Methodological Issues: The Use of Critical Ethnography as an Active Research Methodology

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Abstract

Ethnography has emerged as a potentially valuable empirical means of understanding how and why accounting operates within organisations. However, its use in the accounting literature has not been without controversy. This paper addresses one of the key issues of dispute: the role of critical foundational theories in ethnographic accounting research. Firstly, the paper draws from competing proposals for ethnography in the accounting literature in an attempt to shed further light on the use of critical theory within an ethnographic field study. It is argued that critical theory can be a valuable tool in developing further insights from ethnographic study, but that its timing within the stages of the empirical work is crucial to achieve a balance between understanding and explanation. Secondly, in highlighting the lessons learnt from the author's own ethnographic research, the paper discusses the (as yet untapped) potential for critical ethnography to directly inform the design and development of new accounting systems. It is proposed that using ethnography 'actively' in this way could provide the methodological basis for the development of new forms of accounting, such as social accounting.

Keywords: Research methodology, ethnography, critical theory, social accounting

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Introduction

In recent years, researchers have sought to develop more empirically grounded interpretive and critical insights into the role of accounting within organisations. In attempting to do so, a key aim of such empirical work has been to obtain contextual detail and richness whilst at the same time retaining the analysis and explanation offered by theoretically informed views of accounting's role in organisations. Ethnographic research in particular has emerged within this literature as a potentially valuable methodological solution to the quest for empirical understanding and theoretically informed explanation. Generally speaking, ethnographic studies allow researchers to immerse themselves within their chosen empirical setting for long periods. During this time the researcher's experience, in terms of his or her participation and/or observation at the research site, is used to generate a narrative-based interpretation of the events that took place. In this way, accounting researchers are able to exploit their 'closeness' to the empirical study and achieve grounded interpretations of how and why accounting is used within organisations.

The use of ethnographic research methods in the accounting literature, however, has attracted considerable controversy. Within this debate, a key issue of dispute has been the use and timing of critically inspired analysis within the research process. Whilst many interdisciplinary researchers stress the importance of developing empirically grounded critical studies of accounting practices (see, especially, Forester, 1992; Laughlin, 1995; Tinker, 1998, 2000), there remains considerable disagreement, and a lack of clarity, over the methodological principles upon which such studies should be founded. From this perspective, the search for empirical insight appears to rest not on *whether* critical theories should be applied to empirical research, but *when* they should be applied.

The problem has been compounded by a lack of empirical experimentation with ethnography in the accounting literature. Although the methodological aspects of

ethnography have been the subject of many abstract discussions and critiques in the accounting literature (see, for example, Laughlin, 1995; Jönsson and Macintosh, 1997; Tinker, 1998), few academics have sought to develop their arguments through actual empirical research (but see, especially, Chua, 1995; Broadbent and Laughlin, 1997). Such an imbalance in the literature highlights the difficulties involved in bringing together foundational theories and empirical detail through ethnographic research. By addressing the key questions of how, why and when ethnographic accounting research can draw from critical theory, this paper seeks to clarify and expand the debate over the use of critical ethnography in accounting. Of concern here are: (a) the methodological issues underlying longitudinal ethnographic study of accounting in organisational settings; and (b) the potential role for ethnographic study on selection of the tools and techniques underpinning the development new forms of accounting. Underlying both aspects of the paper is the role of critical thinking in gaining insight into ethnographic study.

The next section outlines the nature of ethnographic research in accounting, and argues that critically inspired ethnographic studies are essential to establish meaningful and credible accounts of the research experience. The following sections develop this discussion by discussing the difficulties involved in bringing critical insight to bear within such a study. The final section draws from the difficulties faced in the author's own ethnographic study at the fair-trade organisation Traidcraft plc to reflect on the further, and as yet unfulfilled, potential for ethnography as an 'active' critical methodology for the development of new forms of accounting.

An outline of ethnography in accounting research

Research in the management accounting literature has opened up accounting to wider interpretive and critical scrutiny, and the need to explore these issues empirically prompted

management accounting researchers to turn to the sociological literature in order to find suitable qualitative research methodologies. As Broadbent and Laughlin (1997) note, this manifested itself initially as stream of case study research. The use of case studies, in turn, led to a more focused debate about the role of qualitative research methodologies in accounting research (Scapens, 1990) as well as classifications of the range of techniques available (Chua, 1988) and explorations of the underlying epistemological and ontological roots of interpretive accounting research (Chua, 1986; Laughlin, 1995). Out of this debate the basic sociological concept of *ethnography* has emerged as a research approach which, it has been argued, satisfies the need for methodological sensitivity in a longitudinal study of accounting in an organisational context (see, for example, Power, 1991; Rosen, 1991; Forester, 1992; Laughlin, 1995; Jönsson and Macintosh, 1997). As an empirical research approach, the exact substance of ethnography is a matter of some dispute, even within the accounting literature. However, despite the considerable difference of opinion amongst researchers over the definition of ethnographic study, some characteristics common to most ethnographies may be distilled.

In general terms, ethnography is an attempt to understand and interpret a particular cultural system (for example, an organisation). In adopting the same broad ontological assumptions as interpretive social science research generally, ethnography moves away from 'conventional' methodological principles to address a different set of questions in the empirical domain. In seeking to investigate and interpret the subjective meanings that are inherent in cultures, the researcher becomes immersed for long periods in the empirical domain. The narrative produced from this immersion reflects and embodies a hermeneutic understanding of the subjectivities of both the researcher and the researched. In this way, the ontological principles of interpretive research can be fulfilled on a methodological level [2].

This basic view of organisational activity influences the whole nature of empirical study. Gathering as much detail as possible, directly and indirectly, about the processes whereby actors construct meaning, becomes the central requirement of the fieldwork. The need to amass as much data as possible (combined with the opportunity to do so) is the main rationale behind the researcher's use of diverse recording techniques. However, not all ethnographers immerse themselves in, or interpret, their experiences in the same way. As Rosen (1991, p.12) puts it, ethnography is "a construction cast in the theory and language of the describer and his or her audience". Hence, while the methods used in ethnographic research are important, what is of greater importance is the question of what the ethnographer does with their 'lived experience' - the methodological question of how the data are subjectively interpreted. However, the precise nature of this sense-making process is difficult to define. The interpretation of their experience is heavily dependent on the conceptual toolkit the researcher brings to the study. This conceptual toolkit is not generaliseable, because it relies on the personal ontological and epistemological assumptions of the researcher, who may draw from any one or more of a wide range of theories. Nevertheless, most studies begin by outlining a broad aim of the research, which, according to Jönsson and Macintosh, is:

> to produce a systematic narrative of the behaviour and idea systems of the
>
> actors in a particular culture, organisation, or profession, or community
>
> (1994, pp.2-3).

This overall definition of the narrative relies on the conceptual basis chosen (though not necessarily declared) by the researcher to interpret events at the research site, both in the immediate context of his or her lived experience and within the broader context of the social, economic and political milieu. In order to establish a basis for producing an ethnographic narrative, therefore, an examination, and explicit application, of the

epistemological and ontological assumptions of the researcher – in effect, his or her own personal frame of reference - should be made. This requirement raises tensions, in terms of the process, and eventual adequacy, of the interpretation.

Tensions in conceptualising ethnographic research

To ask questions such as, "How do you tell this kind of story? What approach do you take? How do you interpret what you experience? How do you explain what happened?" is likely to yield different answers from different ethnographic researchers. This is the epistemological point from where the concept of ethnography begins to break up into smaller schools of thought [3]. Underlying this discussion of these sub-schools in the wider ethnographic literature is the central issue of meaning construction and sense-making. The recent methodological debates within the accounting literature (see, especially, Chua, 1988; Llewellyn, 1993; Jönsson and Macintosh, 1997; Laughlin, 1995, Parker and Roffey, 1997; Tinker, 1998) identify what possible stances are available to accounting researchers and how one might begin to differentiate and evaluate them. In particular, this section addresses the frequently dichotomous separation of (a) critical and (b) ethnographic forms of accounting research, which have been criticised as "passing each other like ships in the night" (Jönsson and Macintosh, 1997, p. 380).

Although it is relatively easy to identify and differentiate ethnographic research by comparing it to positivistic research approaches, there is, within the interpretive paradigm, a debate as to the degree of prior theorising that can legitimately be applied to research in the empirical domain. Laughlin (1995) explains how ethnographic research, in contrast to conventional approaches, usually involves a low level of prior ontological theorising. Similarly, on a methodological level, he states that:

The individual observer is permitted and encouraged to be free to be involved in the observation process completely uncluttered by theoretical rules and regulations on what is to be seen and how the 'seeing' should be undertaken... rather than seeing this as a problem it is built on as a strength. This does not mean that no rules are exerted over the observer... However, these are defined in such a way that they avoid theoretical closure and preserve the subjectivity... of the observer… [but] the presence of any type of rules is invariably a restriction. (p. 67)

In this 'traditional' version of ethnography, then, the "interpretive task is limited to the explication of subjective understandings" (Llewellyn, 1993, p.245-246). In terms of accounting ethnography, such ontological and epistemological assumptions have been adopted in some studies to date (see, for example, Dent, 1991). Both Jönsson and Macintosh (1997), and Llewellyn (1993), argue that the aim of this type of ethnographic study is to discover what actors are saying, and use their communication, within a largely *psychological* theory, to explain what they are thinking. The particular emphasis may, as Jönsson and Macintosh (1997) and Power (1991) explain, vary between interpreting what actors are saying, doing or thinking, but this general principle of interpretation applies to all of the approaches to this type of research.

This emphasis on the contextual thought processes of actors and their manifestation in speech acts has important implications. For example, Jönsson and Macintosh (1994) argue that:

The researcher's task, then, is *not* to seek causal explanations but rather to describe how the actors' social experience is aligned, organised, perceived and reproduced... [Researchers] do not start out with any formal theory and hypothesis, but take the viewpoint of the social actors, and describe the

situated character of their interactions over time and the meanings they

share. (pp. 7-8)

The rejection of any (explicit) wider theorising in this type of ethnographic research can be

criticised for a number of reasons. This critique focuses primarily on the adequacy of the

assumptions made about the process of interpreting the experience, as well as on the value

of the final narrative. The initial problem, as Jönsson and Macintosh (1997, p. 377) point

out, is that:

> Without some firm theoretical foundation upon which to ground the results,
>
> there is no way of telling whether or not the narrative is sense or non-sense.
>
> Rather, the results are merely an endless reiteration of the researcher's and
>
> the actors' subjective interpretations - an imbroglio of subjectivity.

From this perspective, if the reader follows the researcher's assumed epistemological

stance, he or she has no yardstick against which to judge the account.

The second, and related, major criticism of this naturalistic approach to

ethnographic research is that its underlying epistemological stance may well lack

credibility (Tinker, 1998). For Jönsson and Macintosh, ethnographic researchers are in

danger of relying on the assumption that "they can produce a neutral description of 'the

way things are' for the agents in the social system under investigation." (1997, p.379). This

creates further difficulties for the ethnographer, and they argue that:

> [From a critical perspective] the very idea that one can be a mere neutral
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> recorder of the way other see the world is an impossibility. Like the
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> proverbial monkey-on-the-back, theoretical presuppositions always come
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> along for the ride. Moreover, these serve as value criteria which always
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> ground interpretation... When an [ethnographic] researcher produces a
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> compelling narrative, it has to arise from the way the researcher brings these

inevitable theoretical presuppositions to bear. There is no neutral, objective, position to occupy. A story of any kind is inevitably theoretically and politically grounded... Even if researchers do not realise it, ethnographic research always involves more than just 'telling a good story'. (p.378)

According to this argument, then, those ethnographic studies which do attempt to restrict interpretation to provide what one might term "accounts of accounts" (Garfinkel, 1967, in Llewellyn, 1993, p.245), rely on an inherently dangerous notion of 'transparency' or 'neutrality' for their credibility. When Dent (1991) wrote that his ethnography must "necessarily preclude the imposition of exteriorized accounts and radical critique" (p.710), this view was *in itself* an imposition of an exteriorized account.

The third major problem with this methodology relates to the explanatory sufficiency of the final interpretation provided by the researcher. As Llewellyn (1993) asks, "Is it sufficient... to uncritically accept subjective interpretations as encompassing understandings, and conclude that changes… were driven purely by the cumulative dynamic of the inner drives of the [actors]?" (p. 239). For Llewellyn, one cannot (meaningfully) detach and remove the cultural codes that lie beneath enacted reality from some form of critical evaluation in the reconstruction and interrogation of organisational life.

If there is indeed more to accounting ethnography than just 'telling a good story', it is necessary to incorporate a more rigorous, and upfront, methodological position into the ethnographic search for meaning. In doing so it is hoped to avoid the possibility of (a) deceiving the reader by falsely claiming neutrality, and (b) providing inadequate explanations for the events which were witnessed. Jönsson and Macintosh (1997) suggest that the researcher must instead "stand on some conceptual infrastructure" (p. 378). More subtly, it seems that, despite any claims to the contrary, all researchers *do* stand on an

infrastructure - some just fail to realise it (Tinker, 1998) [4]. Hence, the central issue of concern for the remainder of this paper is not *whether* foundational theories should be used in ethnographic research, but *how* they should be used.

Critical theory in ethnography

The critique of ethnographic research outlined above points to the need to *explicitly* use foundational theories in the sense-making process. The term 'critical foundational theories' refers to the range of critiques of accounting in the literature that focus on the role of accounting in producing and reproducing current forms of organisational and institutional control (Hopwood and Miller, 1994; Puxty and Chua, 1987). Jönsson and Macintosh (1997), Laughlin (1995), and Llewellyn (1993) all argue that critical accounting theories may be usefully incorporated into the ethnographic search for meaning in order to provide not just "an analysis of the experience of social agents, [but also] an analysis of the objective structures that make this possible" (Bourdieu, 1988, in Llewellyn, 1993, p.246). This process, however, seems problematic, since it may be difficult to ensure that critical theories, as rational, deductive devices, do not replace, obscure, or directly contradict the interpretive ethnographic approach to sense-making. Rather, the hope is that the influence of the critical approach will supplement it with additional explanatory 'leverage'.

For critical accounting theorists, "in contrast [to ethnographic researchers], cultural codes always rest on top of *deeper, more fundamental structures*" (Jönsson and Macintosh, 1997, p.380, emphasis added). These fundamental structures are:

> primarily concerned with the way accounting meanings get played out in
> organisations in the context of power relations. They describe how meaning
> comes to be politically mediated and how competing interest groups differ

in their ability to produce and reproduce vital meaning systems, such as

accounting ones, which construct social reality. (*Ibid*., 1997, p.375)

Armed with this conceptual infrastructure, the aim of most critical accounting research is

to:

strip back the veneer from the surface of what seems a stable social reality,

one that participants take for granted, and to reveal the class and interest

group struggles operating below the surface layer... The stance is always

critical of the *status quo*. The chains binding social relations *must* be

uncovered and they *must* come off. (*Ibid*, 1997, p.375)

The attraction of using foundational theories, then, relates to their potential to amplify

ethnographic interpretations and seek out new ones. Moreover, the use of foundational

theories forces ethnographic researchers to confront the 'conceptual infrastructure' that

they bring to their research, and so avoids the dangers of assuming that researchers can

take a 'neutral' stance to the ethnographic sense-making process.

However, the use of a critical agenda does pose problems. For instance, an analysis

based on a foundational theory of power relations in which actors are (to some extent)

assumed to be coerced and subjugated can mean that, in effect, the consciousness of actors

and their ability to understand and determine their existences are rendered incomplete. The

results from applying critical accounting theories to the empirical domain are, in this sense,

"directive, and tending to substantiate the initial theory rather than produce new

knowledge" (Llewellyn, 1993, p.234). From this perspective, critical accounting theories

may actually desensitise the researcher from the empirical experience, and obscure the very

social relations he or she is trying to study. Indeed, as Jönsson and Macintosh (1997)

observe, most research in this school of thought "is conducted in the researcher's office, at

a comfortable and safe distance from the field" (p.376).

The key to using critical thinking in ethnographic study - and the subject of much debate - is finding the right balance between the ethnographic focus on understanding and the critical focus on explanation. Some 'middle ground' therefore needs to be sought, whereby foundational theories can inform, rather than obscure, the way ethnographies are problematised and written up. The next section considers specific proposals by Laughlin (1995) and Jönsson and Macintosh (1997) for accomplishing such a task.

Proposals for critical ethnography in the accounting literature

Growing recognition of the need to combine critical and ethnographic strands of accounting research has led to the development of methodological proposals for 'critical ethnographic' accounting research. Laughlin's (1995) proposal for 'middle range' research begins to crystallise where these strands of research might be usefully intertwined. This approach commences with a systematic representation of the conceptual underpinnings of both strands of accounting research. Within this heuristic, Laughlin then identifies a middle ground between the different ontological epistemological and methodological assumptions, in which foundational theory is adopted in a skeletal fashion. Specifically:

> The [middle range] approach recognises a material reality distinct from our interpretations, while at the same time it does not dismiss the inevitable perceptive bias in models of understanding. It also recognises that generalisations about reality are possible, even though not guaranteed to exist, yet maintains that these will always be 'skeletal' requiring empirical detail to make them meaningful... it may on occasions enrich the 'skeleton', since it is from empirical observation that the skeletal theory is derived. (p. 81)

Although Laughlin's approach attempts to avoid the potential pitfalls facing the researcher seeking to merge critical theory with the 'thick descriptions' generated by ethnographic fieldwork, it relies perhaps too much on the subjective judgements underpinning the heuristic model which drives the methodology. More importantly, it also lacks specific guidance as to *how* skeletal theorising might be done in the ethnographic research process – it is silent on exactly where, when, and to what extent skeletal theories might apply [5]. Laughlin appears to propose the full adoption of skeletal theory *before* immersion into the empirical domain (p.65), but he does not elaborate on the point. If this is indeed what he advocates, such an approach fails to diminish adequately the risk of foundational theories being over-emphasised, and directing the eventual outcome.

Nevertheless, Laughlin's idea of critical ethnography is designed to suit the researcher who is particularly well-versed, and immersed, in critical accounting theories before he or she ventures into the empirical domain. In this scenario, Laughlin's methodology encourages the researcher's clear and strongly held theoretical framework to be declared at the earliest opportunity. However, the field study then proceeds in a way which is not 'classically' ethnographic, but rather *ethnographically informed* [6]; the emphasis in Laughlin's analysis is still with the theoretical 'lens', which is likely to be applied to all of the researcher's experience from the moment he or she enters the research site. So it would seem that no attempt is made to 'ground' this theory properly in the research, because the choice of foundational theory has already been made [7].

A subtly different proposal for critical ethnographic accounting research is made by Jönsson and Macintosh (1997). It is in many ways compatible with the thrust of Laughlin's approach, but differs crucially in terms of the specifics of how critical foundational theories might be applied to the research process. Jönsson and Macintosh are concerned with how these theories might be applied *subsequent* to the ethnographic experience, rather

than *prior to* and *during* the experience. They argue that the researcher should generate a dialogue in the write-up stage, in which the researcher is encouraged to ground theories in the ethnographic data, develop a critical narrative, and then apply and interrogate newly generated critical explanations by going back into the empirical domain for a second time:

> We advocate an extended research strategy, whereby the field narrative is produced [along classic ethnographic lines] and then used to interrogate, reinterpret and perhaps alter current versions of critical accounting theories... [A critical perspective of the narrative] would then be fed back to participants [through further interviews] after the usual fieldwork was completed to see if their reactions were offensive to the [critical] narrative... The results of the actors' views... could then be used as the material to re-think and perhaps revise such critical social theories. (p. 383)

In this way, critical theories are not applied in a directive way to the ethnographic research, risking theoretical closure. Rather, they are seen as resources that extend the original ethnographic analysis, in a way that offers the additional intriguing possibility of the empirical study informing the theory. For example, they state that:

> Interpretive studies [can] generate 'conjectures' or 'problematizations' of previously accepted knowledge... they can introduce proposals for reinterpretation of theoretical claims, identify problems with current knowledge, and propose prospects for new research. (p. 382)

Just as foundational theory can assist ethnographic research, the authors argue that ethnographic research may help the development of foundational theory. Neither aspect of the research is given primacy, and one is used to inform the other. In effect, Jönsson and Macintosh are adopting a stance of methodological pluralism, in which the ethnographic and critical strands of accounting research are not distilled into one methodology, but

rather interact with each other, within the paradigmatic assumptions which both forms of enquiry share.

This section, then, has sought to show that, in the absence of any explicit recognition of the researcher's 'conceptual infrastructure', any attempt to conduct ethnographic research in a way that ostensibly bypasses the underlying interpretive assumptions and prior beliefs of the researcher is difficult to sustain. Hence, the paper has argued for the utilisation of critical foundational theory within ethnographic research as a means of (a) confronting such prior ontological assumptions and (b) augmenting the scope and depth of insights that might be gained from ethnographic study. However, whilst this paper argues for the importance of critical theory in ethnographic work, it rejects the idea that foundational theories should, as Laughlin (1995) has proposed, be allowed to direct the empirical work from its earliest stages. Such an approach can blunt the contextual sensitivity of ethnographic study, reducing the empirical work to the status of being no more than 'ethnographically informed'. Instead, the paper has stressed the need for careful timing in drawing critical interpretations from ethnographic fieldwork. By organising the ethnographic work along the lines advocated by Jönsson and Macintosh (1997), ethnographic study is allowed to begin with minimal interference from weighty prior theories. In addition, the separation of initial fieldwork from critical interpretation opens up new possibilities for dialogue between the ethnographic experience and critical foundational theories, in which the researcher and the researched can participate in developing both the ethnographic narrative and the theories used to inform it.

Critical ethnography: still too passive?

Critical theory, as the previous section argued, may be essential to developing a coherent methodological platform upon which to undertake ethnographic field study, but its proper

application in practical terms is more than just a matter of careful timing during the research stages. Rather than conceptualising ethnography as a passive, reflective research instrument, one might envision a more active role for the methodology, in which the ethnographic experience is used to directly inform the design of new forms of accounting. The remainder of the paper draws from the lessons learnt in the author's own critical ethnographic research (in which the methodology developed by Jönsson and Macintosh was used) to explore the possibility of extending the type of approach argued for above to fulfil such a design objective.

This author's ethnographic work centred on the development of social accounting at the UK fair-trade organisation Traidcraft plc [8, 9]. This work has to date provided both tentative practical guidance towards the development of systematic social 'bookkeeping' processes (Dey *et al..*, 1995, 1997) as well as theoretical insights into the development of wider 'conceptual frameworks' for social accounting (Gray *et al..*, 1997). One of the main objectives of the Traidcraft plc empirical work was to undertake a critical study of social accounting experimentation in its organisational context [10]. In confronting these issues empirically, the Traidcraft study exploited a unique and exciting opportunity to study social accounting-in-action. The starting point for the project arose out of the ongoing development of social accounting at Traidcraft. More specifically, the perceived need for a more systematic and formal accounting process to underpin the social reporting function prompted the development of the notion of social bookkeeping, which was the term coined to represent this idea. It was the development of social bookkeeping within the pre-existing and ongoing project of social accounting at Traidcraft that was the primary component of the empirical work. However, whilst the practical aspect of the empirical work focused solely on social bookkeeping, the second main element of the project took a wider, more reflective stance in which the nature of social accounting as a whole could be studied. Not

only was it possible to work with Traidcraft in developing social bookkeeping systems, the opportunity for longitudinal, in-depth, reflective study also arose.

In this way, the project also encompassed an ethnographic component, which sought to develop both rich, contextual interpretations of the experimentation with social bookkeeping, as well as critical reflections on the emergence of social bookkeeping and accounting at Traidcraft. A methodology was needed that was sensitive to these objectives, and so the ethnographic part of the empirical work was structured along the lines of the approach developed by Jönsson and Macintosh (1997), which was outlined in the previous section of this paper [11]. The research stages are described in figure 1.

Take in Figure 1

Alongside the ethnographic work, the practical development of social bookkeeping relied upon a simple 'systems lifecycle' framework (see, for example, Davis and Olsen, 1988) to describe and evaluate the work involved at each stage (conception, feasibility study, development, programming, implementation) in building the social bookkeeping system. This two-part model for the social bookkeeping project was seen (at the time at least) as the best available vehicle for examining the development of a new accounting information system, by offering, both (a) a more 'conventional' perspective emphasising the (still important) technical aspects of the project, as well as (b) an ethnographic study which sought to offer a much more thorough analysis of the events which occurred.

However, in interpreting the research data, it became increasingly evident that the reflective, ethnographic stage of the Traidcraft project had important implications for social bookkeeping itself. More specifically, the 'doing' of social bookkeeping could not be theorised properly in isolation from the ethnographic study. Although Jönsson and Macintosh's methodology *was* sympathetic toward many of the practical and theoretical difficulties   surrounding   the   empirical   work,   the   project   remained   rather

'compartmentalised', with the ethnographic and bookkeeping systems design elements of the work remaining discrete and separate from each other. The role of ethnography as simply a *reflection* upon the events that took place seemed increasingly at odds with the pragmatic motives of the project.

The above structure for the work became increasingly cumbersome as the write-up of the project progressed. The insights from the ethnographic study pointed to the importance of the design stage in the project, yet at the same time could offer no direct input into the 'doing' of social bookkeeping. Although critical insight had proved valuable, it still seemed to be a passive form of analysis. The 'critical intent' underlying the ethnography seemed to evaporate. Whilst the literature offered guidance in the development of an ethnographic approach to reflect upon accounting experimentation, there appeared to be much less guidance available as to how ethnographic insights might be incorporated into the design and development of social bookkeeping itself. Hence, whilst this partly justifies the shortcomings of the Traidcraft project in seeking to bring together the diverse theoretical and practical strands of the social bookkeeping project, there is an issue of wider concern that must also be addressed. The final section of the paper reflects on the lessons that may be learnt from the methodological structure of Traidcraft project, to explore whether critical ethnography could be developed further, to provide a more 'active' means to engage with experimentation with new forms of accounting.

Some reflections

The above arguments suggest that, in pursuing a critical study of accounting in action, the accounting literature has offered considerably less guidance than might first have been thought. By taking a reflective stance in the empirical domain, ethnographic studies in the

accounting literature have consistently failed to assert any influence over the actual design and development of the accounting systems involved. Instead, they usually privilege the systems and structures that constitute the (organisational) culture as it is maintained and controlled by those actors who inhabit it. A review of the ethnographic literature in accounting appears to bear out this analysis. Whilst accounting researchers have used ethnographies to reflect upon the design of new accounting systems (see, especially, Chua, 1995) and have begun to develop more proactive, critically-informed research agendas (Broadbent and Laughlin, 1997; Tinker, 2000), the literature as yet has neglected to see the potential for ethnographic analysis to *directly inform* the design of new accounting systems. Despite the efforts achieved to date in the accounting literature to engage critical and social issues on an empirical level, the insights produced have yet to explicitly reach into the design of new forms of accounting that might achieve organisational change.

It is definitionally true that (social) accounting interventions do not start at the point when the information becomes a currency, but when the system producing the information is being designed and built. The essence behind the Traidcraft project was a belief that if one can change an organisation's accounting systems, one can change the organisation. However, changing accounting, from the experience of the social bookkeeping project, is a task that appears now to be even more difficult than previously thought. To fundamentally alter an organisation's accountability relationships with its stakeholders, accounting systems must use design methodologies that incorporate critical thinking. There has been a growing recognition in the accounting literature of the value of ethnography as a research methodology, but its application as a practical aid to the development of new accounting information systems remains undertheorised and problematic.

Further experimentation with new forms of accounting, such as that which took place at Traidcraft, is a research agenda worth pursuing. Using social analysis to help

people change their organisations by themselves (see, for example, Broadbent and Laughlin, 1997; Jönsson, 1998) may also demonstrate grounds for optimism. Another starting point for merging critical ethnography and accounting design might be the information systems literature, where ethnographic research methodologies have for some time been proposed as a means of generating knowledge which is useful to both practice and research (see, for example, Bentley et al.., 1992; Blythin et al.., 1997; Hughes et al.., 1992, 1994; Lyytinen, 1992; Harvey and Myers, 1995; Macauley et al., 2000; Suchman, 1987). With hindsight, a missed opportunity in the Traidcraft experiment was in bringing an acute and powerful methodology like critical ethnography into the design process. This paper has stressed the importance, and timing, of critical thinking within ethnographic accounting research, and in doing so identified Jönsson and Macintosh's (1997) methodology as one approach that might yield results. However, its application within the Traidcraft experiment indicates that further development of such methodologies is needed to address the concerns outlined in this paper.

One possible refinement of the approach used at Traidcraft would be to extend and restructure the original methodology, to allow ethnographic work to precede, and inform, the development work. In this way, the researcher's subsequent return to the research site would then incorporate both the search for critical insight and the main body of the design and development work. In doing so, the opportunity identified by Jönsson and Macintosh for two-way dialogue between critical and ethnographic elements of the research could be extended, to include the design process. Such a refinement is exploratory, and certainly time-consuming. However, intensive commitment by the researcher (and the researched) is likely to be required, if such research is to realise its potential as an active methodology.
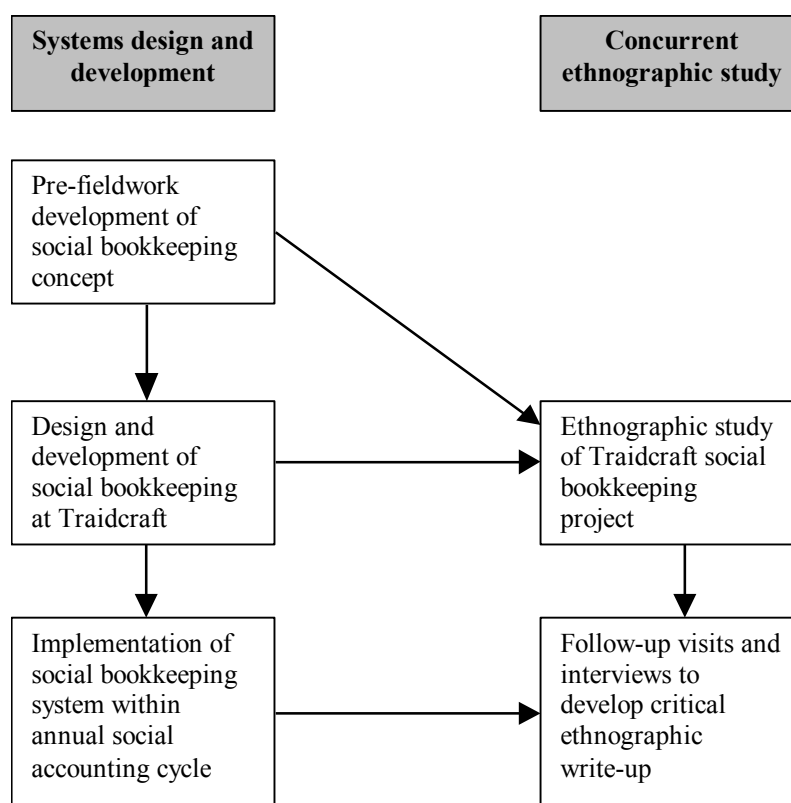
Figure 1. Empirical stages in the Traidcraft social bookkeeping project

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[2] Ethnography rejects the conventional approach because it is rooted in a different, 'interpretive' paradigm, in which reality is assumed to be socially constructed. A socially constructed reality cannot be represented by a positivist mode of enquiry, because the distinction between subject and object disappears. For the social constructionist, reality does not (solely) exist independently or objectively, but is subjectively given meaning by actors in a social setting. In an organisational context, this approach means that, firstly, it is necessary to understand how actors, as subjects, construct their realities, and secondly, how practices such as accounting and information technology, as manifestations of meaning, themselves construct reality (Chua, 1988; Llewellyn, 1993).

[3] Dissecting the wider ethnographic literature is beyond the scope of this paper. See, for example, Geertz, 1973; Clifford and Marcus, 1986; Van Maanen, 1988; Denzin and Lincoln, 1994.

[4] Ethnographic researchers can, therefore, fall into the same trap as their positivist counterparts.

[5] Broadbent and Laughlin (1997) attempt to remedy this by 'walking' the reader through an example of the application of this approach.

[6] Although Broadbent & Laughlin assert that, "in essence, the approach can be described as an informed ethnography" (1997, p. 627), it is this author's view that it is more accurately described as ethnographically informed.

[7] Despite its limitations, such an approach lends itself well to Laughlin's own well established and formulated Habermasian 'lens'. Empirical research informed by the 'middle-range' approach has been undertaken by Laughlin and others (see, for example, Broadbent and Laughlin, 1997; Richardson *et al..*, 1996).

[8] Traidcraft plc is a fair-trade organisation which imports and sells a range of handmade goods from developing world countries, has led the way in modern experimentation with social accounting and social reporting (Gray *et al..*, 1997); it has consistently represented the 'cutting-edge' of corporate social accounting practice in the UK. Traidcraft was the first UK plc to publish an independently audited set of annual social accounts in 1993 (Traidcraft plc, 1992; 1993 *et seq.*).

[9] For a summary of the research undertaken at Traidcraft plc by this author, see Dey (2000).

[10] The Traidcraft 'experiment' was an attempt to develop the pragmatic 'middle ground' of the social accounting debate (see, especially, Gray *et al..*, 1996), which sought to go beyond the practical development of social accounting to interrogate, and develop a better understanding of, the critical questions posed in the social accounting literature (see, especially, Tinker, 1985; Puxty, 1991; Owen *et al..*, 2000).

[11] Although the Traidcraft work is not highlighted here to specifically illustrate the application of the Jönsson and Macinstosh methodology, it is perhaps worth mentioning briefly that this methodology did suit the empirical work well. For example, it provided space for a more classically ethnographic study to take place during the researcher's fieldwork stage, and in particular it allowed the researcher to build up critical interpretations of the ethnographic experience over a longer time period, during return visits to the research site where semi-structured interviews with organisational participants took place.

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