International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

Accounting in Theory Development: A Systematic Literature Review

Mery Rohaya Sihombing [1], Prof, Dr. Enggar Diah Puspa Arum, SE, M.Si, AK [2]

[1,2]University of Jambi

Email: mery jovania @gmail.com

Abstract

This study aims to identify and explore the development of accounting theory during the period 2012–2022. Using a Systematic Literature Review (SLR) approach, this study analyzes the main trends, dominant theories, and the relevance of accounting theory to modern business practices and needs. Data were collected through Publish or Perish 8 (PoP 8) software with a literature restriction that included articles related to normative and positive accounting theory, published in reputable journals during the period. The results show that accounting theory continues to evolve from a pragmatic to a positive approach, with each phase making important contributions to enriching the discipline. Methodological analysis shows the dominance of qualitative approaches, while quantitative approaches continue to validate the relationships between variables. Furthermore, international contributions demonstrate the strong influence of globalization and technology, including artificial intelligence (AI), in driving the development of accounting theory and practice. This study concludes that accounting theory must continue to be refined to address local and global challenges. A combination of local and global approaches is needed to produce more relevant, inclusive, and sustainable theory.

Keywords: Accounting theory, SLR, globalization, technology.

INTRODUCTION

The development of accounting has undergone a significant transformation, from simply recording manual until become discipline knowledge complex And strategic. In In its journey, accounting not only functions to document financial transactions, but also plays a role role important in taking decision managerial And compilation strategic policies. In

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this context, accounting theory becomes a conceptual foundation that explains the phenomena of accounting practice, provides guidance, and supports the development of policies that relevant with need business Which the more complex.

Wrong One aspect main in development theory accountancy is influence factor social, economic, and technology against accounting practice. Budiasih et al. (2018) emphasize that in context capitalism, practice accountancy often time influenced by environment economy, which in finally form a way view and accounting applications in society. Setiawan and Rahmawati (2017) also noted that accounting has transformed from a technical activity into a strategic element. which is crucial in the world business modern. This shows that accounting theory must Keep going develop For face dynamics social And economy global.

Besides influence social And economy, development technology Also give the impact that significant to accountancy. Primasatya (2024) disclose that technology, especially Intelligence Artificial (*Artificial Intelligence*), has change method education And practice accounting is done. Adaptation to technology new This No only need mastery technical, but also ability leadership And adaptive in its implementation.

In side other, development theory accountancy in Indonesia Also No off from values local perspectives, including religious perspectives. Hadi (2018) highlights the importance of sharia accounting theory which includes principles faith, law amaliah, And morals. Matter This confirm that Accounting theory must be able to accommodate the diverse needs of society. Meanwhile, accounting theory positive, although often get criticism, still relevant as base For understand and predict practice accountancy modern (Medyastanti & Subroto, 2022).

In terms of methodology, *the Systematic Literature Review* (SLR) approach is an effective way to explore the development of accounting theory. This approach allows researchers to analyze various literature in a structured and comprehensive manner, resulting in understanding Which more deep about trend And contribution academic Which there is research This aim For identify And explore development theory accounting in the 2012–2022 timeframe. Using the SLR approach, this study will analyze trend main, theories Which dominant, as well as relevance theory accountancy to practice and need business moment This. Results study This expected can give outlook which is useful for academics and practitioners in understanding the dynamics of the development of accounting theory, as well as support development practice accountancy Which more Good in time front.

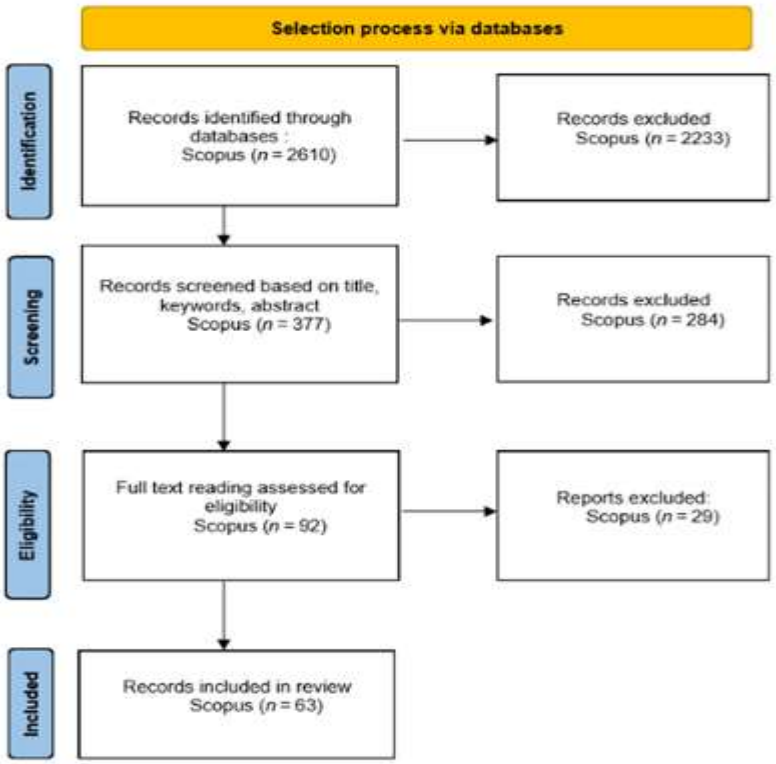
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RESEARCH METHODOLOGY

This research uses a Systematic Literature Review (SLR) approach, which aims to For integrate And analyze findings from various study previously systematically and structured (Adira et al., 2024; Fitri et al., 2024; Pasaribu et al., 2024).

Figure 1. Scientific Article Selection Process



This approach allows researchers to gain a deeper understanding of trends, academic contributions, and research gaps in the development of accounting theory . in study This collected through device soft Publish or Perish 8 (PoP 8), used For identify And choose article based on relevance topic And publication quality (Aisha et al., 2024; Camsana et al., 2024; Mariana, Ramadana, et al., 2024; Maulena et et al., 2024).

Limitation literature Which used is article Which published between year 2012 until 2022, with focus on theory accountancy, Good normative and positive, as well as the application in practice accountancy (Imelda et al., 2024; Liza & Mariana, 2023; Mariana, Liza, et al., 2024; Ramadana et al., 2023). Criteria inclusion Which used covers article Which relevant with theme Research, published in accounting journals or related fields, and

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including empirical or conceptual analysis of accounting theory (Bahgia & Azlina, 2022; Bonara et al., 2024; Mariana, Ramadani, et al., 2024; Mariana & Liza, 2024; Maulena et al., 2023). Conversely, articles that did not meet these criteria or were not relevant to the research objectives were excluded. from the analysis. Selection process This ensure that only literature Which relevant And quality Which included in this study.

DISCUSSION

Transformation from Pragmatic Theory to Positive Theory

The development of accounting theory has gone through several important phases, starting from pragmatic theory until theory positive, Which each give contribution significant towards the understanding and practice of accounting. Pragmatic theory focuses on real-world practice and direct application in world business, give guide practical for perpetrator business For solve daily problems. In this phase, accounting is more directed as a technical tool to support operational activities, which is the initial foundation in compile basic principles of accounting (Limtaroli, 2023). Views This emphasizes that accounting should function as a tool Which help taking decision in level operational And strategic.

Over time, a need arose for a more analytical and data-driven approach. Positive theory emerged to address this need by offering a framework. Work Which aim For explain And predict behavior accountancy. Theory It relies on empirical data and statistical analysis to understand accounting phenomena that occur in various organization (Limtaroli, 2023). With thus, theory positive become relevant in explaining dynamics reporting finance Which complex as well as give outlook Which more in depth about How decision accountancy taken And implemented in context different .

However, positive theory is not without its critics. Some researchers, such as Medyastanti and Subroto (2022), highlight its limitations, particularly in capturing the normative aspects that are often essential to accounting practice. This critique suggests that, although theory positive give explanation Which strong, approach the need equipped with framework normative Which consider values moral And ethics. Matter This open up opportunities for development theory accountancy Which more holistic And adaptive to business needs modern, in where aspect ethics And not quite enough answer social the more become attention mainstay in accounting practice.

Thus, the transition from pragmatic theory to positive theory reflects a complex evolution in the accounting discipline. Pragmatic theory provides a strong foundation for accounting practice. accountancy, temporary theory positive offer perspective analytical

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Which required to understand And predict behavior accountancy in context Which more wide. Both of them complement each other and contribute to the development of more comprehensive accounting theory And relevant with challenge Which faced by world business moment This.

Methodological Study in Accounting Research

Methodology study play role important in develop theory accounting. Study to literature Which analyzed show that approach qualitative more widely used compared to approach quantitative. Approach qualitative allows researchers to gain an in-depth understanding of the factors that influence accounting practices, including culture, behavior, And values organization. Matter This in line with findings Rizki (2020) which show that domination approach qualitative reflect focus study on theoretical exploration.

In side other, approach quantitative, although used more A little, still make a contribution significant. Method This generally used For measure connection between certain variables in accounting research. For example, quantitative research is often used to test hypotheses about the effect of accounting policies on company performance or the impact of accounting conservatism on the stability of financial statements. The combination of approach qualitative And quantitative give base Which more strong in understand various accounting phenomena.

However, the variety of research methods used in accounting studies remains relatively low. This indicates the need for more innovative methodological exploration. to broaden the scope of accounting research. For example, integrating interdisciplinary approaches with mixed methods can provide a richer perspective, combining in-depth analysis from data qualitative And validation quantitative Which more comprehensive.

Focus on the main theories in accounting

A number of theory main Which become runway in practice And study accountancy is a theory accountancy general, theory positive, theory normative, And theory agency. Theories This No serves only as a conceptual framework, but also provides practical guidance in solving various problem accountancy. As example, theory agency is very relevant in explain connection between principal And agent in taking decision accounting, especially in conflict interest (Limtaroli, 2023).

In addition to these main theories, several studies also explore the relationship between accounting theory and contemporary issues. Agata et al. (2021) show that the responsibility answer social company (*Corporate Social Responsibility* or CSR) can

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influencing conservatism accountancy. Matter This give view new that theory accountancy No not only used to understand financial phenomena, but also as a tool to integrate values social in practice business.

Approach multidimensional in development theory accountancy show that theories Which There is need Keep going perfected so that can answer challenge global And local. Thus , theories This No only functioning as tool analysis, but Also as guidelines for addressing complex contemporary issues. Further research is needed to explore how these theories can be applied more effectively. in diverse

International Contributions and Global Dynamics

International influences are very visible in the development of accounting theory. Most of the literature Which analyzed originate from journal international speaking English, reflect the strong academic dominance of developed countries. Globalization has driven international economic integration, Which on it's his turn influence standard And practice accountancy in various Christian 's (2024) research revealed that international accounting standards have encouraged harmonization in financial reporting, although challenges in their implementation remain in some countries.

In technology, progress like intelligence artificial (AI) has give dimensions new in practice accountancy. Primasatya (2024) highlight importance student And practitioners accounting to develop adaptive skills in utilizing this technology. This shows that globalization No only bring integration economy, but Also transformation in method accountancy taught And practiced.

However, influence globalization Also bring challenge for countries developing countries, including Indonesia, to balance the adaptation of international standards with local needs. By Because That, important for researchers And practitioners accountancy For develop the theory that relevant with local without put aside dynamics global. Matter This can done with integrate approach local And global in development standard more inclusive accounting .

CONCLUSION

The development of accounting theory reflects a long and dynamic journey, starting from a pragmatic approach that focuses on practice to a positive theory that prioritizes explanation. based data empirical. Every phase development This give perspective new which enriches discipline knowledge accountancy, make it more relevant in answer modern challenges. However, these theories are not without criticism, which highlights

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the importance of continuous refinement to address the increasingly complex needs of the business world.

Methodological analysis shows the dominance of qualitative approaches in accounting research, Which reflect focus on exploration theory And understanding deep to social phenomena that influence accounting practices. Meanwhile, the quantitative approach continues to contribute in give validation statistics to connection between variables. The combination of these two approaches, plus the exploration of mixed methods, could enrich future accounting research.

Significant international contributions in the accounting literature highlight the strong global influence in the development of accounting theory, both through international standards and the adoption of technology like intelligence artificial (AI). However, important For balance standard adaptation global with context local For produce practice accountancy Which relevant, inclusive, and sustainable. With thus, study more carry on required For integrating local and global approaches and responding to modern challenges through the development of more comprehensive accounting theories holistic.

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