
Interpretive Paradigm on Development of Science and Accounting Research

Muhammad Adil¹⁾, Nadhirah Nagu²⁾, Andi Rustam³⁾, Wahyuni⁴⁾, Idrawahyuni⁵⁾, Endang Winarsih⁶⁾

1) Universitas Muhammadiyah Makassar,

2) Universitas Hasanuddin Makassar,

3,4,5,6) Universitas Muhammadiyah Makassar

*Coresponding Author

Email : muh.adil@unismuh.ac.id

Abstract

This study aims to understand the reality of social life in depth by understanding its essential nature through the level of emotional experience or subjective experience. With different levels of understanding and human behavior as subjects, research with this paradigm is not looking for generalizations. The interpretive paradigm is considered to have a correlation relationship with problems in the study of accounting and social science so that it can be used as a scientific approach in accounting development. This type of research uses qualitative. The research approach uses a literature review with several sources from previous research. The results of this study indicate that the interpretive paradigm in the philosophy of science can help researchers to see further and deeply related to the reality of social life, so that they can determine whether the reality is just a symbol and the ideas that arise are a truth about the reality of the problem. With the latest information generated will provide the development of science that is getting closer to the truth about the science being studied. In addition, as a perspective in interpretive sociology approach is a solution in solving an accounting problem that has a relationship with social interaction where an in-depth study is carried out and can affect the development of accounting science.

Keywords: Interpretive Paradigm, Science, and Accounting Research

INTRODUCTION

The development of science will never run out and continues to grow over time. The development of science is a process of searching for the real truth of the science, so that we as humans will never know what, when and where the end of the development of science is. Science is a variety of information obtained by people from various ways, both through experiments and trials obtained from the reality of existing facts.

With high human curiosity and curiosity, various experiments are carried out to obtain facts or findings related to what research has been done. To get the truth of the research carried out various trials. This knowledge is a consequence of human thinking and testing in proving relative truth, changing rapidly and experiencing rapid development.

According to Suriasumantri (2000) in Angraini (2017) regarding the nature of human knowledge. According to him, people who are knowledgeable are people who can know the quality and lack of knowledge. With this information, they can find out how and what kind of information is considered valuable, use it wisely, like it well, and take advantage of this information as a character trait and the life they live. beneficial for the welfare of various parties.

With this understanding, humans can understand a true truth from the knowledge that humans need. According to Wiharto 2005, the existence of science cannot be separated from knowledge and religion and the teachings of philosophy so that it becomes a link between science, religion and philosophy in the process of its development. According to the philosopher Burrell and Morgan (1979) divided into two types of science, namely the study of nature and the science of knowledge of the conditions of social relations.

Through philosophy, humans can solve problems through reflections to get answers that are judged to be in accordance with various kinds of human questions. There is a relationship between science, philosophy and religion that is so close that there is a sense of curiosity going deeper than within humans about the ethics and attitudes of accountants with different cultural backgrounds and different behavioral characteristics. From there the question arises why it is different and how it can be different. With the existence of scientific research, but it is considered not able to provide a strong answer so that through the science of philosophy as a place to reflect more deeply. The inclusion of religion as a culture certainly has an influence on the accountant's behavior because of the cultural differences they adhere to.

The problem can be seen from the hypotheses proposed to answer the tentative assumptions, so that various tests or proofs of these allegations are carried out to obtain results on the proof of the hypotheses that have previously been made. Based on these findings will be concluded based on the truth of the science.

The process of proving this knowledge cannot be separated from the human perspective of seeing the problems that have been raised and how the process of solving them is. This perspective is then called a paradigm. This view is the premise of trust and belief as a helper for individual behavior both in their daily activities and when conducting a scientific research (Anggraini, 2017).

With this paradigm which will later become a basic reference in determining the problems to be raised, questions that will then be raised in the research, how to obtain information and how to draw conclusions based on the information that has been obtained. In a study, of course, it is important to determine the use of paradigms, so as to produce findings that are right on target. Solving problems that are right on target will provide findings that are close to proving the truth that has been tested regarding this knowledge. Various kinds of paradigms are discussed by experts, but there are interesting types of paradigms in the process of solving a research problem. This paradigm is commonly known as the interpretive paradigm.

The interpretive view is the view that sees reality, reality does not have one side but has many sides, so it is very good to be studied from different perspectives. This view intends to understand the reality of social life in depth by understanding its essential nature through the level of emotional experience or subjective experience. With different levels of understanding and human behavior as subjects, research with this paradigm is not looking for generalizations. The interpretive paradigm is considered to have a correlation relationship with problems in the study of accounting and social science so that it can be used as a scientific approach in accounting development.

RESEARCH METHODS

This research is a qualitative research, with a data collection technique approach using literature study. Literature study is done to find research data or information through reading scientific journals, reference books and publication materials available in the library related to the problem that has been researched. The approach in this research is to study literature and internet searching to obtain data related to research problems. The type of data in this research uses secondary data in the form of articles, journals, and books as well as related information on the internet. The steps in the analysis process are data collection, data reduction or data classification, data analysis and then drawing conclusions

RESULTS AND DISCUSSION

The development of science and the truth of science: Interpretive Paradigm

Science is divided into natural sciences and social sciences where to determine the truth through a test and research. Social science deals with reality or social phenomena. According to Burrell and Morgan (1979), which divides into four assumptions about the social sciences, the *first* is Ontology. *Ontology* is a type of philosophical science that discusses the phenomena that are being studied and further investigated.

The assumption *second* is *Epistemology* which is a philosophical science that examines how a reality or social phenomenon that was initially perceived to be an information and theory that is considered necessary to be considered and utilized by humans. The assumption *third* is *Human Nature*, which is a philosophical assumption that explores the causes of a person to behave in his own way. And finally *fourth*, *Methodology* is a science that looks at what approach is used by researchers in analyzing to explore the reality or social phenomena that are being studied.

With the characteristics of a diverse society, so it has a variety of different perspectives related to the social reality that is studied or researched. Therefore, in conducting social research, we need a paradigm or the right perspective to see this phenomenon. According to Burrell and Morgan (1979) they divide into four paradigms, namely *Interpretive Paradigm*, *Functionalist Paradigm*, *Radical Structuralist*, and *Radical Humanist*.

Functionalist which is the root of *sociology of regulation* with an objective point of view and explained rationally with the concept of positivism with the aim of explaining and predicting in a deductive form of science based on the five senses, having strict and value-free procedures with accounting areas in the field. *Corporate accounting and non-corporate accounting*.

The interpretive paradigm looks at it from a subjective point of view. Social reality views the world by interpreting and understanding directly, inductively based on interpretation, ideological and human common sense. *Radical humanist* focuses on the development of the *sociology of radical change* from a subjective perspective which sees that individual consciousness is more dominated by their ideological philosophies, perspectives on life and interactions with the surrounding environment. The last paradigm is *radical structuralist* where this approach looks at a problem from an objective point of view. Where the characteristics of society are identical with various fundamental conflicts so that they can provide a change through economics and politics.

The four paradigms proposed by Burrell and Morgan (1979) serve as a reference for other researchers to develop these paradigms. Then it was simplified into three paradigms by Chua (1986) which was written in his work entitled *Radical Development in Accounting Thought*, modifying it in three paradigms, namely; first, *The Functionalist Paradigm* (*Mainstream* or *Positive Perspective*), the second *The Interpretive Paradigm*, and the third *The Critical Paradigm*. *Functionalist* or *Positivism Paradigm* is the most dominant paradigm in its development era, so that it becomes the mainstream (*Mainstream*) then this paradigm is known as the mainstream paradigm (*Mainstream Paradigm*) which is categorized into positivist, realist, instrumentalist, and conventionalist approaches.

The second approach is an approach *interpretive*. This approach tries to provide an interpretation of a meaning, provides understanding and explanations as well as symbols that appear in a social life. The third approach is *critical*, which considers the population to be a component that contradicts each other and depends on forces that ultimately lead to differences and divisions in all parts of life, according to Senik (2009) in (Anggraini, 2017).

With various emerging standards that have a different character from the others, however, this difference does not negate one view or paradigm with another, but is a complement to a study of accounting science in particular.

Interpretive Paradigm and Accounting Research

Accounting is identified with numbers so that it is considered that accounting research only fits a positive paradigm or approach. With a scientific study, a hypothesis is formulated, and looking for information in the form of numbers is then carriedout a test using software or applications then the results will be analyzed and all conclusions drawn. Due to a lack of understanding of the interpretive paradigm, most research in accounting midwives uses a positive approach. Based on a quote from Djamburi (2011) regarding *multiparadigmatic science* which is an accounting term, it states that:

"Accounting basically has a status as a scientific discipline which from the beginning was multi-digmatic which was written by AhmedBelkaoui (1992) in his book on accounting theory".

Over time, of course, there will be saturation in solving accounting problems that only use a positive paradigm so that other paradigms such as the interpretive paradigm appear. With these developments, there have been many accounting researches that have used this interpretive paradigm in answering the problems that have been formulated. As is the case with the research conductedby Widyawati (2012) with the title social capital construction: an interpretive study of the existence of intellectual capital and its disclosure in Central Java banks. In addition, there is also research conducted by Wirajaya with the title hermeneutics in the interpretive paradigm as an accounting research methodology. Likewise, the research conducted by Putri regarding the ethics of Indonesian accountants based on culture. Darmayasa and Aneswari (2015) in his research entitled paradigm interpretive research accounting Indonesia said that the accounting practices related to humans, religion and culture is a major explanation behind the emergence of the world view interpretive as a method of research that is deemed worthy of use in solving problems in accounting.

According to Nurhayati (2015) Interpretive research has 6 research designs, namely: phenomenology, ethnethodology, ethnography, case studies, narratives and *grounded theory*. Interpretive research is very different from research with a positivistic approach, which in interpretive research can utilize one or more research designs in similar research.

In its development, behavioral accounting can be used as a guide for researchers in conducting research with an interpretive approach so that it does not get out of the way of accounting research (Djasuli, 2017). So that some of the advantages in interpretive research according to Jailani (2012) are: first, the description that is introduced in detail and depth (*thick description*), second, pure deep understanding comes from the perspective of well-obtained information sources, third, symbolic interaction techniques have a strength. empirical in interpreting symbols based on the context.

The interpretive has several limitations, namely: 1) the most subjective method is the solipsism method which allows discourse without a meaning (Burrelland Morgan, 1979). 2) the phenomenological method, considered difficult to generalize, usually occurs in phenomena that occur in an area with local wisdom that has similarities in similar businesses. 3) the hermeneutic method really depends on the author's knowledge of how to communicate it, the form of that knowledge that is considered wrong or right. so that the weakness of ermeneutics lies in its epistemological assumptions. 4)method *ethnethodology*, which requires a long observation time (Ludigdo, 2006). The interview concept and the theory that the researcher brings before entering *thesetting* participantwill be much different and are considered suitable for this method so the researcher must adjust these differences (Rawls, 2008). 5) the method of symbolic interactionism often ignores emotions so that it pays more attention to concrete things

in interacting (Jailani, 2012).

Ludigdo (2006) revealed that interpretive research is considered important in accounting as an effort to understand a more complex context of professional practice, so how *first-hand knowledge* is effective obtained from the subject under investigation, so it is considered very important to pay attention to the characteristics of the human sciences. So that it considers the interpretive paradigm more appropriate to use because it has a very basic nature in the human sciences which is a method of understanding (*verstehen*).

New perspectives, especially interpretive approaches, can open up other discussions in the field of accounting. The existence of acceptance or rejection is a common thing, even we cannot find it in the use of a positive paradigm approach.

Accounting Development Perspective in Interpretive Sociology

The characteristics of *interpretivism* are an emphasis on efforts to construct and interpret people's behavior about the knowledge and experience possessed in a social act as stated by Djamburi (2011). According to him, he divides the interpretive paradigm as follows: dramaturgy, symbolic interaction, ethnomethodology, phenomenology, hermeneutics, and semiotics.

Symbolic interaction expects that humans can understand different things by obtaining facts, either their own insights or experiences, so as assumptions that can clarify how a symbol can be interpreted in the form of problems in the field of accounting. Djamburi (2011) states that according to a sociological view, humans have a will and awareness to behave freely.

Dramaturgy is an example of a sociological approach. The dramaturgical approach is closely related to Erving Goffman (1959) where Goffman assumes that impression management is an interaction made by humans showing a picture that other people want to accept. Of course dramaturgy has something to do with accounting problems, for example with a policy issued by a leader of a company where the accounting policy allows the company to choose to use accounting methods that are considered suitable and appropriate according to the type of business.

When the policy is issued, the company leaders will of course convey to employees or users of financial information as an effort to improve company performance, increase profits, improve economic conditions, and so on. The policy is an earnings management process that aims to maximize management and leadership bonuses. The illustration is a representation of the importance of understanding interpretive sociology which is an approach to the interpretive paradigm in the development of accounting as an exact science field.

According to Wirajaya (2014) in his research, it is revealed that accounting researchers in Indonesia need to be open to scientific approaches in the field of sociology or anthropology such as the hermeneutic approach. Where this research provides an in-depth description of social and organizational accounting actions.

CONCLUSION

The conclusion is that the interpretive paradigm in the philosophy of science can help researchers to look further and deeply related to the reality of social life, so that they can determine whether that reality is just a symbol and the ideas that arise are a truth about the reality of the problem. With the latest information generated will provide the development of science that is getting closer to the truth about the science being studied. In addition, as a perspective in the interpretive sociology approach, it is a solution in solving an accounting problem that has a relationship with social interaction where an in-depth study is carried out and can affect the development of accounting science

REFERENCES

- Anggraini, R. Y. (2017) ‘Masuknya Paradigma Interpretif Pada Kajian Ilmu Akuntansi’, *Jurnal Analisa Akuntansi dan Perpajakan*, 1(1), pp. 51–62. doi: 10.25139/jaap.v1i1.101.
- Burrell, G. and Morgan, G. (1979) ‘Sociological Paradigms and Organisational Analysis’, 248, pp. 1–9. doi: 10.4324/9781315609751-1.
- Chua, W. F. (1986) ‘Radical Developments in Accounting Thought’, *Accounting review*, 61(4), pp. 601–632.
- Darmayasa, I. N. and Aneswari, Y. R. (2015) ‘Paradigma Interpretif pada Penelitian Akuntansi Indonesia’, *Jurnal Akuntansi Multiparadigma JAMAL*, 6(59), pp. 350–361.
- Djamhuri, A. (2011) ‘Ilmu Pengetahuan Sosila dan Berbagai Paradigma dalam kajian Akuntansi’, pp. 147–185.
- Djasuli, M. (2017) ‘Paradigma Interpretif pada Riset Akuntansi (Sebuah Opini : Peneliti Pemula tidak Terjebak dalam Penelitian Minimalis Akuntansi)’, *Jurnal Pamator*, 10(2), pp. 97–106.
- Jailani, M. S. (2012) ‘Interaksi Simbolik, Konstruktivisme, Teori Kritis, Postmodernismisme dan Poststrukturalisme (Telaah Basis Teoritis Paradigma Penelitian Kualitatif)’, *Edu-Bio*, 3, pp. 1–13.
- Ludigdo, U. (2006) ‘Strukturasi Praktik Etika di Kantor Akuntan Publik : Sebuah Studi Interpretif’, *Simposium Nasional Akuntansi 9 Padang*, pp. 1–22.
- Nurhayati, N. (2015) ‘Melukiskan Akuntansi Dengan Kuas Interpretif’, *BISNIS : Jurnal Bisnis dan Manajemen Islam*, 3(1), pp. 174–191. doi: 10.21043/bisnis.v3i1.1481.
- Rawls, A. W. (2008) ‘Harold Garfinkel, ethnomethodology and workplace studies’, *Organization Studies*, 29(5), pp. 701–732. doi: 10.1177/0170840608088768.
- Senik, R. (2009) ‘Understanding Accounting Research Paradigms: Towards Alternative Methodologies.’, *Research Bulletin of the Faculty of Economics and Management University Putra Malausia*, 4, pp. 5–8.
- Widyawati, A. (2012) ‘Konstruksi Sosial Intellectual Capital : Studi Interpretif Atas Keberadaan Intellectual Capital Dan Pengungkapannya Pada Bank Jateng’.
- Wirajaya, I. G. A. (2014) ‘Hermeneutika Dalam Interpretive Paradigm Sebagai Metode Penelitian Akuntansi’, p. 97. Available at: <http://digilib.uinsby.ac.id/6117/1/Hermeneutika.pdf>.