoting pragmatism through the use of mixed methods in financial disclosure research and social science in general. While Petruk et al (2013) is of the view that in the face of increasing globalization and the drive for the harmonization of accounting standards, accounting research is expected to become more multi-paradigmatic, thus paradigm akin to pragmatism should contribute to accounting research.

Implication for Theory and Method in Accounting Research

Pragmatic research philosophy is generally considered to be methodologically anchored by mixed method research design with little or no fixed subscription to any specific theoretical underpinning. Mixed method design sometimes may combine methods and or theories which are presumed to be conventionally not compatible (Descombe, 2010). Therefore the major methodological implication for a shift to a cross-paradigm research philosophy like pragmatism is the almost inevitable contemporaneous need for mixed method research design as its auxiliary constituent.

Mixed Methods Research (MMR) design on the other hand is anchored on basically three main features that sets differentiate it from other research designs. Descombe (2010) identified them as;

- i. the combined use of both qualitative and quantitative within a single research project,
- ii. triangulation, that is, it is keenly focused on linking multiple approaches and finally,
- iii. It is problem-driven, that is, emphasizes the use of practical approach to addressing research problems.

The key strength and argument in favour of the use of MMR is that it is grounded in the use of triangulation which often results in validating the accuracy of findings, moderation of bias and development of suitable research instruments (Descombe, 2010).

Even though, MMR has attracted serious interest and attention from accounting researchers in recent times due to its capacity for providing deeper analysis, construct, internal and external validity, it has simultaneously drawn strong criticism, especially with respect to the use of triangulation to straddle between methods and theories that are known to be rooted in different philosophical paradigms (Modell, 2009). MMR underpinned by pragmatism has undergone serious epistemological and ontological criticism. However, it has persisted as a valid and very useful research design.

Further to methodological implications, the theoretical implications for a paradigm shift to pragmatism are far reaching. Generally, pragmatism is assumed to be '*atheoretical*'. Which implies that, rather than always trying to confirm or test a theory from a specific perspective, it might as well be exploratory. Bryman (2006) and a number of other researchers have argued that, theories are not

indivisibly tied to paradigms. Therefore exporting, importing or combining theories across paradigms may not amount to a dysfunctional contraption as critics have suggested in their view. In fact, Modell (2009) described how Hoque and Hopper (1994; 1997) have benefited from theoretical triangulation in extending the established theory, achieving higher context-sensitive analysis and describing complex interplay between causal powers.

Pragmatism may have far-reaching methodological and theoretical implications which have been extensively documented in social science research literature. Notwithstanding the intricacies and the demerits associated with triangulation which is at the core of MMR, pragmatism as a research paradigm has been successful in yielding deeper insight in accounting research.

Conclusion

This study from the onset set its objective to contribute to the growing body of literature in accounting disclosure reporting and make a case for pragmatism as a useful philosophical paradigm for accounting disclosure research. The study questioned the efficacy of the current dominant frameworks in accounting research in providing sufficient philosophical grounding for accounting research and by extension the needs of accounting standards setting and practice. Through exploratory syntheses, we have seen that both interpretivism and positivism have significant weaknesses in adequately capturing particularly the aspects of human behaviour in accounting practice for accounting research purposes. Because while positivism tries to detach itself from subject of the research, interpretivism enmesh itself in the subject of research to point of being bias leading to conflicting result on the same topic from different researchers. Therefore this paper has argued that the popularization of pragmatism as an accounting research paradigm can bring new insights to accounting researchers by altering the way accounting researchers perceive phenomena; this can lead to an expansion in the research field. Particularly, with respect the accounting disclosure research, the paper has suggested the use of a four way matrix for weighting disclosure items based on hard versus soft disclosure and news versus general disclosure as a pragmatic approach to capturing the signaling strength each individual disclosure item. There are unending number of factors that will continue to reshape disclosure and financial reporting practices and it is evident that some of these factors will endure and defy lasting solutions based known research paradigms. Thus it is pertinent to continue to reinvent the approach to addressing research problems in a continuum.

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Appendix 1

Table 1: Fundamental Beliefs of Research Paradigms in Social Sciences

| Fundamental Beliefs | Research Paradigms | | | |
|---|--|---|---|---|
| | Positivism (Naïve realism) | Post-positivism (critical realism) | Interpretivism (constructivism) | Pragmatism |
| Ontology: the position on the nature of reality | External, objective and independent of social actors | Objective. Exist independently of human thoughts and beliefs or knowledge of their existence, but is interpreted through social conditioning (critical realist) | Socially constructed, subjective, may change, multiple | External, multiple, view chosen to best achieve an answer to the research question |
| Epistemology: the view on what constitutes acceptable knowledge | Only observable phenomena can provide credible data, facts. Focus on causality and law-like generalizations, reducing phenomena to simplest elements | Only observable phenomena can provide credible data, facts. Focus on explaining within a context or contexts | Subjective meanings and social phenomena. Focus upon the details of situation, the reality behind these details, subjective meanings and motivating actions | Either or both observable phenomena and subjective meanings can provide acceptable knowledge dependent upon the research question. Focus on practical |

| | | | | |
|---|---|--|--|---|
| | | | | applied research, integrating different perspectives to help interpret the data |
| Axiology: the role of values in research and the researcher's stance | Value-free and etic Research is undertaken in a value-free way, the researcher is independent of the data and maintains an objective stance | Value-laden and etic Research is value laden; the researcher is biased by world views, cultural experiences and upbringing | Value-bond and etic Research is value bond, the researcher is part of what is being researched, cannot be separated and so will be subjective | Value-bond and etic emic Values play a large role in interpreting the results, the researcher adopting both objective and subjective points of view |
| Research Methodology: the model behind the research process | Quantitative, experimental/manipulative, uses hypothesis testing, variable identification before investigation, empirical testing is conducted in order to establish the truth of a proposition, analysis by variables. | Quantitative or qualitative Modified experimental/manipulative, hypothesis testing but more emphasis on context, analysis by variables. | Qualitative, empathetic interaction, investigator interacts with the object of investigation, each construction of reality is investigated in its own right and interpreted by investigator, analysis by case. | Quantitative and qualitative (mixed or multi-method design) |
| Based on Saunders et al.(2009, p.119), Guba and Lincoln (2005), and Hallebone and Priest (2009) | | | | |

Source: Wahyuni (2012) and Lor (2012)

Appendix 2

Table 2: Philosophical Paradigms and Research Approaches/ Strategies

| Philosophical Paradigms and Research Approach / Strategies | | | | |
|---|---|--|---|--------------------------------------|
| Purpose | Exploratory | Descriptive | Explanatory | |
| | Experimental (Quantitative) | Non-experimental Longitudinal (Qualitative) | Non-experimental Qualitative/Quantitative | Cross-sectional Quantitative |
| | Field Experiment, Laboratory Experiment | Grounded theory, Ethnography, Case study, Hermeneutics, Biography etc. | Mixed Approaches / Strategies | Quantitative Field & non-field Based |
| Ontology | Objectivism | Subjectivism (Construction) | Objectivism | Objectivism |
| Epistemology | Positivism | Interpretivism | Pragmatism | Positivism |
| Data analysis Techniques | Statistical analysis | Thematic and Content analysis | Mixed methods | Statistical analysis |
| Data Collection tools | survey questionnaire, interview survey, secondary/archival data, test & measurement seminar / focus group research method, direct observation / participation | | | |

Source: Adapted from Olalere (2011)

Appendix 3

Table2: Schematic Representation of Theories in General

| Theory Descriptive or prescriptive (positive vs. normative) | |
|---|---|
| Reasoning 1. Deduction (Is it logically sound?) | Language 1. Syntactics (What are the rules?) 2. Semantics (What does it mean?) 3. Pragmatics (What effect will it have) |
| 2. Induction (What evidence is there?) | |
| | |

Source: Hendriksen& Van Breda (1992:19)