

The Study on the Extent of Emerging Trend of Accounting Information Required to Facilitate Economic Development

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Abstract: *The objective of this study is to demonstrate the significance of accounting and scientific accounting research in promoting economic development through the use of accounting information. It also aims to explore the necessity of developing accounting practices for economic development by analyzing trends and examining the extent to which such research contributes to economic progress. This study emphasizes the significance of demonstrating the relationship between accounting and economic development. It aims to establish a framework for scientific research that explores the enhancement of the accounting process. Developing nations are encouraged to establish long-term development plans that focus on the development of accounting for economic growth through scientific research. Accounting encompasses subjects such as the constraints of accounting and challenges faced in developing countries, its contribution to economic progress, and the focus and extent of study in the field of accounting science. The success of these efforts is influenced by various elements and considerations, including the availability of data that may be utilized to facilitate decision-making in the establishment, implementation, and monitoring of these programs.*

Accounting information plays a crucial role in the success of development plans by providing the required data for their formulation, execution, and monitoring, while ensuring the integrity of the decisions made. The lack of a thorough assessment of the accounting function in good economic development plans is considered to be the reason for the failure of such plans.

Keywords: Economic growth, expertise in accounting, and the study of accounting

I. INTRODUCTION

The effectiveness of development plans and the soundness of judgments are enhanced by the accounting information's capacity to supply the necessary information for formulating, executing, and overseeing these plans.

These programs often fail because they were not thoroughly evaluated for their impact on effective economic growth strategies. Moreover, such a model has the capacity to include certain variables that are not economically significant. Nevertheless, there is accessible information regarding them. Unjust allocation of resources arises from a lack of knowledge regarding their relative scarcity, and efforts to modify current development strategies are hindered by a similar lack of understanding regarding their effectiveness.

Accounting is influenced by fluctuations in the overall economic, social, legal, and political circumstances that exist in each country or specific environment at any given moment. This is because accounting is a social science that strives to address the varied requirements of both private and public commercial establishments. The economic, social, legal, and political contexts in which accounting operates are influenced by several environmental factors. The accounting scientific research plays a crucial role in generating essential studies and recommendations to address the financial and administrative challenges faced by developing countries. These challenges include the scarcity of productive resources, rapid population growth rates, and global price fluctuations. One can determine the importance of accountancy and accounting scientific research in promoting economic development by analyzing the attitudes and scope of the research

that contributes to economic development. This will also highlight the need to develop accountancy practices that support economic growth by utilizing accounting information.

This study is significant because it is the first attempt to define the role of accounting in economic development and establish a connection between the development of accountancy and scientific research. The study presents an accounting scientific research framework that addresses various accounting issues and challenges faced by developing countries.

II. LITERATURE REVIEW

The existing literature on accounting studies related to this research is exceptionally scarce, both in Arabic and foreign sources. This is surprising given the significance of constructing and designing scientific research, as well as the need for effective integration of previously discovered results in these studies.

Al-Study Sharqawi's analysis from 2000 examined the primary attitudes of researchers and compared the accounting findings of this analysis in the Arab Republic of Egypt from 1998 to 1998, both domestically and internationally. This study compared the main attitudes of the arbitrated accounting researches published in the Accounting, Administration and Insurance Journal, as they were seen as representative of the accounting researches related to the main attitudes at a local level when they were published in an international journal. This study identified substantial disparities between the research conducted domestically and those carried out internationally. For example, the investigation of the financial markets has ranked first among the research undertaken worldwide. The researchers had a profound fascination with this domain, and throughout the study, this research constituted approximately 28.75% of all globally published studies, with accounting-related studies ranking tenth in terms of prevalence. Furthermore, this survey revealed that several fields of research, such as administrative accountancy and cost accountancy, have achieved the top two positions at the local level, but have ranked fifth and sixth globally.

The study also discovered that, at a local level, the significance of the accounting research produced in different accounting sectors during the 1990s was not significantly different from its significance in the 1980s. The study's findings demonstrated a high level of confidence, reaching 95%, indicating that the relative significance of different research fields in the 1990s varied globally. Specifically, this was evident in the importance of accounting research related to securities markets and financial accounting, among other areas. Overall, this study discovered that although there are many factors that influence the attitudes towards accounting research at both local and international levels, and despite the availability of international journals locally, the importance of research fields varies significantly between the two levels.

The study conducted by Al-Khadaish in 2002, published in Jordanian academic publications overseen by public universities, aims to identify the attitudes towards accounting research and determine if these investigations are based on theoretical and deductive approaches or field-based and inductive approaches. Additionally, it seeks to methodically assess the extent to which these studies have contributed to Jordan's overall comprehension and implementation of accounting principles. This study was conducted from 1996 to 2001. The analysis revealed that theoretical accounting studies accounted for a mere 5% of the overall studies, whereas field investigations constituted a significant 91% of the papers examined. The study's findings indicate that accounting research conducted in Jordan during that period primarily focused on two areas: financial market accounting research, which constituted 35% of all published accounting research, and auditing accounting research, which constituted 16% of all published accounting research. Accounting-related research has been published in domains outside of accounting in 14% of all papers. In addition, the researchers gave minimal consideration to other areas of accounting. Research in many significant accounting disciplines, including financial accountancy, tax accountancy, administrative accountancy, and cost accountancy, accounts for 7%, 3%, 5%, and 3% respectively. The investigation determined that the accounting research published in peer-reviewed publications produced by public universities did not enhance or add to the existing knowledge regarding accounting theory as a whole. This is because the majority of these studies were conducted on-site and their findings were restricted to the Jordanian context, particularly the industrial setting, even though these businesses represented less than 10% of the country's industrial sectors. The findings of this study also indicated that certain research domains held greater appeal to researchers compared to other prominent research domains.

Hezan's study aimed to conduct a quantitative analysis of the attitudes of accounting researchers in the Kingdom of Saudi Arabia towards different accounting fields. The analysis was based on studies published in scientific journals by universities and higher educational institutions in the kingdom between 1980 and 2000. The study also compared these attitudes with those of accounting researchers worldwide. The study's findings showed a significant convergence between the researchers' areas of focus in accounting research pertaining to financial accountancy and auditing, both at a local and worldwide level, during the study period. Furthermore, it was shown that the level of focus by researchers on the subject of administrative and cost accounting varies between the kingdom and the world.

In his 2009 study, Hillis Abdullah aimed to compare the attitudes of accounting researchers conducted abroad with those of researchers conducted in Palestine during the period of 2004 and 2008. The focus was on research published in scientific publications created by Palestinian universities. The study revealed a notable convergence between the researchers' focus on auditing in accounting studies conducted in Palestine and similar accounting fields elsewhere during the study period. Furthermore, it has been shown that there are disparities in the research interests of financial accountancy scholars in Palestine compared to those in the worldwide accounting sector. Additionally, it was demonstrated that the researchers' pursuits in cost accounting and administrative accounting diverge. During the study period, local research interest in these disciplines lagged behind global achievements in the scientific study of accounting concepts, particularly in the areas of financial accountancy and administrative and cost accountancy.

After examining the previous studies, it is evident that they have focused on the perspectives of accounting studies published in peer-reviewed journals. Nevertheless, they have not shown a correlation between these attributes and economic progress. This study aims to determine the significance of accountancy in economic development and the process of enhancing accountancy to contribute to economic growth through scientific research in accounting.

The importance of accounting information in fostering economic development

One of the obstacles to the achievement of development programs and economic growth in developing countries is the absence of timely and accurate information. Consequently, the accounting industry will face a significant responsibility in acquiring the essential accounting information required for making decisions connected to progress. Below, we will provide a more detailed explanation of the departments affected by the accounting activity, as well as the specific volume and type of accounting information involved.

Brain and Taylor categorize individuals affected by accounting activities into three distinct groups:

The first category pertains to the field of accountancy and encompasses the accountants who oversee the profession, as well as the department responsible for establishing and advancing accounting principles and standards on a global scale. This category is influenced by the organizational structure of the accounting profession and the presence of official authorities, such as the accountancy bureau, as well as non-official authorities, such as the accountant's union.

The second group pertains to the users, encompassing both external users of financial reports. The objective of accountancy is to furnish the essential information regarding the quantitative representation of economic resources. This category is also influenced by the kind of regulations that impede the determination of restrictions for producing and disseminating such information, as well as the pace of economic growth.

The third category comprises those responsible for implementing the facility's goals through the execution of various tasks associated with goal-setting, plan creation, plan execution monitoring, and decision-making. Accountancy facilitates the execution of duties by compiling and transmitting essential information through a wide range of administrative reports.

Based on the information provided, it is feasible to determine the amount and structure of accounting data by having an information management system that is willing to provide such data. In order for the organization to assess this information according to accounting standards, the management must also be capable of determining the suitable techniques for measuring the information. The efforts of both management and employees will be beneficial to data users.

In order to be appropriate for decision-makers, accounting information must include some qualitative attributes, which are enumerated as follows:

1- Appropriateness: This pertains to the capacity of accounting information to impact a decision. In order for accounting information to be deemed suitable, it must exhibit the following characteristics: (1) It must be able to

produce accurate predictions; (2) It must be accessible whenever the decision-maker needs it; and (3) It must enable the decision-maker to verify the correctness of previous forecasts.

2- The reliability of the information suggests that the accounting data should be predominantly objective. Consequently, the decision-maker can depend on this data. In order for information to be considered trustworthy, it must possess the following qualities: it must provide an accurate representation of the phenomenon, be free from bias and supported by evidence, and not selectively provide information.

3- The ability to compare different facilities or time periods.

From the given facts, we can infer that accounting plays a crucial role in the success of economic development plans. This function becomes evident when the necessary information for creating, implementing, and monitoring the plans is accessible. Adhering to the development's needs will be beneficial if the information provided is precise and reliable.

III. CONCLUSION

Accounting plays a pivotal and advantageous function in the accomplishment of economic development plans. This role stems from its capacity to furnish data that facilitates the efficient allocation of resources and promotes the advancement of development plans. Hence, the objective of scientific research should be to assess the data necessary for the units and conduct studies on the extent of compatibility and appropriateness of existing systems, as well as the need for their development. The objectives of users of accounting information are closely tied to the characteristics of the accounting information. Consequently, when the objectives of accounting information users are not well-defined, the importance of accounting scientific research in advancing the field of accounting to meet their requirements and foster economic growth through the establishment and issuance of accounting standards and regulations is heightened. The advancement of accounting systems in emerging nations is intricately connected to the enhancement of accountancy within these countries. Hence, the primary aim of accounting research should be to examine the actual nature of accounting and the essential procedures involved in developing accounting systems. Consequently, it facilitates the attainment of the goals related to delivering valuable information that supports economic growth.

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