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Understanding accounting as a social and institutional practice: Possible exist of accounting sciences from the crisis

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Abstract

This research shows how accounting perspectives have changed in response to the present business climate for companies competing in global markets. To advance the field of accounting, outside forces (such as corporate scandals and financial crises) must be taken into consideration. It is stressed how important it is to demonstrate the scientific foundation of accounting. Accounting ideas about data networks are being disregarded in favour of deep learning, which is gradually displacing accounting. In light of sociology's emphasis on finding solutions to social problems and offering a more complete social context, the study's overarching goal is to confirm accounting's scientific significance and encourage its continued expansion. Accounting goals are adjusted as a result of the elements discovered in relation to the construction of various models, which provide the theoretical basis of this work. The assertion is made that accounting is a social science that studies the cultural and organisational aspects of financial reporting and how it functions. Improving one's knowledge of accounting science is another possible solution to the present problem. Accounting as sociology is not well-known among Ukrainian academics, and this article explores why and how this could change. Accounting, a tool for depicting the economics of a business, is, on the one hand, a product of society. On the other side, accounting, as a separate socio-economic institution, affects the building of society and culture through its role as a tool for organising social relationships.

Keywords: Accounting sciences, possible exist, social and institutional practice

1. Introduction

Accounting needs to be transformed in the twenty-first century due to financial systems, the widespread use of equipment and related technologies, the emergence of socioeconomic externalized costs, and the growing importance of intangible assets in market valuation. The need for a fresh approach to accounting has been emphasised by scientists (Shortridge & Smith, 2009) ^[19]. Accounting has been the subject of both praise and criticism throughout the years. Some see it as a complex system that has developed in reaction to the needs of businesses and governments, while others believe it is unable to keep up with the ever-changing demands of global markets (Hopwood, 2007) ^[6]. Therefore, it can and should not perform its tasks by laying a scientific foundation. Accounting is facing widespread public distrust and concerns about the reliability of financial statements, but experts in related fields are predicting that AI-based information systems will eventually replace it. This further proves accounting's scientific inferiority. As an example, prominent American futurologist and scientist Michio Kaku foresees the demise of accountants and other meaningless middle-class jobs (Kayne & Baer, 2017) ^[9].

Academic credibility in accounting is critical for the field's continued growth and explanation of social scientific endeavours; this is essential for integrating accounting practice into larger societal challenges and contexts. Accounting as an organizational and cultural norm. These studies examine accounting from a broad perspective, delving into the many social and business contexts that call for accounting techniques. In contrast to previous attempts to assert that accounting processes do not exist in a "natural" or "repaired" universe, the aforementioned study shows that accounting is best understood as a dynamic, socially constructed industry.

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Consequently, it ought to be attempted to implement, and it is also true that there is a fixed configuration of procedures that typically comprise the manner in which business is

conducted (Potter, 2005)^[17]. Accounting practices in certain organisational contexts are often seen as having personal, business, and social ramifications (McSweeney, 2000)^[16].

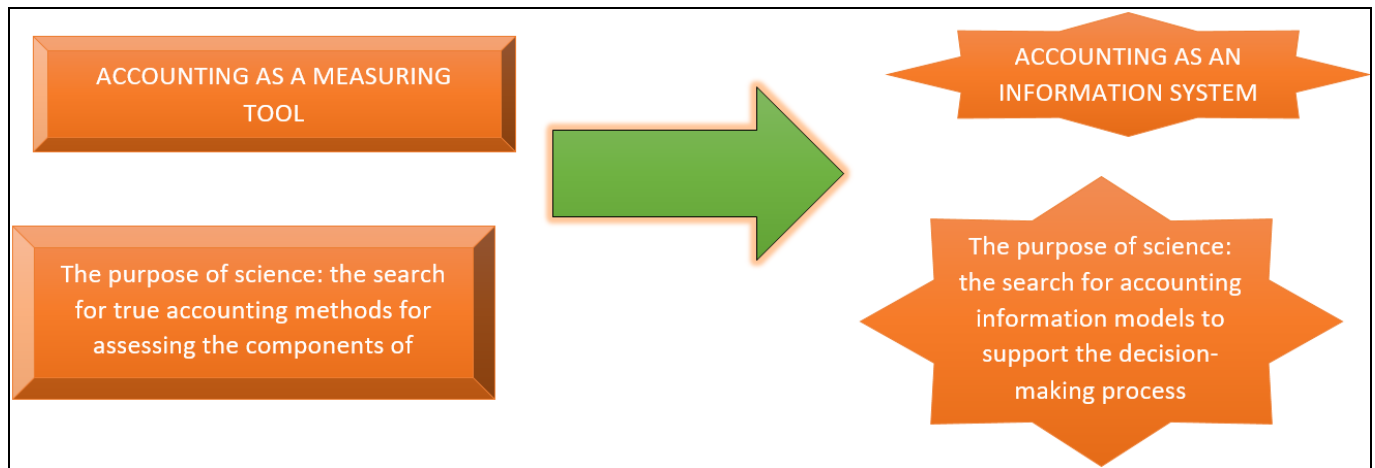
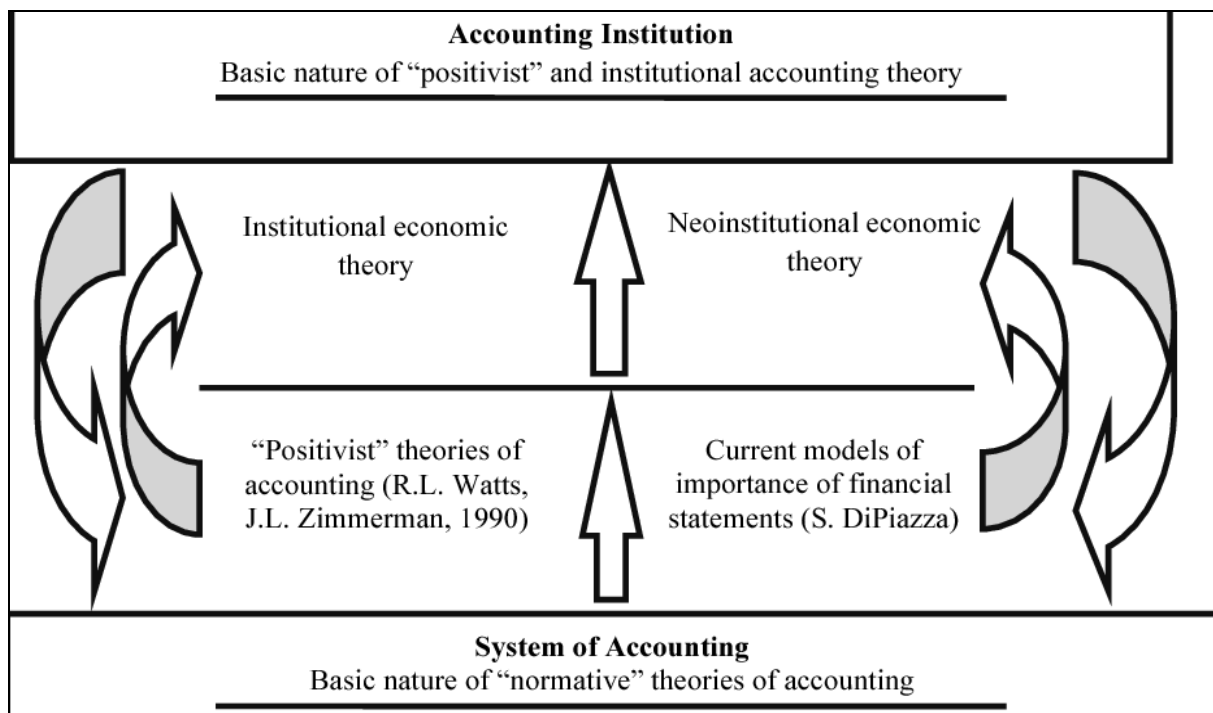


Fig 1: “Changing the purpose of the “accounting science”: a traditional approach”

As a means to impact the functioning of organizations and societies, accounting has been the subject of much study from a social and institutional viewpoint. According to this point of view, accounting is no longer a suitable technical profession as it discloses abstract concepts rather than concrete facts about a business (McSweeney, 2000)^[16]. Using historical data, institutional theory traces the objectives and processes of regulation and function from the pre-modern economic system to the present-day market

reforms. It delves into the engineering dynamics of accounting imperialism, classifies it, outlines its numerous stages, and discusses its inner activities, problems, judgment, and proactive preventative measures. Accounting information technology practice sets up the main distribution of data and numerical records that derail the whole regulatory accounting process, which is also called accounting theory in institutions.



Accounting theory and practice suffer from irrationality, misquotation, and incompleteness in accountants' assertions, analyses, and research. The application of accounting theory is impeded by inconsistencies. Because of this new comparison, accounting development science is all the rage now. An economic position has become a global business because of this. Accounting in the capitalist market has benefitted from corporate judgment and the market itself.

2. Research Methodology

In qualitative research, the interviewer iterated on the questionnaire form according to respondents' feedback. Whenever it was convenient for the participants, we met in person or used Zoom, a video conferencing tool, to conduct each interview. Every session lasted about thirty minutes. The recruitment process made use of sampling and deliberate sampling. The researchers recruited volunteers

using the social networks of two research assistants, and then asked each participant to propose to additional participants until the form was filled up. Among the most important factors to think about while choosing a qualitative research method. One hundred fifty consumers, with ages spanning twenty-four to sixty-two, were polled.

An interview is a great way to get in-depth knowledge about a subject from a person who is both open-minded and creative. Eliciting additional information about a respondent's thoughts, feelings, and viewpoints is the goal of in-depth interviews, a qualitative research approach. To gather information, in-depth interviews were conducted. When doing a phenomenology study, the in-depth interview is by far the most common method. About thirty minutes elapsed for each interview. Every conversation was verbal and meticulously recorded in order to get accurate results. Data quality was enhanced and transcript quality was guaranteed by a qualified transcribing provider. Data analysis was conducted using the phenomenological reduction (Mason, 2017) [15]. Primary and secondary sources are both used to compile the data. After the initial data was carefully examined, secondary data was gathered from various sources such as existing literature, institutions, and internet databases. Using a modest framework, qualitative interviews are conducted to gather primary data.

2.1 Data collection

To conduct this research, qualitative interviews were used. To conduct the qualitative analysis, we interviewed participants and combed through academic journals, websites, and dissertations for relevant data. It is thought that these data sources are easier to utilize and more efficient. Additionally, less concentration and effort is required for data collecting. Researchers need to be able to spot facts, understand underlying difficulties, and discover solutions to research questions, all of which need accurate and suitable data collection. In order to back up his assertion, Mason (2017) [15] refers to many sources.

By analysing relevant research publications, the "literature review for secondary data collection" reveals useful datasets. The researcher also makes use of JSOR, Sci-Hub, Science Direct, and Google Scholar as additional databases. Appropriate information has been located by a variety of online resources by way of long-term planning, company consequences, airline response, personnel management difficulties, salary freezes, and pay freezes. The qualitative approach will allow for the development of supplementary, initiating, progressive, and extending research methodologies. Identity enquiries grounded on historical facts, including assertions about accounting and cultural and organisational activities, will carry out the study.

In order to keep the study focused on current issues, recent publications have been consulted; so, works published between 2015 and 2021 will be reviewed. Because it will provide the researcher the highest significant number of samples, convenience sampling will be used to pick pieces. Consequently, a more generic solution to the issue will be achieved. The necessary items will be easily available and cost-effective with this example plan.

For this reason, around 300 articles will be chosen while strictly following the criteria for selecting keywords. We anticipate that the complete data collection process will take around two to three weeks, during which time we will extract the necessary information from the aforementioned

publications.

2.2 Methods of Data collection

Away is a collection of processes used in a certain field, according to Kumar (2018) [13]. In this study, content analysis was used to accomplish the research criteria. The depth of qualitative data may be explored via content research, which is defined by Drisko and Maschi (2016) [1]. Descriptive research has the ability to measure and evaluate the presence, significance, and relationships of certain topics, ideas, or keywords. The research articles for the "literature review" were located using secondary data culled from many reputable sources. The investigator also made use of academic journals, research databases, and scholarly articles.

Data pertaining to various sites and publications was retrieved using the following keywords: strategic planning, economic ramifications, airline reaction, talent management concerns, pay freezes, and wage freezes. Due to the qualitative nature of the data collection process, additional analytic approaches were used. Conversation analysis was used to the data collected from many publications. They profited from this kind of analysis since it helped them understand the purpose of their studies, the significance of their investigations, and the proof that they had done some study. An additional method of discourse analysis has been developed, which entails outlining the research objectives of a study, then the settings in which it was built, and lastly the information that is now accessible. The item will be categorized once its architectural characteristics have been studied via the evaluation of people's comments.

3. Results and Discussion

Another reason to study accounting basics is the importance of accounting in a social setting. This is due to the fact that a group of researchers is currently attempting to link accounting to the global economic collapse (Horvat & Koroec, 2015) [7], which suggests that the role of accounting in contemporary society needs to be reevaluated. This is despite the fact that accounting and its components (fair value assessment, off-balance-sheet finance, accounting system) not only provide an unbiased portrayal of reality but also aid in the prevention of fraud (Lev, 2003) [14].

But they also play a vital part in shaping people's perceptions of the world. These days, people think of accounting as a collection of practices that change depending on the kind of world we live in, the kind of society we live in, the choices that people and businesses have, the ways in which we manage many different kinds of operations and treatments, and the way we manage other people's lives. The existence of accounting was first acknowledged in relation to certain individuals or groups requesting accounting data for the benefit of human progress. Since accounting investigates these events, we were able to discuss whether or not accounting should be regarded as a social science. It controls the company's bottom line because of this. Consumers and businesses are impacted in their decision-making processes by the scientific method, which depicts and develops a new social reality. Using accounting principles provides a "financial lens" through which an organization's and individuals' activities and results may be better understood, according to Potter (2005) [17]. Therefore, individuals, groups, and society may all be regulated using these approaches.

The capacity of accounting to give action alternatives in communities and businesses led to its rise to prominence as a model for organizational and social structure management in a variety of contexts. Accounting enables them to alter and adjust for social interactions and impact the viewpoints of individual entities and businesses, as opposed to people and enterprises using accounting information. Accounting as a field must to include these interpersonal ties as well. Within this broader framework of accounting knowledge, researchers need to construct and refine theoretical explanations of modern accounting practice as distinct cultural and social phenomena that both cause and result from human connections.

The author concludes that, while studying the accounting system's role in mediating sociological components in the firm, their interest is not in the accounting system alone but in the whole organizational structure as a social institution. Rather than focusing on building an ideal chart of accounts, our goal in system design should be to build a system that produces criteria within its operational context. Financial accounting is dependent on analysing patterns in user needs and future adjustments, therefore understanding accountancy as a social science requires taking an external factor into consideration.

Separation of business and family life and closely related financial accounts are, in Weber's view, essential to the modern logical framework of a capitalist corporation. Accounting, according to Weber, is a social science. By stressing the importance of accounting in a capitalist society, the author aimed to convey the interdependence between accounting standards, practices, and unrestrained capitalist social ideals. Based on this approach, a thorough accounting system should take into consideration the influence it has on the existing social system (people and organizations) and how it depends on values generated in the social setting.

All of the foregoing points to accounting being best understood as a social science; nevertheless, a survey of current studies showed that Ukrainian researchers do not hold this position. The present state of affairs may be explained by the following factors: Transforming basic accounting principles and supplementary theories and ideas on top of them is difficult and may cause not only resistance to the strategy but also intentional rejection from the scientific community and society at large when trying to change people's views of accounting. According to Walker (2016)^[22], "Making a research approach that interweaves secretarial with the social constitutes a significant task" while discussing this subject.

Even if the national accounting system has been standardised and harmonized, accounting research nevertheless carries the weight of Soviet past in domestic study. Consequently, there has been less study on how users and organizations in Ukraine make use of accounting data in relation to professional judgment, transactions, and accounts, despite the system's lengthy history of usage. Among domestic studies in this area, there are a few of academics who are trying to delve more into these ideas. Concerns about the influence of accountants' professional judgement on the decisions made by those who use accounting information were the primary area of attention for Yukhymenko Nazaruk (2017)^[23].

It is worth noting that professionals in Ukraine have shown little interest in studying the debate over the significance of

a social and behavioral emphasis on accounting growth, which is likely related to the local financial sector's economic stagnation delve into the topic of preconceived notions as a sociocultural trend, their influence on just receivers' misguided belief of accounting information, the basic assumptions that underpin behaviorism (financial reporting) theory of accounting, and the impact on domestic accounting scientific knowledge. It seems like the work of a few Ukrainian scientists introduces the idea of accounting and social reporting, but their understanding of accounting as a social science is often limited to financial reporting and conventional techniques like reflective thinking about social projects and a company's current socially responsible behavior. One component of the venture's social or cultural capital is the development of standards for integrated thinking, which has led to a recent upsurge in interest in this area of study ("The International Accounting Standards Board, Incorporated Reporting, Sustainable development Reporting Requirements," etc.).

Simultaneously, scholars focus on the order in which reporting and accounting depict certain communal indicators and socially important corporate activities, ignoring the question of accounting's impact on the expansion of the outer social environment. As an example of the worries about implementing the new reporting concept within the framework of organizational reform in Ukraine, consider the study of attempting to measure and forecast the potential risks of economic, social, and ecological discourses about product lines and culture through metrics of knowledge management (2017).

It is possible that organizational procedures imposed by regulators and commercial ties have contributed to the rapid use of digital accounting technology among SMEs in the last few years. Future innovation and quick acceptance will be influenced by crucial aspects, such as the emerging demands for billing, monitoring, and data transmission by organizations, huge enterprises, and governments. Additionally, as previously mentioned, it is possible to discern evident signs of coercive and mimetic effects. Past research suggests that economic factors, copycat and authoritarian practices, and other external institutional influences impact the subsequent spread of computerized accounting methods. But during the research period, neither harmonization nor legitimacy showed any signs of having materialized. Wasaensia Acta 40 For the simple reason that the adoption of digital accounting methods is moving at a snail's pace, and the causes working to slow it down have been more influential than those working to speed it up. Realizing the full potential of digital accounting systems requires a certain level of critical mass in terms of both research and data flows, which might be a hurdle to overcome. It is said that information accounting technologies must operate as cross-systems with high network interrelatedness in order to fulfill the needs of the supply side. Accounting firms will not be able to obtain or accept current technology from their business partners, thus they will not be able to apply it. Small and medium-sized accounting firms and their business partners are laser-focused on what they do best and have limited resources. There seems to be a barrier to the worldwide adoption of digital accounting methods in international commerce due to preexisting differences in laws, cultures, and traditions.

The accounting system, like a tax system, is planned and managed by individuals, who are either members of the

company at the enterprise level or elected members of the accounting system (Gullkvist, 2011) ^[5]. The success or failure of the accounting system depends on how these individuals interact with other members of the community. Accounting is best understood as a tool for depicting the economics of a business. Accounting has its own autonomous socioeconomic organization, and that instrument might be used to shape social structures by molding social relationships and processes. An examination of the agency problem in accounting, which presupposes the aesthetic of moral hazard and moral hazard instances, demonstrates that the method of developing accounting data - specifically, by trying to implement an accounting rule - has a blatantly political undercurrent since it safeguards the interests of certain groups while simultaneously going against the self-interest of others. The domestic assets market (Especially the stock industry) is not yet developed enough to influence how customers perceive the findings of such studies, and the financial reporting science establishment in Ukraine lacks the motivation, resources, and history to attempt to conduct such research. Consequently, this area of accounting advancement is still in its early stages in Ukraine. This in no way implies that research in this field is relevant or even necessary in modern-day Ukraine (Walker 2016) ^[22].

4. Conclusion

In light of the fact that accounting must be proven to be scientifically valid within the framework of the changing financial reporting game, it is essential to view it as a social constraint that examines the characteristics of accounting's functioning as a social and institutional practice. This is an innovative approach for the accounting science institution in Ukraine to take. For the sake of the organization's management and its operational goals, as well as its scientific nature, accounting must be seen as a system of principles, rules, laws, and theories. Accounting is important, first and foremost, for management decision-making, but it is also a discipline that studies how different social groups and individuals use and are impacted by accounting data. On the one hand, accounting is a byproduct of society, and on the other, it influences how that society develops its output. On the other hand, it may serve as a model for how theoretical accounting research might outpace practical accounting, so bolstering accounting's position as a separate social and institutional field. For instance, accounting is used to accomplish political goals in a hybrid battle.

So, it's critical to look at how accounting data relates to the decisions made by political power subjects. As a result of accounting, the ruling class is able to use an information role to justify starting or continuing a military conflict. During armed meetings, they may exert influence over the topic and even change the sequence of military operations. Now that accounting is officially a social science, it is both possible and necessary to conduct critical, interpretative, and behavioural research to further the field. Their focus should be on the following: the entities tasked with developing a regulatory framework for accounting (laws, guidelines, instructions), the subjects responsible for maintaining and organizing accounting within an enterprise (management, accountants), the endeavours to make accounting decisions (accounting choice), and the points of transition.

All things considered, this will pave the way for a deeper comprehension of the inner workings of contemporary accounting systems, as well as a better grasp of the intricate issues surrounding financial reporting and, finally, recommendations for how to address these issues while keeping accounting's intended function in mind.

All three are related to accounting

Accounting as a methodology, accounting reasoning's, and accounting itself. Since then, the processes by which accounting changes in certain contexts have become more clear. Conventional or "formal" accounting interpretations, which are usually based on ideas of development or advancement, are difficult to disprove. To help academics in their future studies on accounting reform, a comprehensive theme framework was also developed using insights from this literature. Three important areas of the accounting transformation -institutions, experts, and international episodes - may be approached using this paradigm. It is important to proceed cautiously with such endeavours, as with other research methodologies, even when there are interesting and valuable study issues. Three important considerations should be made. To begin, a subjective and holistic approach is usually used in interpretive and critical specific instance research that takes organizational and cultural viewpoints into account. The investigator has to be on high alert all the time to look for different local, moment-to-moment factors that might affect the event or topic being studied. Differentiating between them would be challenging. Second, the researcher will have to depend on feasibility, probability, and appraised believability to get an answer since there is seldom going to be a single, general rationale for the specific occurrence or event being investigated. So, many historians may draw different - and even conflicting - conclusions from the same historical sources. Lastly, the subject of generalizing the results arises, as it does in almost every study endeavour. Accounting is an important social and institutional activity in this crucially analytical field that helps us understand the factors driving different aspects of development.

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