Editorial

Ivory Towers and Legal Powers: Attitudes and Behaviour of Town and Gown to the Accounting Research-Practice Gap

Janek Ratnatunga*

Abstract

This paper explores the perceived gap between accounting research and practice, by determining both 'attitudinally' and 'behaviourally' if accounting research: (1) has failed to lead practice in contrast to medical research; (2) lacks innovation; (3) has failed to arrive at solutions to the fundamental issues in accounting practice; and (4) has no demand outside of the university context.

The results of five interrelated studies presented in this paper support the overall finding of an ever growing gap, especially in financial accounting and auditing. This is in stark contrast to the healthy relationship found between academia and practice in the medical profession. The gap appears to be less in management accounting.

Steps provided to bridge the gap are that accounting academics should (1) be rewarded for writing case studies; (2) be recognised for writing in professional journals; (3) be encouraged by universities to do more consulting-based research; and (4) be provided opportunities to engage more with practitioners.

Keywords:
Accounting Research-Practice Gap
Impact of Accounting Research
Attitudinal vs. Behavioural Research
Management Accounting Research
Financial Accounting Research
Auditing Research

*University of South Australia

Introduction

Calls to tie accounting research more closely to practice have been evident in the literature for at least the past 50 years. Sterling (1973) noted the tension at the interface of research and practice in the 1970s. This was as a result of accounting striving for recognition as a 'profession' rather than a 'trade'; and therefore as a legitimate academic discipline within universities. Prior to the 1970s, when accounting was first introduced as an academic pursuit, the focus was largely on the combination of academic and practice careers and addressing research issues that were, in the main, applied and practical in nature (Bricker and Previts, 1990). For example, inflation was a significant concern in the 1960s and academic publications of the time gave us numerous 'inflation accounting' approaches. Leading academic journals such as *The Accounting Review* published papers that solved such contemporary practical issues (see Chambers, 1967). In fact, Ray Chambers, whose research is widely acknowledged as leading the way in promoting accounting as a university discipline, focused on improving the practice of accounting by exposing the unsystematic practices of conventional accounting and the unserviceability of its product. Strengthening the necessary relationship between practice, research and education was the dominant and consistent theme in Chambers' work. His research output was voluminous; numbering over 230 articles and a dozen major books and monographs (Clarke and Dean, 1995). None of these papers, unfortunately, would have found a home in the leading current North American academic journals had they been submitted today. So what happened in the last 50 years? To answer this question, we first need to understand the methods (or 'means') and outcomes (or 'ends') of accounting research.

Accounting Research

Accounting research can be classified using a framework as depicted in Figure 1. On the X-axis are the independent research approaches (i.e. 'means' or 'methods' of doing research) undertaken by both academic and practitioner researchers. Academic researchers tend to, by and large, delve in 'theoretical' research (via logically analysing a very *broad* issue) or 'empirical' research (via asking others for their

attitudes or behaviour regarding a certain *broad* issue). Practitioner researchers tend to undertake 'practical' research (via gathering information on a very *narrow* issue) or 'empirical' research (via asking others for their attitudes or behaviour regarding a certain very *narrow* issue).

The outcomes (or 'ends') are depicted on the dependant Y-axis. These tend to be *Descriptive* (how the world is); *Prescriptive* (how the world should be); or *Adoptive* (how the world can be changed or has changed).

Figure 1: The Framework of Accounting Research

Adoptive	Experimenting	Implementing	Revising
Prescriptive	Forecasting	Recommending	Synthesising
Descriptive	Conceptualising	Gathering	Generalising
	Theoretical	***Practical***	***Empirical***

In *theoretical research*, a description of the world is *conceptualised* by the researcher via his/her observations and view of the world (these descriptions could be qualitative or mathematical). From such conceptualisations, the theorist will deduce a normative *forecast* of how the world should be (much like Higgs forecasting the existence of the boson).[1] To test this forecast, the theorist will undertake an *experiment* to change our view of the world (like the Large Hadron Collider was constructed to prove the existence of the Higgs boson).

A practical researcher will be more interested in a narrow issue that more immediately affects his/her practice. Detailed data will be *gathered* (usually from secondary sources) to describe current practices relating to the issue at hand. From this will flow prescriptive *recommendations* as to what actions should be taken; and then these will be adopted via *implementation*.

The empirical researcher tends to draw *generalisations* in describing a 'broad' (academic) or narrow (practitioner) issue by obtaining the views of others via survey-based (quantitative) or case-study based (qualitative) questions. Normative empirical data may also be collected for *synthesising* current views about how the world should be (e.g. Delphi studies that synthesise the collective views of economists about future interest rate movements would fall into this category of research). Often such normative prescriptions that are obtained via synthesis lead to policy directives (e.g. a base-interest rate revision by a Central bank). After these policies are adopted, the empiricist will revisit the issue, and collect data as to the changes in the world-view of the respondents, and then *revise* the generalisations made in order to describe this new adaptive world.

In this study, we will focus on *academic* accounting research, which over the last 50-years has mainly concentrated on producing *generalisable* descriptive empirical research; or *revisions* to such generalisations. Let us now analyse why this is so.

[1] The Higgs Boson is a theoretical particle which has been deduced as a result of the Standard Model of particle physics.

Significant change started occurring in accounting research in the 1970s when there was a drive to make business schools and the accounting academy more 'scientific' and therefore reputable as an academic discipline that could reside alongside other university 'professions' such as medicine (Bennis and O'Toole, 2005; Whitley, 1986; Parker, et al, 2011). As such, North American universities started recruiting PhD trained faculty with a strong grounding in quantitative research methods. This resulted in a the growth of new academic accounting journals worldwide, especially those set in the mould of leading accounting journals in North America. Increasingly since the 1970s, these journals had become mainly quantitative, predominantly grounded in economics, and with greater focus on descriptive research with an emphasis on positivist research methods (see Figure 1).

In response to early tension between accounting theory and practice in the early 1970s, Sterling (1973) suggested that to improve the links between research and practice, educators should teach research results as the desired state and teach accepted practice as the current state. This call was largely ignored, and perceptions of a widening 'gap' continued. Academics were considered as elitist, living in their *ivory towers*, speaking with their own jargon; using complex mathematical formula, etc. The aim of the game was to publish at all costs, not to disseminate knowledge or improve practice. By doing this, Baxter (1988) claimed, academics shut out potential practitioner readers. Bricker and Previts (1990) however stated that practitioners are really not interested in academic research as they see it as a challenge or debate or threat to the status quo, which is grounded on the *legal powers* provided to the profession via legislation covering financial statements and audits. The view that has emerged is that practitioners often regard academic jargon as pretentious whereas academics suggest that when you have new ideas, new terminology appears; and that mathematical formulae are really useful because they are a form of shorthand and help clarity of thought (Baxter, 1988; Leisenring and Johnson, 1994; Bricker and Previts, 1990). In fact Bricker and Previts (1990) argued that, if accounting academics and practitioners are to achieve a common culture, such as that shared by practitioners and professors in other learned professional disciplines (such as medicine), the practitioner/professor education gap must be narrowed.

As a result of such views, in a controversial statement made by Demski, et al (1991) to the Research Director of the American Accounting Association, four specific issues were identified as leading to a crisis or 'market failure' in accounting research: (1) the failure of accounting research to lead practice (in contrast to fields such as medicine); (2) the lack of innovation in accounting research; (3) the failure to arrive at solutions to the fundamental issues in accounting despite decades of accounting research; and (4) the lack of demand for academics and academic research outside of the university context.

Despite the identification of these four fundamental issues, accounting research around the world continues to be characterised by these same issues even in the 2000s (see Reiter and Williams, 2002; Williams et al., 2006; Fogarty and Jonas, 2010) The AACSB (2007), the leading accrediting body of both business and accounting schools around the world stated that these schools continue to face criticism for "producing research that is too narrow, irrelevant, and impractical". This research study attempts to shed further insight into the four issues identified by Demski, et al (1991) and determine their relevance in twenty years later.

Research Study

Should accounting research improve accounting practice, rather than simply describing; understanding or critiquing current practice? There has been much 'attitudinal', comment with regards to this perceived 'gap'. Attitudes of leading journal editors and professors appear to indicate that accounting research, by focusing on peer-reviewed research at the expense of applied studies, has become insufficient; inefficient, pedestrian, lacking innovation and increasingly detached from practice and society (see, Bricker and Previts, 1990; Hopwood, 2008; Moehrle et al., 2009; AACSB, 2007; Baldvinsdottir, et al., 2010; Singleton-Green, 2010; Parker and Guthrie, 2010; Evans et al., 2010; Schiller, 2011).

Hopwood (2008) alludes to the medical field where researchers tend to simultaneously carry on at least a degree of practice. Hopwood (2008) suggests that such situations allow for the speedy transmission of problems from practice to research, and of solutions from research to practice. This is of a similar vein to the first issue raised by Demski, et al (1991) of the failure of accounting research to *lead* practice (in contrast to fields such as medicine). Although in the management accounting field, there has been some spectacular evidence of research leading practice, the same cannot be said of financial accounting and auditing. In management accounting, research innovations such as Life Cycle Costing; Target Costing; Backflush Costing; Activity Based Costing (ABC) and the Balanced Scorecard (BSC) have been cited as examples of research that has directly affected practice.[2]

Much of the literature quoted above is 'attitudinal' in contrast to 'behavioural'. This distinction can be summed up by contrasting "what people say" with "what people do" (very often quite different). The purpose of attitudinal research (what people say) is usually to understand, measure, or inform change of people's stated beliefs, which is why attitudinal research is used heavily in qualitative accounting research such as the literature presented above. Here, qualitative and quantitative research is undertaken, using questionnaire surveys and focus groups, in order to measure attitudes or collect self-reported data that can help track or discover important issues.

On the other end of the scale, methods that focus mostly on behaviour usually seek to understand "what people do" with minimal interference from the method itself. For example, although a survey of leading accounting journal editors may indicate that they perceive a 'gap' and would like to publish practice-related research that bridges it; the actual papers they publish in their journal may indicate contrasting behaviour that in reality increases the gap. Here, the contrast between the 'attitudes' of the journal editors and their actual 'behaviour" itself can be seen as perpetuating the gap.

Between these two extremes lie mixed-methods; research that utilizes a mixture of self-reported and behavioural data, and can move toward either end of this scale, though leaning more toward the behavioural side is generally recommended. This is demonstrated in Figure 2.

Based on Figure 2, this study uses attitudinal, behavioural and mixed methods to raise research questions based on the four issues raised by Demski, et al (1991) that they believe has resulted in the 'gap'. The questions are as follows:

Research Question 1: Has accounting research failed to lead practice? Does medical research lead medical practice?

Research Question 2: Is there a lack of innovation in accounting research?

Research Question 3: Has accounting research failed to arrive at solutions to the fundamental issues in accounting practice despite five decades of accounting research?

Research Question 4: Is there a lack of demand for academics and academic research outside of the university context?

To answer these four questions the following attitudinal, behavioural and mixed studies were conducted:

Study 1- Attitudinal: A sample of accounting academics was asked for perceptions as to the existence of a 'gap' between accounting research and practice, why it has arisen, and suggestions as to how to bridge it.

Study 2- Mixed: A sample of accountants in industry and professional practice was asked as to the extent of knowledge of the existence of accounting research and its usefulness to them in the practice of their profession (a similar study was conducted with medical practitioners).

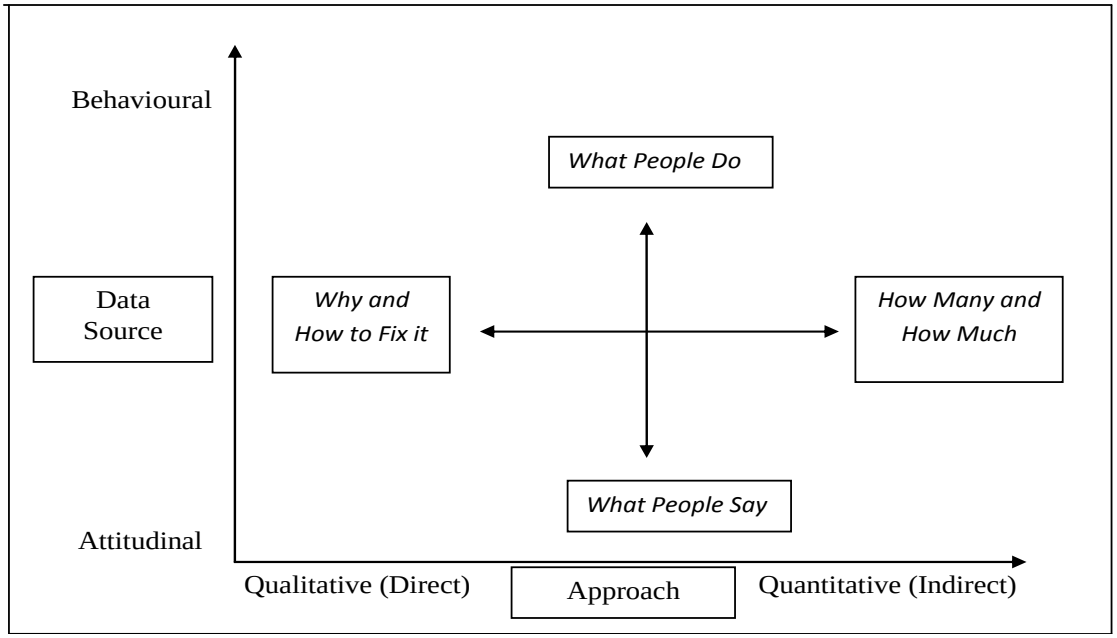
[2] There is debate as to which came first. There are counter arguments that these techniques were developed in practice first, and academics who stumbled upon them merely promoted these by publishing such as their own ideas in more professional journals such as the *Harvard Business Review (HBR).* The HBR is not considered a high ranking academic journal in most universities for academic promotion purposes.

Study 3- Mixed: A sample of accounting academics were asked as to the number of times they had been approached by industry as a result of their research.

Study 4- Behavioural: The number of times academic accounting research was cited in Accounting and auditing practice handbooks was counted as a measure of actual impact of research on practice in financial accounting and auditing.

Study 5- Behavioural: The number of times practice related articles appeared in leading management accounting academic journals was counted as a measure of actual impact of research on management accounting.

Figure 2: Data Source vs. Approach



Study 1: Accounting Academics' Perceptions as to the 'Gap' between Accounting Research and Practice

In the April 2011, questionnaires were emailed to a selected sample of 1,200 accounting academics in leading research universities in USA, Australia and the United Kingdom. The email addresses were obtained from university websites and the *Hasselback Directory of Accounting Faculty (2010)*. The study set out to determine the extent of accounting academic researchers' perceptions as to the existence of a 'gap' between accounting research and practice, why it has arisen and suggestions as to how to bridge it. Out of a 16.25% response rate (195 responses) only 163 respondents provided fully completed questionnaires (13.58% response rate). The results are given in Table 1.

It can be seen that overall, the majority view is that there is a "gap' (72.4%) and that it needs to be bridged (54%). Of those who had a position on the issue, 80% agreed that there is a gap, and of these 74.6% agreed that it should be bridged. The principle reason for the gap, amongst those holding a view on the matter, was perceived as being that *academics are rewarded for publications in ranked journals and not for informing practice* (91.5%). The other major reasons were that the editors of *accounting research journals do not encourage practice related papers* (89%); and *accounting academics write for other academics, not for practitioners* (86.3%). The only two reasons for which only a minority of those responding had an 'agreeing' view was that *accounting research is done only to legitimize the accounting' discipline's place in universities* (33.9%) and *accounting research takes time to find its way to practice* (44.8%).

Although no robust statistical testing was done, it appeared that there was no significant difference in the responses of academics in USA, Australia and the United Kingdom. Overwhelmingly therefore, academics in the

Table 1: Accounting Academics' Perceptions as to the 'Gap' between Research and Practice

	Strongly Agree	*Agree*	*No Position*	*Disagree*	*Strongly disagree*
IS THERE A GAP?					
There is a 'Gap' between academic research and Practice	32.52%	39.88%	9.82%	8.59%	9.20%
If there is a Gap it should be bridged	27.61%	26.38%	27.61%	14.72%	3.68%
IF THERE IS A GAP, WHY?					
Accounting research has failed to provide solutions needed by accounting practitioners	14.11%	41.72%	28.83%	12.27%	3.07%
Accounting research has failed to lead practice	15.95%	39.88%	30.06%	11.66%	2.45%
There a lack of innovation in accounting research	8.59%	40.49%	27.61%	17.79%	5.52%
Accounting research is in ivory towers and not in the real world	9.20%	33.74%	28.83%	23.31%	4.91%
Accounting takes time to find its way to practice	11.04%	20.86%	28.83%	27.61%	11.66%
Accounting academics write for other academics, not for practitioners.	47.85%	14.11%	28.22%	6.13%	3.68%
Accounting Research Journals' editors do not encourage practice related papers	49.08%	15.34%	27.61%	6.13%	1.84%
Applied Research Journals are not highly ranked by academic peers	17.79%	38.04%	20.25%	15.34%	8.59%
Academics believe that theorizing is more important than informing practice	7.98%	41.10%	32.52%	14.72%	3.68%
Accounting research does not add value to industry	14.72%	26.99%	28.22%	17.79%	12.27%
Research is done only to legitimize the Accounting' Discipline's place in Universities	3.07%	20.86%	29.45%	31.29%	15.34%
Academics are rewarded for publications in ranked journals not informing practice	31.29%	41.10%	20.86%	3.68%	3.07%
Academic training (PhDs) is such that academics cannot engage with practice	14.11%	27.61%	19.63%	21.47%	17.18%
IF THER IS A GAP, HOW CAN IT BE BRIDGED?					
Academics should do more consulting-based research	7.36%	53.99%	7.98%	16.56%	14.11%
Academics should engage more with practitioners	14.11%	34.97%	11.04%	17.79%	22.09%
Academics should be rewarded for writing case studies (like at Harvard)	34.36%	39.88%	7.36%	11.66%	6.75%
Academics should be rewarded for writing in professional journals (like at HBR)	14.72%	40.49%	11.04%	18.40%	15.34%

three English speaking countries from which the major academic research journals originate, believe that accounting research has failed to arrive at solutions to the fundamental issues in accounting practice despite five decades of accounting research (*Research question 3*).

Interestingly, a small majority of the academics holding a view on the matter (51.9%) admitted that academic training requiring PhDs is such that academics *cannot engage with practice*. Clearly a majority of academics felt uncomfortable in leaving their ivory towers and getting their hands dirty in the real world. Also, as a majority believed that *accounting research has failed to lead practice*; *that accounting research has failed to provide solutions needed by accounting practitioners;* and *that there a lack of innovation in accounting research*, it is quite possible that industry and practice itself will have no need for accounting academics.

Some suggestions were sought from the respondents as to bridge the gap. Of those holding a view, a majority agreed with all suggestions provided in the questionnaire. However, a significant majority (80.1%) clearly viewed that the best way to bridge the gap is to *reward academics for writing case studies.* Many universities with case-based MBA programs, such as Harvard, INSEAD and IVY (University of Western Ontario) not only pay academics significant money to write cases, but also encourage consulting that result from such contacts.

Study 2: The Knowledge and Use of Accounting Research amongst Accountants in Industry and Professional Practice.

In the November 2011 questionnaires were emailed (using the survey-monkey internet survey tool) to a selected sample of 16,000 accountants in professional practice (including 1,200 in the Big 4 and middle-tier firms) in 16 countries. The email addresses were purchased from commercial data bases in those countries.[3] The study set out to determine the extent of their knowledge of the existence of accounting research and its use to them in the practice of their profession. Out of a 30.2% response rate (4,832 responses) only 2,988 respondents provided fully completed questionnaires (an 18.675% response rate). A smaller control study was conducted with 600 medical practitioners in general practice in Australia to determine the extent of the GPs' knowledge of the existence of academic medical research and its use to them in the practice of their profession. Again, the email list was obtained from a commercial source. In the medical study, surprisingly, a very high 65.83% response rate (395) was achieved, indicating at first glance that medical practitioners were far more attuned to academic research than professional accountants. However, only 43% (258) were fully completed questionnaires. This is still, however, a very high response rate. The results are given in Table 2 (Accountants) and Table 3 (Medical Practitioners).

Table 2 clearly indicates that academic accounting research has very little impact on accounting practice. In terms of 'behaviour' only *Management Accounting Research* had a "heard of" recognition factor of over 20%, but of these a massive 91.56% has opted never to read it. Only 12.05% of respondents had "heard of" of *The Accounting Review*, but all (100%) have decided never to read it.

In terms of 'attitudes', of the 20 academic journals surveyed, only five of them, the *Journal of Business Finance and Accounting; Journal of Management Accounting Research; Management Accounting Research; European Accounting Review and The International Journal of Accounting* had a 'Never Heard of' response under 90% (but all over 70%). Of these only 3 were considered as 'interesting to read' by over 10% of these respondents (based on the journal titles), *i.e. Journal of Business Finance and Accounting; European Accounting Review and The International Journal of Accounting.* Thus an overwhelming majority of academic journals had not only "never been heard of" by accounting practitioners, but their 'attitude' was that they also had no interest in ever reading them. Even the journals with 'applied' in their title had mostly never been heard of by practitioners, who also claimed that they had no interest in ever reading them. These were the *Journal of Applied Accounting Research; Journal of Applied Management Accounting Research* and the *Journal of Applied Research in Accounting and Finance.*

[3] We thank the *Institute for the Advancement of Corporate Reporting and Assurance (IACRA)* for funding this research project

Table 2: Accountants' Behavioural and Attitudinal Reponses to Academic Journal Research

Journal Title	*Heard of: Read Regularly*	*Heard of: Read Occasion-ally*	*Heard of: Never Read*	*Never Heard of: Sounds Interesting*	*Never Heard of: Not Interested*	*Total (N=2988)*
Abacus: a Journal of Accounting and Business Studies	0.10%	0.87%	5.19%	4.52%	89.32%	100.00%
Accounting and Business Research	0.47%	1.51%	1.14%	1.51%	95.38%	100.00%
Accounting and Finance	0.00%	0.84%	1.87%	7.86%	89.42%	100.00%
Accounting Auditing and Accountability Journal	0.00%	0.23%	0.20%	5.89%	93.67%	100.00%
Accounting Horizons	0.50%	1.81%	0.77%	11.55%	85.37%	100.00%
Accounting Review	0.00%	0.00%	12.05%	7.83%	80.12%	100.00%
Accounting, Organizations and Society	0.00%	0.44%	4.12%	11.58%	83.87%	100.00%
Behavioural Research in Accounting	0.00%	0.00%	4.28%	4.18%	91.53%	100.00%
British Accounting Review	0.00%	1.57%	7.70%	9.57%	81.16%	100.00%
Critical Perspectives on Accounting	0.00%	0.00%	1.24%	9.24%	89.52%	100.00%
Issues in Accounting Education	0.00%	0.00%	7.97%	2.18%	89.86%	100.00%
JAAF - Journal of Accounting Auditing and Finance	0.00%	0.00%	8.50%	11.61%	79.89%	100.00%
Journal of Accounting and Economics	0.00%	0.00%	4.42%	2.28%	93.31%	100.00%
Journal of Accounting Research	0.00%	0.00%	0.80%	1.07%	98.13%	100.00%
Journal of Business Finance and Accounting	0.07%	0.44%	11.45%	9.94%	78.11%	100.00%
Journal of Management Accounting Research	0.07%	0.40%	12.58%	3.75%	83.20%	100.00%
Management Accounting Research	0.44%	1.31%	18.88%	1.77%	77.61%	100.00%
The European Accounting Review	0.17%	0.54%	17.17%	12.22%	69.91%	100.00%
The International Journal of Accounting	0.10%	0.40%	15.26%	13.32%	70.92%	100.00%
Applied Research Journals						
Journal of Applied Accounting Research	0.00%	0.07%	0.40%	11.45%	88.09%	100.00%
Journal of Applied Management Accounting Research	0.03%	0.54%	4.42%	15.29%	79.72%	100.00%
Journal of Applied Research in Accounting and Finance	0.00%	0.00%	0.40%	6.79%	92.80%	100.00%
Other						
Your Professional Association Journal	28.58%	41.97%	29.45%	0.00%	0.00%	100.00%
Harvard Business Review	7.53%	59.81%	28.65%	0.84%	3.18%	100.00%

As expected 100% of accountants had 'heard' of their *professional association journal* (it comes by post to them). However, almost 30% of them 'never read it' indicating that such journals remain in their plastic sleeves and go straight to the bin. Interestingly, the *Harvard Business Review* (HBR) had a 99% 'heard of' recognition, with almost 70% saying that they have read it. Clearly, therefore, despite the elitism displayed by many academics in not considering HBR as a reputable academic journal, if academics want to inform practice, that magazine is by far the best outlet. This has been clearly demonstrated in the management accounting field in the case of the seminal papers published in the HBR on 'Activity Based Costing' (Cooper and Kaplan, 1988); the 'Balanced Scorecard' (Kaplan and Norton, 1992) and Beyond Budgeting (Hope and Fraser, 2003).

The accountants' responses were analysed by *sector* (industry vs. professional practice) and *geographic location* (Asia, Australia, Europe and North America) and no significant variations were found. By and large, those practicing the professions of financial accounting, management accounting and auditing were not expecting academic accounting research to inform them.

Based on Study 2, accounting research has clearly failed to lead practice (*Research Question1)*; accounting research has failed to arrive at solutions to the fundamental issues in accounting practice despite five decades of accounting research (*Research Question 3*); and there appears to be an almost total lack of demand for academic research outside of the university context (*Research Question 4).*

Let us contrast this significant lack of interest in academic research by accountants to the responses given by the General Practitioners. Here, only four journals had a "Never Heard of" response from over 50% of the respondents. In fact, of the 16 'academic' journals publishing medical research, 8 of them had a 100% "heard of" response; with an overwhelming majority of them having also been read by practitioners.

The medical research journals that had a 100% 'heard of' response were: *Australian Family Medicine; BMJ (British Medical Journal); JAMA (Journal of the American Medical Association); Journal of the Royal Society of Medicine; The Lancet; The Medical Journal of Australia; The New England Journal of Medicine;* and *The New Zealand Medical Journal.*

The two practitioner journals, *The Practitioner* and *Modern Medicine* had, as expected a 100% 'heard of' response. Also, the responses from the GPs indicated that they also read other drug company and advertising sponsored journals, and other journals of the Associations and Colleges they were affiliated with. Clearly, therefore, as foreshadowed by Demski, et al (1991), general practitioners relied upon academic research to keep them more informed, more up to date, and better practitioners of their profession *(Research Question 1).*

Study 3: The Impact of Academic Research on Eliciting Industry Contact or Consultancies

When academics talk about the 'impact' of their research they usually mean the number of times their work has been 'cited' by other academics. As most citation studies do not track citations in professional and industry journals, the impact of academic accounting research in leading practice is never measured. In this paper, two surrogates will be used to try to capture this impact on practice. Study 3 asked a sample of accounting academics as to the number of times they had been approached by industry as a result of their research. Study 4 counted the number of times academic accounting research was cited in Accounting and Auditing Handbooks that were constantly referred to by financial accountants and auditors in their professional work.

Study 3 was a different set of questions in the same questionnaire as used for Study 1, i.e. a selected sample of 1,200 accounting academics in leading research universities in USA, Australia and the United Kingdom. However, the response rate was much lower than for the Study 1 questions with only 124 respondents answering this question (10.33% response rate). It is quite possible that the balance of those who answered the Study 1 questions (which had 163 responses) but not the Study 3 question, had not had any contact with media, industry or professional practice, and therefore chose to ignore this question. This would have increased the 'no' responses

Table 3: General Practitioners' Behavioural and Attitudinal Reponses to Academic Journal Research

Journal Title	*Heard of: Read Regularly*	*Heard of: Read Occasion-ally*	*Heard of: Never Read*	*Never Heard of: Sounds Interest-ing*	*Never Heard of: Not Interested*	*Total (N=258)*
American Family Physician	1.94%	21.32%	59.69%	6.59%	10.47%	100.00%
American Journal of the Medical Sciences	1.55%	13.57%	25.19%	39.53%	20.16%	100.00%
Annals of Family Medicine	0.00%	0.00%	17.44%	3.88%	78.68%	100.00%
Australian Family Medicine	75.97%	24.03%	0.00%	0.00%	0.00%	100.00%
BMJ (*British Medical Journal*)	32.17%	60.85%	6.98%	0.00%	0.00%	100.00%
Canadian Medical Association Journal	1.94%	9.69%	21.32%	48.06%	18.99%	100.00%
Emergency Medicine Journal	2.71%	20.16%	67.83%	9.30%	0.00%	100.00%
JAMA (Journal of the American Medical Association)	31.78%	57.75%	10.47%	0.00%	0.00%	100.00%
Journal of Medicine	6.59%	38.76%	48.06%	5.81%	0.78%	100.00%
Journal of the Royal Society of Medicine	71.32%	25.19%	3.49%	0.00%	0.00%	100.00%
The Lancet	24.42%	67.83%	7.75%	0.00%	0.00%	100.00%
The Medical Journal of Australia	95.74%	4.26%	0.00%	0.00%	0.00%	100.00%
Mount Sinai Journal of Medicine	0.78%	12.40%	58.91%	25.19%	2.71%	100.00%
The New England Journal of Medicine	25.19%	72.09%	2.71%	0.00%	0.00%	100.00%
The New Zealand Medical Journal	24.42%	68.22%	7.36%	0.00%	0.00%	100.00%
QJM: An International Journal of Medicine	0.00%	0.39%	1.55%	94.19%	3.88%	100.00%
Practitioner Journals						
The Practitioner	9.30%	90.70%	0.00%	0.00%	0.00%	100.00%
Modern Medicine	79.84%	17.83%	2.33%	0.00%	0.00%	100.00%
Other Drug Company/Advertising sponsored Journals	100.00%	0.00%	0.00%	0.00%	0.00%	100.00%

Table 4: The Impact of Accounting Research on Practice

I have had contact with Media/Industry or Practice	**Yes**	**%**
Yes	41	33.1%
No	83	66.9%
Total	***124***	***100.0%***
If Yes		
I have been contacted by (or consulted to) Media, Industry or Practice principally due to (choose one):	**Choose One Only**	**%**
My academic qualifications (e.g. MBA, PhD)	2	4.9%
My professional qualifications (e.g. CA, CPA, CMA)	13	31.7%
My academic title (e.g. Professor)	3	7.3%
My research profile (e.g. an Academic paper)	5	12.2%
My personal contacts	10	24.4%
My student contacts	2	4.9%
Other	6	14.6%
Total	***41***	***100.0%***
If Research Profile		
Most recently, I have been contacted by (or consulted to) the Media, Industry or Professional Practice due to my Research Profile (e.g.an academic paper written):	**Choose One Only**	**%**
In the last 12 months	2	14.3%
In the last 2-5 years	4	28.6%
In the last 6-10 years	4	28.6%
At some time over 10 years ago	4	28.6%
Total	***14***	***100.0%***

by a further 39 and brought the negative response to almost 75% of the sample. However, only the frequencies of those who actually responded were used. The results of Study 3 are presented in Table 4 and indicate that only a third of academics have had contact with media, industry or practice, and that this was mainly due to their professional qualifications (31.7%) and personal contacts (24.4%). Only 5 respondents (12.2%) claimed that it was their research profile (such as an academic paper written) that had *principally* initiated a contact with media, industry or practice. However, in a follow up question 14 respondents (11.3%) claimed that they had had contact due to their research work, indicating that for 11 of them it was not the principle reason. Of the 14, only two had been contacted in the last 12-months due to their research. This was only 1.7% of the total respondents. Clearly, academic research was having very little impact on practice and there is a lack of demand for academics and academic research outside of the university context (*Research Question 4).*

Study 4: The Impact of Academic Research on Financial Accounting and Auditing

This study falls into the pure behavioural category (see Figure 2). No empirical research was undertaken with respondents. Instead a count was made as to the number of times academic accounting research was cited in the *Accounting Handbook (*Pozzi and Shying, 2010) and the *Auditing, Assurance and Ethics Handbook* (Pflugrath, 2010) (hereafter 'the handbooks'). This count was used as a measure of actual impact of research on practice in financial accounting and auditing. In undertaking such a count, there were two main objectives:

> *Primary Objective* – Are there any references to academic journal or academic research in the handbooks? This was to establish the impact of academic

accounting and auditing research on practice.

Secondary Objective – How many references are there in the handbooks and what is the nature of these references? This was to determine what other research was having an impact on accounting and auditing practice.

Study 4 was limited to the identification of external references. For the purpose of this study, external references were defined as references to sources outside the handbooks and as such excluded all cross-references to standards and ancillary documents contained within either of the handbooks.

For the purposes of initial simplification the references are classed under three broad categories:

1. *Academic references*
   - all references to academic journals; and
   - all references to academic research.

2. *Legal references*
   - all references which have a direct legal implication on the standards and ancillary documents;
   - all references which are an Act of Parliament;
   - all references which are a regulation or standard pursuant to an Act of Parliament; and
   - all case law.

3. *Technical references*
   - all references which relate to non-legal guidance of a technical nature;
   - all references which relate to overseas standards and ancillary documents; and
   - all references which are neither an academic reference nor a legal reference.

The handbooks did not adopt a classic referencing style convention (such as Harvard in-text referencing). Generally references were made in-text with some footnoting, however no consistent approach was applied.

An examination of the *Accounting Handbook* revealed 4,863 external references. 2,550 were technical references, 2,313 were legal references, and ***none*** were academic references.

The examination of the *Auditing, Assurance and Ethics Handbook* revealed 3,590 external references. 2,274 were legal references, 1,316 were technical references, and ***none*** were academic references.

Across both handbooks, in total, there were 8,453 references. 4,587 were legal references, 3,866 were technical references, and ***none*** were academic references.

With regards to the primary objective of the study it can be confirmed that there are no academic references in either of the handbooks. This very clearly demonstrates that accounting research has totally failed to lead practice (*Research Question 1)* and that accounting research has totally failed to arrive at solutions to the fundamental issues in accounting practice despite five decades of undertaking such research (*Research Question 3*).

It also demonstrates that there a lack of innovation in accounting research since the 1970s (*Research Question 2)*. For example, Altman's Z-Score (Altman, 1968), was recommended as a test of 'going-concern' in the Auditing Standards in the 1980s, but this no longer appears as a recommended test in the current Auditing standard despite its enduring nature as an first line independent test (Young and Wang, 2010).

With regards to the secondary objective, there is a substantial amount of legal and technical references in the handbooks. This report will now specifically explain the more significant of these references.

Table 5 provides a summary of the top ten rankings of the references counted in both handbooks. As expected, the AASB Amendments occur most frequently within the accounting standards, mainly in the compilation details of each standard. These are there to show the reader of the accounting standard when the particular standard was amended and which paragraphs were affected.

Table 5: The Top Ten References in the Accounting and Auditing Handbooks

Legal References	***Count***	***Rank***
Australian Accounting Standard (AASB) Amendments	2064	1
Corporations Act 2001	1125	2
Prudential Standard	234	8
Superannuation Industry (Supervision) Act 1993	210	9
Technical References		
International Accounting Standard (IAS)	831	3
Superseded Australian Accounting Standard (AASB/AAS)	731	4
Miscellaneous/Superseded Australian Auditing Standard (AUS)	427	5
International Financial Reporting Interpretations Committee (IFRIC)	269	6
Standing Interpretations Committee (SIC)/Draft Interpretation	266	7
International Standard on Auditing (ISA)	204	10

These amendments were counted as a legal references, as the AASB Amendments have legislative power to alter the accounting standards, which themselves are a form of regulation.

The IAS references generally appear at the end of an accounting standard to provide a comparison between that AASB standard (many of which are based on an IAS) and the relevant IAS. There are various references to superseded accounting standards (AASB/AASs). They are generally in explanatory sections of the accounting standard, and outline which standard was replaced and why. *None of these replacements were due to the impact of academic accounting research.*

The IFRIC references primarily appear in the Interpretation ancillary documents. These references (like the IAS references) provide a comparison between the AASB Interpretation (many of which are based on the IFRIC) and the relevant IRFIC interpretation. The SIC/Draft Interpretation also mainly occurs in the Interpretation ancillary documents. Most Interpretations have a 'Basis of Conclusions' section. As the 'Basis of Conclusions' usually relates to the IFRIC Interpretation, the SIC is often quoted as they play a major role in the development of IRFIC. The IFRS references generally appear at the end of an accounting standard to provide a comparison between that AASB standard (many of which are based on an IFRS) and the relevant IFRS.

Please note that this study was limited to counting references in the two handbooks. The counts did not extend to counting academic accounting research in the IFRIC and other pronouncements themselves. This is an area for further study. If academic accounting research is even not referenced in IFRIC pronouncements, then it will be damning proof of the complete failure of academic accounting research to impact financial accounting practice.

The *Corporations Act* 2001 appears throughout the *accounting standards* and ancillary documents as it is the primary legislative instrument behind the accounting standards. It often is cited in the application section of each standard. The ABS GFS manual is heavily referenced in AASB 1049 *'Whole of Government and General Government Sector Financial Reporting'* as it relates to the collection and reporting of government financial statistics required by the Australia Bureau of Statistics. The Government Gazette is cited regularly in the application section of each accounting standard to declare the operative date of that standard or to distinguish the standards which that standard supersedes. Miscellaneous/ Superseded Interpretation/Abstract are often cited in the Interpretation ancillary documents simply to outline what Interpretations and Abstracts are no longer operative and are replaced by that new Interpretation.

It is interesting to note that there are two references that refer to the *Accounting Research Bulletin (US).* Prima Facie this appears to be an academic research document. However, the Accounting Research Bulletin was simply an American Institute of Certified

Public Accountants publication which recommended the use of certain accounting procedures and would be counted as a professional or technical publication.

The *Corporations Act* 2001 also appears throughout the *auditing standards* and ancillary documents as it is one of the main legislative instruments behind the auditing standards. It often is cited in the application section of each standard, the authority statement, and is prolific throughout the guidance statements and template audit letters. Whilst there are various similarities, the AUSs were superseded by the ASAs. As a matter of course the AUSs are routinely cited to note this fact.

Prudential Standards are issued by the Australia Prudential Regulation Authority ('APRA'). References to prudential standards occur heavily in ancillary documents GS 004 *'Audit Implications of Prudential Reporting Requirements for General Insurers'* and GS 012 '*Prudential Reporting Requirements for Auditors of Authorised Deposit-taking Institutions'*. As the GS title suggests, these guidance statements are specifically concerned with prudential reporting requirements, hence the heavy referencing of prudential standards.

The *Superannuation Industry (Supervision) Act* 1993 and the *Superannuation Industry (Supervision) Regulations* 1994 are heavily cited in ancillary document GS 009 *'Auditing of Self Managed Superannuation Funds'*. As this guidance statement is focused on self managed superannuation funds it relies greatly on the requirements of superannuation legislation. The ISA references generally appear at the end of an auditing standard to provide a comparison between that ASA standard (many of which are based on an ISA) and the relevant ISA.

The *Australian Securities and Investment Commission Act* 2001 and the *Corporate Law Economic Reform Program (Audit Reform and Corporate Disclosure) Act* 2004 appear throughout the auditing standards and ancillary documents as they are two of the main legislative instruments behind the auditing standards. They often are cited in the general comments by the technical editor, the preface, and the authority statement of each standard. The ASA/AUS amendments occur frequently within the auditing standards, mainly in the compilation details where applicable. These are there to show the reader of the auditing standard when the particular standard was amended and which paragraphs were affected. This was counted as a legal reference as the ASA/AUS Amendments have legislative power to alter the auditing standards, which themselves are a form of regulation.

The ASIC Form ('FS') references predominantly occur in GS 003 *'Audit and Review Requirements for Australian Financial Services Licensees under the Corporations Act 2001'*. The reason these 'FS' documents are cited is because they provide further information on licence conditions and requirements for Australia Financial Service Licenses.

Therefore, with regards to the second objective, it clearly appears that the nature of the references within the handbooks is either legal or technical. For the most part citations perform regular and routine functions within each standard, such as the quoting of the *Corporations Act* 2001 in the application sections of the standards. Where a particular document focuses on a specific area it will heavily rely on references to legal and technical sources that relate to that area, such as for example, the use of superannuation legislation in GS 009 *'Auditing of Self Managed Superannuation Funds'*.

In conclusion, this Study 4 has demonstrated that there are no references to academic journals or academic research in the two Handbooks. Since these handbooks are used regularly by accounting professionals throughout their working life, the lack of connection to academic literature is particularly concerning and is behavioural proof of an existence of two independent worlds, those in towns (practice - with their legal powers) and those in gowns (academia - in their ivory towers).

Study 5: The Impact of Academic Research on Management Accounting

This final study set out to count the number of times practice related articles appeared in leading management accounting academic journals. This count was used as a measure of potential impact of research on management accounting practice. Unlike in financial accounting and auditing, management

accounting is not governed by regulation, and management accountants do not have legal powers bestowed upon them by company law. As such there is no Management Accounting Handbook from which a count can be obtained of the impact of academic research on management accounting practice

There was however, significant evidence of academic researchers impacting management accounting practice. However, most of these academics had published in the Harvard Business Review (HBR), despite the elitism displayed by many academics in not considering HBR as a reputable academic journal. Seminal papers published in the HBR on 'Activity Based Costing' (Cooper and Kaplan, 1988); the 'Balanced Scorecard' (Kaplan and Norton, 1992) and Beyond Budgeting (Hope and Fraser, 2003) have not only impacted practice, but also influenced empirical academic research.

Interestingly, the *Management Accounting Section* of the *American Accounting Association (AAA)* recognised the need for more recognition of practice impacting articles and decided to give an annual award for an article with the greatest potential impact on practice. The award was also co-sponsored by the management accounting profession via a coalition of the *American Institute of Certified Management Accountants* (AICPA), *Chartered Institute of Management Accountants* headquartered in the UK (CIMA) and the *Certified Management Accountants of Canada (CMAC)*.

This international award was for a paper published within the previous five years, which had the potential to have the greatest *Impact on Management Accounting Practice*. As the selection committee is composed of practitioner representatives nominated by the professional bodies and chaired by a section representative of the AAA's Management Accounting Section, the paper finally awarded each year goes through a rigorous selection process. The inaugural paper to win the award in 2009 was Ratnatunga, Gray and Balachandran (2004). The 2010 award was Anderson and Dekker (2005) and 2011 was Cardinaels and Labro (2008).

Following the lead provided by the AAA, for Study 5 of this paper, a panel of 3 judges was established: the author chaired as the academic, and two professional management accountants from the *Institute of Certified Management Accountants of Australia* (ICMA) and the *Chartered Institute of Management Accountants* (CIMA) provided the professional view as to the potential of a paper to impact management accounting practice.

The papers chosen for analysis was from a study undertaken by Harris and Durden (2012) which listed 138 articles published in four key management accounting research journals between 2008 and 2010. The journals were the *Journal of Applied Management Accounting Research (JAMAR), Journal of Management Accounting Research* (*JMAR*), *Management Accounting Research* (*MAR*), and *Accounting, Organizations and Society* (*AOS*).

The judges separated these 138 articles into the three research approaches given in Figure 1, plus a fourth category, 'historical'. Of the 138 articles, 31% were classified by the judges as principally 'Theoretical'; 51% as 'Empirical'; 13% as "Practical" and 6% as 'Historical". It was the 13% of practical articles (18 papers) that were considered by the judges as having some potential to have an impact on management accounting practice. These are listed in Table 6.

Therefore in terms of management accounting research, there is some evidence that this reasearch has the potential to lead practice (*Research Question1)*. Unfortunately those articles in the HBR that have actual led practice are considered by academics to be in a 'professional' rather than 'research' journal. Conversely, the articles listed in Table 6 are in 'academic' journals, but as demonstrated in Table 2, very few practitioners have heard of these journals, let alone read them.

There is also evidence of innovation in management accounting research *(Research Question 2)*, with concepts like, ABC, BSC, TDABC, Strategy Maps, Target Costing, Backflush Costing, Lean Accounting, Customer Profitability Analysis and the like. This also indicates that management accounting research has provided solutions to the fundamental issues in management accounting practice (*Research Question 3*). However, these concepts have reached practitioners mostly when academic

researchers published their works in professional journals or books.

Conclusion

The results of the five quite different but interrelated studies presented in this paper support the overall finding of an ever growing gap between academic accounting research and practice (Table 2), especially in financial accounting and auditing (Table 5). This is in stark contrast to the healthy relationship found between academia and practice in the medical profession (Table 3).

The gap appears to be less in management accounting (Table 6) but here it appears that academics are able to connect with practice only when they leave the safe-club of academic research journals and take their message to the professional journals. There appears to be very little demand outside of the university context for those academics that publish their research in pure academic journals (Table 4).

It appears that accounting academics themselves want to bridge this gap, but the editorial policies of academic accounting journals and the rewards and promotion systems of universities prevent them from doing so (Table 1).

Table 6: Papers that have a Potential Impact on Management Accounting Practice

1	Agndal, H. and Nilsson, U. (2010)	*Management Accounting Research*
2	Cardinaels, E. (2008)	*Accounting, Organizations and Society*
3	Cobb, B. R. (2009)	*Journal of Management Accounting Research*
4	Cools, M. and Slagmulder, R. (2009)	*Journal of Management Accounting Research*
5	Dekker, H. C. (2008)	*Accounting, Organizations and Society*
6	Ekanayake, A., Perera, H. and Perera, S. (2009)	*Journal of Applied Management Accounting Research*
7	Ferreira, A. and Otley, D. (2009)	*Management Accounting Research*
8	Frow, N., Marginson, D., and Ogden, S. (2010)	*Accounting, Organizations and Society*
9	Lillis, A. M. and van Veen-Dirks, P. M. G. (2008)	*Journal of Management Accounting Research*
10	Pfeiffer, T. and Velthuis, L. (2009)	*Journal of Management Accounting Research*
11	Rae, K., Subramaniam, N. and Sands, J. (2008)	*Journal of Applied Management Accounting Research*
12	Ratnatunga, J. and Montali, L. (2008)	*Journal of Applied Management Accounting Research*
13	Skærbæk, P. and Tryggestad, K. (2010)	*Accounting, Organizations and Society*
14	Taticchi, P., Balachandran, K. R., Botarelli, M. and Cagnazzo, L. (2008)	*Journal of Applied Management Accounting Research*
15	Tse, M. and Gong, M. (2009)	*Journal of Applied Management Accounting Research*
16	van der Meer-Kooistra, J. and Scapens, R. W. (2008)	*Management Accounting Research*
17	Wahlström, G. (2009)	*Management Accounting Research*
18	Waldmann, E. (2010)	*Journal of Applied Management Accounting Research*
Source: Harris and Durden (2012)		

One cannot expect professional practitioners, who are safe within the *legal powers* provided to the professions of financial accounting and auditing to climb those *ivory towers* and seek out academic researchers. The first move must be made by the accounting academics if they are to regain the relevancy they once had fifty years ago with the accounting profession.

The steps suggested by the academics themselves indicate that accounting academics should (1) be rewarded for writing case studies as in some leading MBA universities: (2) be recognised and rewarded for writing in professional journals (like the HBR); (3) be encouraged by universities to do more consulting-based research; and (4) be provided opportunities to engage more with practitioners via undertaking joint research; establishing 'in-residence' programs in which academics spend some time in practice and vice-versa; and organising seminars with topics of interest to both 'town' and 'gown'.

Another time-honoured university practice of hiring only PhDs should be abandoned so that practitioners with valuable experience can be appointed to senior academic positions. This is one of the keys to success in the medical profession, in which medical practitioners with significant practical experience are given adjunct professorial appointments so that they can spend some time at the university teaching the next generation of doctors and surgeons.

References

AACSB International. (2007), *Report of the AACSB International Impact Research Task Force*, Tampa, Florida.

AACSB International. (2008), *Final Report of the AACSB International Impact Research Task Force*, Tampa, Florida.

Agndal, H. and Nilsson, U. (2010), "Different open book accounting practices for different purchasing strategies", *Management Accounting Research*, 21(3): pp. 147-166.

Altman, E.I. (1968), 'Financial Ratios, Discriminant Analysis and the Prediction of Corporate Bankruptcy', *Journal of Finance*, 23 (4), pp. 589-610.

Anderson, S.W. and Dekker, H.C. (2005), "Management control for market transactions: the relation between transaction characteristics, incomplete contract design, and subsequent performance", *Management Science*, December, 51(12): pp. 1734-1752

Baldvinsdottir, G., Mitchell, F. and H. Nørreklit, H. (2010), "Issues in the relationship between theory and practice in management accounting"' *Management Accounting Research*, 21 (2): 79-82.

Bennis, W. G. and O'Toole, J. (2005), "How business schools lost their way", *Harvard Business Review*, 83(5): pp. 96-104.

Bricker, R. and Previts, G. (1990), "The sociology of accountancy: A study of academic and practice community schisms", *Accounting Horizons*, 4(1): pp. 1-14.

Cardinaels, E. (2008), "The interplay between cost accounting knowledge and presentation formats in cost-based decision-making", *Accounting, Organizations and Society*, 33(6): pp. 582-602.

Cardinaels, E. and Labro, E. (2008), "On the determinants of measurement error in time-driven costing. *The Accounting Review*, 83 (3): pp. 735-756.

Chambers, R.J. (1967) "Continuously contemporary accounting -additivity and action", *The Accounting Review*, October, 42: pp. 751-757

Clarke, F. and Dean, G. (1995), "Chambers, Raymond John (1917 -)", in Chatfield, M. and Vangermeesch, R. (eds), *The History of Accounting: An Encyclopaedia*, Garland Publishing

Cobb, B. R. (2009), "Influence diagrams for capacity planning and pricing under uncertainty", *Journal of Management Accounting Research*, 21: pp. 75-97.

Cools, M. and Slagmulder, R. (2009), "Tax-compliant transfer pricing and responsibility accounting", *Journal of Management Accounting Research*, 21: pp. 151-178.

Cooper, R. and Kaplan, R.S., (1988) "Measure costs right: make the right decisions", *Harvard*

Business Review, September-October, pp. 96-103.

Dekker, H. C. (2008), "Partner selection and governance design in interfirm relationships", *Accounting, Organizations and Society,* 33(7-8): pp. 915-941.

Demski, J. S., Dopuch, N., Lev, B., Ronen, J., Searfoss, G. and Sunder, S. (1991), "A statement on the state of academic accounting. *Statement to the Research Director of the American Accounting Association",* American Accounting Association, Sarasota, Florida.

Ekanayake, A., Perera, H. and Perera, S. (2009), "Towards a framework to analyse the role of accounting in corporate governance in the banking sector, *Journal of Applied Management Accounting Research*, 7(2): pp. 21-39.

Evans, E. (2010), 'Jurisdictional disputes in accounting: Education or specialist training' in Evans, E.; Burritt, R. and Guthrie, J. (editors), *Accounting Education at a Crossroad in 2010*, Institute of Chartered Accountants of Australia, Sydney.

Ferreira, A. and Otley, D. (2009), "The design and use of performance management systems: An extended framework for analysis", *Management Accounting Research,* 20(4): pp. 263-282.

Fogarty, T. J. and Jonas, J. A. (2010), "The hand that rocks the cradle: Disciplinary socialization at the American Accounting Association's doctoral consortium", paper presented at the *American Accounting Association Annual Meeting*, New York.

Frow, N., Marginson, D., and Ogden, S. (2010), "'Continuous' budgeting: Reconciling budget flexibility with budgetary control", *Accounting, Organizations and Society*, 35(4): pp. 444-461.

Harris, J. and Durden, C. (2012) "Management accounting research: An analysis of recent themes and directions for the future", *Journal of Applied Management Accounting Research*, 10 (2): pp 21-42.

Hasselback, J.R. (2010), *Hasselback's Accounting Faculty Directory 2010-2011, (33rd Edition),* Pearson Prentice Hall, New Jersey.

Hope, J. and Fraser, R. (2003), "Who needs budgets?", *Harvard Business Review*. January-February, pp. 108-114.

Hopwood, A.G. (2008), "Changing pressures on the research process: On trying to research in an age when curiosity is not enough", *European Accounting Review*, 17 (1): pp. 87-96.

Kaplan, R.S. and Norton, D.P., (1992), "The balanced scorecard - measures that drive performance", *Harvard Business Review*, January-February, pp. 71-79.

Leisenring, J. J. and Johnson, J. L. (1994). "Accounting research: On the relevance of research to practice". *Accounting Horizons*, 8: pp. 74–79.

Lillis, A. M. and van Veen-Dirks, P. M. G. (2008), "Performance measurement system design in joint strategy settings", *Journal of Management Accounting Research,* 20: pp. 25-57.

Moehrle, S., Anderson, K., Ayres, F., Bolt-Lee, C., Debreceny, R., Dugan, M., Hogan, C., Maher, M. and Plummer. (2009), "The impact of academic accounting research on professional practice: An analysis by the AAA Research Impact Task Force", *Accounting Horizons*, 23(4): pp. 411-456.

Parker, L. and Guthrie, J. (2010), 'Business schools in an age of globalisation', *Accounting, Auditing and Accountability Journal*, 23 (1): pp. 5 – 13.

Parker, L., Guthrie, J. and Linacre, S. (2011), "The relationship between academic accounting research and professional practice", *Accounting, Auditing and Accountability Journal*, 24(1): pp. 5-14.

Pfeiffer, T. and Velthuis, L. (2009), "Incentive system design based on accrual accounting: A summary and analysis", *Journal of Management Accounting Research,* 21: pp. 19-53.

Pflugrath, G (ed) 2010, *CPA Auditing, Assurance and Ethics Handbook 2010,*

Pearson Australia, Camberwell, Victoria, Australia.

Pozzi, C and Shying, M (eds) 2010, *CPA Accounting Handbook 2010*, Pearson Australia, Camberwell, Victoria, Australia.

Rae, K., Subramaniam, N. and Sands, J. (2008), "Risk management and ethical environment: effects on internal audit and accounting control procedures", *Journal of Applied Management Accounting Research*, 6(1): pp. 11-30.

Ratnatunga, J., Gray, N. and Balachandran, K.R. (2004) "CEVITA™: The valuation and reporting of strategic capabilities", *Management Accounting Research*, 15(1) March, pp. 77-105.

Ratnatunga, J. and Montali, L. (2008), "Performance management measures that enhance organisational value: A review", *Journal of Applied Management Accounting Research*, 6(2): pp. 1-16.

Reiter, S. A. and Williams, P. F. (2002), "The structure and progressivity of accounting research: The crisis in the academy revisited", *Accounting, Organizations and Society*, 27 (6): pp. 575-607.

Schiller, B. (2011), 'Academia strives for relevance', *Financial Times*, 25 April, p. 13.

Singleton-Green, B. (2010), "The communication gap: Why doesn't accounting research make a greater contribution to debates on accounting policy?", *Accounting in Europe*, 7 (2): pp. 129 – 145.

Skærbæk, P. and Tryggestad, K. (2010), "The role of accounting devices in performing corporate strategy", *Accounting, Organizations and Society*, 35(1): pp. 108-124.

Sterling, R. (1973), "Accounting research, education and practice", *The Journal of Accountancy*, September: pp. 44-52.

Taticchi, P., Balachandran, K. R., Botarelli, M. and Cagnazzo, L. (2008), "Performance measurement management for small and medium enterprises: an integrated approach", *Journal of Applied Management Accounting Research*, 6(2): pp. 57-72.

Tse, M. and Gong, M. (2009), "Recognition of idle resources in time-driven activity-based costing and resource consumption models", *Journal of Applied Management Accounting Research*, 7(2): pp. 41-54.

van der Meer-Kooistra, J. and Scapens, R. W. (2008), "The governance of lateral relations *between* and *within* organisations", *Management Accounting Research*, 19(4): pp. 365-384.

Wahlström, G. (2009), "Risk management versus operational action: Basel II in a Swedish context", *Management Accounting Research*, 20(1): pp. 53-68.

Waldmann, E. (2010), "A managers reaction to unfavourable budget variances: A psychological insight", *Journal of Applied Management Accounting Research*, 8(1): pp. 59-64.

Whitely, R. (1986), "The transformation of business finance into financial economics: The roles of academic expansion and changes in U.S. capital markets, *Accounting, Organizations and Society*, 11: pp. 171-192.

Young, A and Wang, Y (2010) "Multi-risk level examination of going concern modifications", *Managerial Auditing Journal*, 25 (8): pp.756 – 791.