A CONCEPTUAL FRAMEWORK OF CONCEPTUAL FRAMEWORKS: POSITIONING CORPORATE FINANCIAL REPORTING AND CORPORATE ENVIRONMENTAL REPORTING ON A CONTINUUM

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ABSTRACT

The academic literature in corporate financial reporting (CFR) and corporate environmental reporting (CER), among other disciplines, employs the conceptual framework methodology. However, there has been little attempt to define the methodology and there is frequently an assumption that the definition is understood. In this paper we develop a conceptual framework of conceptual frameworks which allows us to define conceptual frameworks and explain why they are used. Our model involves a continuum of 'clusters', with each cluster representing a form of conceptual framework. We position CFR and CER conceptual frameworks along the continuum and recommend that by testing CFR frameworks empirically they can be repositioned along the continuum thus enabling the discipline to mature and become dynamic in nature.

Key Words: Conceptual framework; corporate financial reporting (CFR), corporate environmental reporting (CER).

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INTRODUCTION

The conceptual framework methodology has been applied across a broad spectrum of disciplines as a theoretical modelling tool. However, there appear to be as many definitions of a conceptual framework and its uses as there are conceptual frameworks. In this paper we aim to clarify the definition and use of conceptual frameworks. We develop a conceptual framework of conceptual frameworks which aims to formalise the different definitions and uses of conceptual frameworks into a logical schema. We consider conceptual frameworks across a broad range of disciplines, focusing on those in corporate financial reporting (CFR) and corporate environmental reporting (CER), and consider where they may be placed in our model. Our discussion of conceptual frameworks suggests that they share a number of commonalities, including: establishing a nomenclature for a discipline where none exists (or where a common terminology does exist but is used inconsistently); using relevant literature to develop a model; using diagrams and/or matrix tables to illustrate interrelationships, and; making the implicit explicit. Our model depicts conceptual frameworks as clustering along a continuum of conceptual frameworks. At one extreme of this continuum are personal interpretations of a particular subject area, based on relevant literature. The continuum extends through several stages of development, where the most developed form of conceptual framework is one which incorporates the findings of empirical research, tests the model(s) developed in previous stages, and perhaps proffers policy recommendations or sets an agenda for future research.

This paper falls into the following sections. Section two reviews existing literature defining conceptual frameworks and their use, so as to set the scene for our model development. In section three we develop our model, a conceptual framework of conceptual frameworks, which depicts a continuum of different forms of conceptual framework. In section four we illustrate our model with examples of conceptual frameworks from a wide range of disciplines. Section five positions conceptual frameworks in CFR along the continuum as well as conceptual frameworks within the relatively new area of CER. In section six we discuss our model in the light of the evidence presented and use our findings to make policy recommendations concerning the future use of conceptual frameworks in the areas of CFR and CER.
A REVIEW OF CONCEPTUAL FRAMEWORKS: DEFINITIONS,  
USAGE AND ADVANTAGES

It has been suggested that,

In any field of study or activity, including financial accounting, there are a number of reasons for developing a conceptual framework, which is a collection of broad rules, guidelines, accepted truths, and other basic ideas about the field (Miller and Reading, 1986, p. 98).  

However, from the literature there is little consensus on definitions of conceptual frameworks and that this is simply one of many.

In developing a conceptual framework, Demirag and Goddard (1994) hope to clear,

...some of the fog around the short-termism debate (p. 360)

showing that in this case the conceptual framework methodology is being used to clarify debate in the area. In a similar way, but implying a more far-reaching process,

... a conceptual framework should be viewed as a kind of gyrocompass to help us in navigating our way through the self-interest and contending ideologies that always surrounded debate about regulation (Edwards, 1981, p. 439).

A far more ambitious use of the conceptual framework methodology is to,

... provide this subject [disaster analysis] with a badly-needed analytical structure so as to reduce the loose and often misleading jargon and assertions which permeate the field (Alballa-Bertrand, 1992, p.3).

Therefore, it seems from just a few examples that conceptual frameworks are intended to perform any function from simply helping to define a discipline to developing a fully comprehensive, analytical framework for the discipline.

Fawcett (1997) suggests that conceptual frameworks can be used for four purposes: to guide practice; as a basis for research projects; for pedagogic purposes; and in administrative situations. Further, Nye and Berardo (1966) discuss the following advantages of conceptual frameworks. First, the development of a conceptual framework should provide adequate definitions of concepts, and thereby provide adequate measurement. Second, conceptual frameworks facilitate the researcher by providing an array of ideas. Third, it is important that not only are the substantive results of research understood, but also that the essential concepts used are understood by those who are using the results. Fourth, the development of a conceptual
framework allows effective communication between academics, who often speak different languages and make implicit assumptions and concepts unconsciously without consideration of other readers. Lastly, they suggest that conceptual frameworks allow the clarification of assumptions, frames of reference, and implied variables.

Miller and Redding (1986) have written at length about the Financial Accounting Standards Board's (FASB) conceptual framework project and cite three reasons for creating a conceptual framework, namely: description of existing practice; prescription of future practice, and; definition of commonly-used terms. They consider that there are two ways in which a conceptual framework based on the description of existing practice can be helpful. First, its development facilitates the education of those unfamiliar with the field. Secondly, the description of existing practice allows the formal statement of general rules. This will, in turn, allow the development of new, consistent rules for new situations which may arise. The investigation into developing a descriptive conceptual framework would begin by examining current practice, and then consider a higher level of abstraction. Their second reason for creating a conceptual framework in CFR is to provide prescriptions of future practice and involves providing agreement on how to resolve unsettled questions, both old and new. Ways in which such a prescriptive framework can be of help are firstly, that it can provide formal guidelines for a standard setting body. Secondly, it can help to direct practitioners in the area. An investigation into developing a prescriptive framework begins by making normative decisions on a few general concepts, and travelling through their implications, to statements of what ought to be done in practice. Third, a conceptual framework should be created in CFR in order to define commonly-used terms, which would be helpful to any standard-setting body and/or practitioner in the field, and carries two major advantages: (i) the process will become more efficient, as the practitioners will be able to communicate with each other, on the same basis of understanding; and (ii) a fixed set of definitions allows rules and guidelines, set by the appropriate agency, to be consistent. Miller and Redding (1986) consider that these three reasons for developing a conceptual framework conflict with each other, unless those who are developing the framework agree in advance on the purpose it is to serve. Overall, these reasons suggest that the primary function of a conceptual framework is to make the implicit system of CFR explicit.

As with any methodology, there are limitations. Apart from inadequate development of the conceptual framework per se, the main problem is emphasising that it is "a" conceptual
framework not "the" conceptual framework. Further, conceptual frameworks should not be static, but dynamic, in nature. Also, unless a conceptual framework is tested empirically, it may be inadequate for application in practice, representing a limited, subjective perspective.

In summary, a conceptual framework allows sensible and clear discussion in a particular discipline. The conceptual framework methodology allows the development of taxonomies, allowing clarification of issues. The development of a nomenclature, or common terminology, is important. More advanced conceptual frameworks could generate empirically testable theories which may yield evidence to support or reject the underlying model. Overall, a conceptual framework should make a contribution to the body of knowledge in the discipline. For the purposes of this paper we define a conceptual framework as a methodology used to establish a body of knowledge in a discipline by codifying the literature, and using it to develop a model of reality¹, often culminating in policy recommendations. This model of reality highlights any problem within a discipline that needs to be addressed by academics, practitioners and even government. The importance of conceptual frameworks in attempting to represent the world in which we live cannot be under-estimated and authors often emphasise this aspect of their theories and frameworks, for example,

The only theory of ultimate interest about the Tarot is that it is an admirable, symbolic picture of the Universe ... (Crowley, 1944, p.4)

We consider there are four overriding benefits which derive from the use of a conceptual framework methodology. Firstly, a conceptual framework can be used for pedagogic purposes as an introduction to a discipline, or subjects within a discipline. The bibliography which flows from the literature review often provides an invaluable source for further investigation. A common terminology adds to the understanding of the subject by clarifying terms. The model development allows the reader to grasp a reality. A second benefit of a conceptual framework is that it is based on a model which depicts the *status quo*. The model often attempts to make the implicit explicit, thus reflecting an existing reality - the *status quo*. This in turn sheds light on the *status quo* and allows suggestions to be made as to how it may be reformed, hopefully for the better and in the public interest. A third benefit of implementing a conceptual framework is that it leads to the identification of inadequacies within the *status quo*. The use of a conceptual framework methodology allows foresight to be applied to inadequacies. This suggests that a

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¹ The concept of "a reality" is important to any discussion of conceptual frameworks, as either they are attempting to expand the author's view of reality or they are attempting to depict a wider 'reality'. The extent to which any depiction of reality can be truly objective is debatable.
conceptual framework methodology can be used as a tool in order to investigate inadequacies in any discipline and even allow for problems to be addressed, within such a framework, allowing for possible benefits to arise from such an exercise, thereby improving the status quo. A fourth benefit is that the use of a conceptual framework allows sensible debate to take place. The model development leads to academic debate, in terms of the taxonomy, relationship between variables, propositions, and model. A conceptual framework allows clarity to be brought to the debate, with problems addressed in a concise manner. Policy recommendations which may flow from the conceptual framework can therefore also be fully debated in a coherent way.

Before proceeding further, we establish briefly a distinction between two different forms of conceptual framework as discussed in this paper. First, there is the academic form of conceptual framework where the methodology is used explicitly as a tool and vehicle for theory and/or practice. The Statement of Principles (ASB, 1999) would be an example of this in CFR. The other form is the conceptual framework which is hidden, or implicit, and which is clearly being developed by the exposition of a theory or doctrine, without recognition of a specific methodology. This would include for example, Darwin's (1859) treatise on evolution or the establishment of a sun-centred theory of the universe (Copernicus, 1543). Even in the area of management accounting this second form of conceptual framework has arisen, where the authors have not recognised their use of the methodology (Johnson and Kaplan, 1991). Both of these forms of conceptual framework are referenced throughout the paper, with a focus on the methodological form in the discussion of CFR and CER.

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2 However, the tool can threaten the status quo, in that it makes the implicit explicit, and therefore reveals inadequacies within the existing system. These inadequacies may require reform and such reforms may represent dangers to those in power, and they may reject, or water down, any reforms. This suggests that there is a political
A CONCEPTUAL FRAMEWORK OF CONCEPTUAL FRAMEWORKS

In Figure 1 we depict a conceptual framework of conceptual frameworks showing a continuum of conceptual frameworks ranging from the least developed to the most developed. There often appears to be an implicit understanding of the definition of a conceptual framework whenever one is developed (notable exceptions being Nye and Berardo, 1966, and Fawcett, 1997). There also seems to be a common (but again usually unexpressed) appreciation of the reasons for developing a conceptual framework. We summarise these for the purposes of this paper as: to further understanding in a discipline, to make the implicit explicit, and to clarify debate. These common characteristics have been depicted in Figure 1 on a continuum, with clusters. The continuum suggests that there are various levels of development in the use of conceptual frameworks. The clusters suggest that conceptual frameworks across disciplines share certain inherent characteristics. In our illustrations in the following section, we attempt to bring to life a series of clusters on this continuum. The position of a cluster on the continuum may, to some extent, represent the theoretical maturity of the discipline under discussion. The position of each conceptual framework within a cluster depends on the use of different aspects of the methodology, such as a literature review or empirical testing of the conceptual framework. The suggestion is that conceptual frameworks in a variety of disciplines do share a number of characteristics and it may be suggested tentatively that an implicit framework is in place - a conceptual framework of conceptual frameworks. We now outline the format of this continuum, from the most basic form of conceptual framework to the most developed, moving from the extreme left to the extreme right.

Insert Figure 1 about here

The Ideological Cluster

The ideological cluster of conceptual frameworks can be seen towards the beginning of the continuum. At their core, conceptual frameworks in this cluster share a literature review, related to relevant theory, and in some cases, they lead to the development of a theory. A model is then

aspect to any conceptual framework in any discipline.
developed, sometimes using a diagram and/or a matrix table to explain relationships between variables, often leading to a general classification. This forms the basis of the conceptual framework. Such conceptual frameworks may then be operationalised using an appropriate scenario, and an analysis follows, often resulting in some policy recommendations. Conceptual frameworks in this cluster tend to represent the personal views of the author(s), based on some prior subjective conviction, which is supported by relevant literature. In a way, the ideological cluster represents a vehicle for the author(s) to present a normative view of reality which may or may not represent the status quo. There seem to be two variants of this cluster, where variant I represents a personal ideology and variant II represents a broader consideration of the literature as a whole.

The Implicit/Explicit Cluster

The next cluster along the continuum represents a more advanced use of the conceptual framework methodology than that found in the ideological cluster, and is termed the implicit/explicit cluster. This cluster is characterised by an extensive literature review, which is in turn related to an established theory, or theories. Interestingly, conceptual frameworks in this cluster occasionally substitute the review of relevant literature with a review of practice, as in CFR conceptual frameworks. The review leads to model development which can be positive or normative in nature. A taxonomy is frequently developed. The more mature a discipline within this cluster, the more frequently confusion over terminology arises, and therefore the conceptual framework often begins with the development of a common terminology, often as a nomenclature. A model is then developed, which may be composite in nature where there is evidence of several competing theories. Existing, and perhaps competing, theories are often depicted diagrammatically. An interpretation of the composite model is usually presented in a tabular matrix form, highlighting problem areas. From this, policy recommendations can be made. Main features of this cluster include: making an implicit reality explicit; recommending policy, and; developing a common terminology.

The Empirical Cluster

The third cluster specified on the continuum is the empirical cluster, representing empirical testing of conceptual frameworks. Conceptual frameworks in this cluster incorporate many of the characteristics discussed previously. The differentiating characteristic of this cluster is that these conceptual frameworks are either being tested empirically, or a conceptual framework methodology is being used as an empirical tool. They are not as subjective as frameworks within
the ideological cluster as they have been developed with reference to a broad consensus of views.

**ILLUSTRATING THE MODEL**

In this section we illustrate our model with examples of applications of the conceptual framework methodology to a broad range of academic disciplines. These illustrations provide us with evidence to support our *conceptual framework of conceptual frameworks* and to present an image of a conceptual framework, how it may be used, and what its usage infers about the discipline itself.

**Sample Selection**

The sample of disciplines was selected for this discussion due to the proliferation of conceptual frameworks within each respective discipline. Also, each discipline was selected provides examples of frameworks in each of our clusters. Although the selection was random it cannot be said to be complete or representative at this stage. Several disciplines have spawned a large number of (often competing) conceptual frameworks, for example, nursing, marketing and geography. Further path-breaking theories in science and astronomy represent conceptual frameworks which challenge and change the way in which we view reality. Examples were chosen to represent a total of 17 disciplines, both where conceptual frameworks are commonly used, and where the methodology is implemented in a variety of ways. The application of the conceptual framework methodology within this variety of disciplines appears to range from extremely simplistic to advanced, both at a theoretical and applied level. Each of the illustrative examples in this section portrays a slightly different use of the conceptual framework methodology, so that an image of this methodology can be presented, like different pieces of a jigsaw slotting together to represent the overall picture. Despite the diversity of disciplines to which conceptual frameworks have been applied, our discussion suggests a common and 'understood' acceptance of what a conceptual framework is within each cluster, as well as of the reasons for developing a conceptual framework. The following examples of conceptual frameworks which illustrate our model are shown in their positions along the continuum in Figure 2.

Insert Figure 2 about here
Illustrating the 'Ideological Cluster'

A conceptual framework which may be positioned in *variant I of the ideological cluster*, is Rothschild's (1981) analysis of ethnopolitics. He considers his conceptual framework is heavily taxonomic and theoretical\(^3\) and begins by classifying terms, with the aim of developing a common terminology in the area. The ethnopolitics literature is reviewed and a simplistic model is developed describing the use of ethnic background to facilitate advancement under political conditions. This represents a *personal conceptual framework*, based on the author's ideology on the subject, depicting his own reality. In this conceptual framework, a common language, a system of classification, and the fundamental beginnings of a theory are developed. Another conceptual framework illustrating *variant I* of this cluster describes the causes of short-term profit pressures on multinational corporations (Demirag and Goddard, 1994). The differentiating aspects of this conceptual framework are that firstly, this is a short and concise application of the methodology, and that limited empirical evidence is used to support the framework, developing a reality based on a brief discussion of the literature and statistics. A further example of *variant I* is in the area of staff development in further education (Richardson, 1975).

To illustrate *variant II of the ideological cluster*, we use a conceptual framework of the theoretical structures which sustain government regulation of futures markets in the US (Edwards, 1981). In this example, relevant literature is used to consider the history of futures markets regulation. Edwards argues that there is no single conceptual framework which can encompass all the relevant views and the model reflects his own reality. A further illustration of *variant II* of the *ideological cluster* differs from the previous example in its precise specification of the theoretical model, thus making the conceptual framework clear, concise and readily understandable. The use of a matrix table to clarify the theoretical findings adds to the overall clarity of expression within this application. In this framework, Najam (1996) examines the multiple accountability of non-government organisations, suggesting that his model will provide clarification. Relevant literature is used to develop a model which distinguishes between two forms of accountability (functional and strategic) and depicts the relationship between the variables in matrix format. A further example of *variant II* in this cluster is the use of conceptual frameworks in Geography where they have been applied in a series of textbooks (O'Hare, 1988).

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\(^3\) Throughout, there is an implicit assumption that the reader is fully conversed with the definition of a conceptual
Illustrating the Implicit/Explicit Cluster

An example of a conceptual framework in the *implicit/explicit cluster* is Key and Scott's (1991) model of the international regulatory framework in banking services within the *status quo*. It is based on a banking matrix, which cross-references policy goals with the method of providing banking services at a national level. The methods of providing banking services are represented in a matrix structure which allows an interpretation of public policy goals regarding underlying banking regulations. Instead of using a literature survey as the foundation for the model, existing national state practices are used, thereby making the *implicit explicit*. In this case, national judicial systems are seen to constitute a conceptual framework, as with Edwards (1981). Key and Scott make a policy recommendation promoting the creation of a forum to facilitate the development of a conceptual framework which represents the needs of users. Such a forum would allow the development of the harmonisation of banking legislation, which in turn could lead to a consensus in the area.

A slightly different application of the conceptual framework methodology which still appears well-suited to the *implicit/explicit cluster* deals with disasters in economy and society (Alballa-Bertrand, 1992). The differentiating characteristic of this application is the complexity of the theoretical model development, which illustrates the potential for the conceptual framework methodology to provide a vehicle for in-depth theoretical development, within a clear and understandable exposition. Relevant literature is reviewed and different types of disaster situation are classified. Although Alballa-Bertrand is unable to find a suitable definition for a disaster situation which reflects his own reality, he considers that any definition should include three elements, developing each of these in a diagram. A matrix table is used to summarise the conceptual framework.

A third illustration of an implicit/explicit conceptual framework arises from management accounting, where Johnson and Kaplan provide,

... a conceptual framework for the development of managerially relevant procedures to enhance process control, compute product costs, and evaluate periodic performance. We believe these chapters will help guide the efforts of practitioners, researchers and teachers to improve management accounting practice and theory (1991, p. xxi).

framework.
A different and interesting aspect of this application of the methodology is that the authors themselves did not realise they had developed a conceptual framework until the above appeared in the second edition of their book. Also in the finance and accounting area is a conceptual framework for corporate governance reform in Korea (Solomon, Solomon and Park, 2001). This model attempts to show the forces driving corporate governance reform as well as the various initiatives being implemented thus making the implicit system explicit. Some policy recommendations are made for future initiatives based on the developed framework.

Several conceptual frameworks in marketing also fit neatly into the implicit/explicit cluster. Huegy's (1963) application of the conceptual framework methodology is novel in that it compares and contrasts three opposing views of what "the" conceptual framework in marketing should be, illustrating the usefulness of this methodology in clarifying debate in a discipline. Each of the three competing frameworks expressed follows the now-established pattern of a literature review establishing an image of reality, and the development of a taxonomy. Further, each of the opposing conceptual frameworks is compared to marketing in practice. A policy recommendation is made suggesting that the development of a conceptual framework in marketing needs to incorporate a consensus between the needs of government, the academic community and marketing practitioners. Another marketing application of the conceptual framework methodology, by Walker and Ruckert (1987) integrates two existing theories of business strategy into a hybrid model.

A further application of the methodology in marketing is Kasouf, Celuch, and Strieter (1995) who investigate consumer complaints about companies. This application differs from others as they suggest that empirical research could be performed to test their conceptual framework and accompanying propositions. If this suggestion were taken up, then the conceptual framework could be reclassified into the next cluster along the continuum. Dick and Basu (1994) also apply the suggested conceptual framework methodology in marketing in a similar way to Kasouf et al. (1995) in relation to customer loyalty. Another example of an implicit/explicit conceptual framework focuses on encouraging conservation behaviour within the energy sector (Cook and Berenberg, 1981). This application of the conceptual framework methodology differs from others discussed above in that it combines a large amount of literature and empirical studies to form a consensus model. The conceptual framework draws together various theories and associated empirical work and the authors develop concepts which characterise successful
approaches to encouraging conservation behaviour, concluding that,

"...the tentative and preliminary nature of the proposed conceptual framework should be
temphasised ... The most that can be hoped for is that such concepts can facilitate a comparison of
research results from different studies and that this, in turn, will promote the theoretical integration of
evidence regarding the determinants of conservation behaviour (1981, p. 103)

A comprehensive application of the conceptual framework methodology, fitting into the
*implicit/explicit cluster*, is Nye and Berardo (1966) whose approach combines a number of
characteristics discussed above. First, a large number of extant implicit/explicit conceptual
frameworks for the analysis of the family are presented. Then, each of these is described
according to its historical development, focus of study, concepts, basic assumptions, theory,
practice, research, critique and discussion, and references. Third, this series of conceptual
frameworks provides a clear example of the use of a conceptual framework methodology as a tool
in its own right for analytical purposes. Fourth, each of the frameworks is written by an expert in
the field and follows a common outline, which includes: a literature review; focus of study;
concepts; basic assumptions; product, or impact on family study; value orientation of scholars; a
restatement of the framework; an evaluation of its contributions, contradictions and inadequacies,
and; a bibliography. Overall, the major difference between this conceptual framework approach
and others attributed to the implicit/explicit cluster is the comprehensive way in which it
incorporates many interpretations of the relevant subject and combines a large number of aspects
of the methodology.

*Illustrating the Empirical Cluster*

A conceptual framework which develops a two-part theoretical model and promotes empirical
testing of the model, but does not actually perform the empirical testing is provided by Steiner,
Dominik, Trussell and Hertz-Picciotto (1996) who model the approaches used to measure
contraceptive effectiveness. They consider it is difficult to ascertain effectiveness of different
methods as contemporary clinical trials of contraceptive effectiveness are not comparable. The
conceptual framework aims to standardise the terminology used in the analysis of contraceptive
clinical trials and consists of two linked models. Another illustration of a conceptual framework
which promotes, but does not use, an empirical methodology is Nordstrom (1979) which
develops a theoretical framework for use in geography field work. Nordstrom advocates the
conceptual framework methodology because it can be applied across many disciplines and can be
applied in an organised and consistent manner, incorporating current best practice.

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4 Those of Porter (1980) and Miles and Snow (1978)
Some frameworks do test theoretical models empirically, for example Orem (1971), Anna, Christensen, Hohau, Ord, and Wells (1978), Fawcett (1997) and Polit and Hungler (1997) which apply the conceptual framework methodology to nursing. Orem's conceptual framework is controversial as it promotes self-care by patients. Using the literature, Orem develops a model which describes relationships between the patient, physician and nurse in a diagram. Although the model does fall into the ideological cluster (as it represents the author's personal views) it is later tested empirically in Anna et al. (1978) which uses field study in a nursing home. Again, establishing a common terminology in the area of nursing is central to Orem (1971). Indeed, Anna et al. state,

It has become evident that a thorough working knowledge of the language of a concept is critical if the concept is to be successfully implemented and evaluated in practice (1978, p. 10).

Ouchi (1979) also uses an empirical conceptual framework methodology to develop a model for organisations, aimed at achieving co-operation by the individuals within the organisation, who have diverging objectives. This framework employs a case study approach to provide empirical evidence to support an ideological theoretical model. To summarise, it appears that as disciplines mature, there is a need for clarification of the underlying nature of the discipline. One way of providing this is by using a conceptual framework. The point on the continuum at which a conceptual framework may be placed seems to be indicative of the state of development of the discipline itself.

Illustrating the Model with Conceptual Frameworks which Challenge the Status Quo

The potential of conceptual frameworks not only to represent but to challenge the status quo is also representative of their usefulness in providing a means of pushing theory and policy forward. Indeed, conceptual frameworks by their nature formalise an image of reality which frequently threatens or contradicts established doctrine in an area and it is an inherent characteristic of this methodology that it may be a vehicle for expressing theories and notions that affect our view of reality and of the world in which we live. Indeed, many theories (which although not described as conceptual frameworks but which may indeed be viewed broadly as conceptual frameworks) have been revolutionary at their time of release into the wider world. They have evoked controversy and have at times even attracted the attentions of the Papal Inquisition. For example, Darwin (1859) established a theory that could be viewed as a conceptual framework of evolution, which sits easily within variant I of our ideological cluster.
The theory proposes natural selection as the mechanism of evolution, indicating that animal species have evolved over time through a series of continual and tiny changes, with the most controversial aspect being the transformation from monkey to man. Prior to Darwin's work the orthodox view was that each species had been created individually and independently (Paley, 1802). Darwin that,

When the views entertained in this volume on the origin of species, or when analogous views are generally admitted, we can dimly foresee that there will be considerable revolution in natural history (Darwin, 1859, p.364-365).

A more recent reappraisal of Darwin's evolution theory is Dawkins (1990) who presented, in effect, a conceptual framework which is perhaps more consistent with the implicit/explicit cluster since it is a more formalised attempt to represent the 'reality' of evolution. This theory continues, yet contradicts, Darwin in that an element of natural selection is accepted but that evolution is considered to have occurred through bigger rather than small changes (such as comets) which disrupt and change the natural course of evolution. Perhaps this theory could be placed in the empirical cluster as the framework is supported by a wide range of scientific evidence.

Another area of theoretical development which has engendered controversy is astronomy. The classical view developed by Aristotle and Ptolemy, stated that the earth was the centre of the universe (see Gingerich, 1993). However, Copernicus (1543) presented a revolutionary theory suggesting that the earth travelled around the sun and was not, as previously believed, the centre of the universe. Although Copernicus developed his theory of the universe through naked-eye observation of the stars, and by reading, thinking and through the use of mathematical equations, he did not leave any supporting evidence explaining how he came to his conclusion of heliocentrism. Galileo later attempted to readdress Copernican theory but this 'conceptual framework' of the solar system represented nothing less than heresy in the strictly religious political environment of early 17th century Italy. The publication of his discourse on the new framework (Galileo, 1632) caused such a shock to the status quo that he had to swear never to document or teach his doctrine in any way (Sobel, 1999). Academic freedom has clearly come a long way since then! We position the Ptolemaic and Copernican 'conceptual frameworks' in variant I of the ideological cluster, as they provide little support for their theories. The Galilean framework may be positioned further along the continuum, certainly in the implicit/explicit cluster and perhaps even in the empirical cluster, as he used advanced mathematics and his revolutionary telescope to support his theory.

A further example from the field of science which represents an attempt to develop a complex
theory which is essentially a conceptual framework, is Unified Field Theory (UFT). The theory is not yet established as it represents an attempt to produce one set of defining equations drawing together the principal separate theoretical frameworks in physics. The solution to this puzzle has been sought by every notable physicist since Einstein in the 1920s (see Boslough, 1984). In terms of our conceptual framework of conceptual frameworks UFT represents a composite implicit/explicit framework, probably moving into the empirical cluster, as science is further tested empirically. UFT, if it is ever 'found' is really a theory of theories, and has come to represent a Holy Grail for theoretical physicists. However, the potential reality of such a universal 'conceptual framework' is constantly questioned as,

So far I have implicitly assumed that there is an ultimate theory. But is there? There are at least three possibilities: (1) There is a complete unified theory; (2) There is not ultimate theory, but there is an infinite sequence of theories which are such that any particular class of observations can be predicted by taking a theory sufficiently far down the chain; (3) There is no theory. Observations cannot be described or predicted beyond a certain point but are just arbitrary (Hawkins, p.126)

This emphasises the importance of conceptual frameworks as a means of establishing and describing 'reality'. There are innumerable examples of conceptual frameworks in the form of theories and doctrines, ranging from academic theories such as Chaos and 'Big Bang, to esoteric frameworks such as the exposition of the Qabalistic system in terms of the Egyptian Tarot (Crowley, 1944), and it is beyond the scope of this paper to give further examples. However, the wide range of theoretical frameworks which we have referenced illustrates all the clusters along our conceptual framework of conceptual frameworks. We now examine frameworks in CFR and CER and position them on our continuum.

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5 These are: strong and nuclear forces, gravity and electro-magnetism.
POSITIONING CONCEPTUAL FRAMEWORKS IN CORPORATE
FINANCIAL REPORTING AND CORPORATE ENVIRONMENTAL
REPORTING ON THE CONTINUUM

In this section we consider where conceptual frameworks in CFR and CER may be positioned along the continuum in our conceptual framework of conceptual frameworks.

*Positioning Conceptual Frameworks in Corporate Financial Reporting Along the Continuum*

As a result of Miller and Reading's analysis of the usefulness of conceptual frameworks in CFR, it would seem reasonable to position them in the *implicit/explicit cluster* (see Figure 2). We discuss major developments in the application of the conceptual framework methodology to CFR in chronological order, and from a chiefly UK perspective. Accounting conceptual frameworks in the Anglo-Saxon world have received much attention in the literature, and there are many comprehensive summaries of them (see Davies, Paterson and Wilson, 1994, and; Mathews and Perera, 1996). The first notable conceptual framework in accounting was developed in the area of book-keeping (Pacioli, 1494). Edwards (1989) explains that this work was published over two hundred years after double entry book-keeping was first practised in Italy. Pacioli describes a double-entry system of book-keeping which uses debits and credits, the memorandum, the journal and the ledger. It seems that Pacioli, a professor of mathematics in Italy, researched accounting practice at that time, and developed a conceptual framework. This framework includes a review of accounting practice and the development of a model, resulting in the implicit double entry book-keeping system being made explicit.

The history of the development of a conceptual framework for CFR began in the US and can be traced back to Paton and Littleton (1940), who attempted to develop a framework of accounting theory. In 1971, the Wheat (1972) and Trueblood (1973) Committees were formed as a result of mounting public criticism about the Accounting Principles Board's inability to establish adequate accounting principles (Davis *et al.*, 1994). The Wheat Committee's recommendations led to the establishment of the FASB in 1973. Since its conception, the FASB has issued six statements of
financial accounting concepts. There are at present four statements relevant to this study. Concept No.1 (FASB, 1978) begins by clarifying that CFR should not only include financial statements, but also other media for disseminating information about the company, such as stock exchange documents and news releases. It considers that the main objective of CFR is to provide information useful for making business and economic decisions. The Board then develops an extensive list of potential users suggesting that they all share the same information needs, relating to amounts, timing and uncertainties of expected cash flows. Concept 2 (FASB, 1980) ascertained that there are ten qualitative characteristics in CFR. This statement consisted mainly of explaining and defining the qualitative characteristics.

Concept No.5 (FASB, 1984) described current practice rather than any proposed improvements, and as such, was somewhat inconclusive (see Davies et al., 1994). The statement mainly consists of a series of definitions and tries to define further the qualitative characteristics. Concept No.6 (FASB, 1985) considers the definition of assets, liabilities, equity, investments by owners, distributions to owners, comprehensive income, revenues, expenses, gains, and losses. This series of concepts attempts to make the implicit explicit and to direct CFR in the US in a particular direction. The conceptual framework may therefore be placed in the implicit/explicit cluster. In the UK, the first initiative towards developing a conceptual framework in CFR was the Accounting Standards Steering Committee's (ASSC, 1971) SSAP2, Disclosure of Accounting Policies. This was the most fundamental of the accounting standards issued, as it laid down the foundations of CFR. There are three parts to this standard. The first comprises fundamental accounting concepts. The second part comprises accounting bases and the third accounting policies. It is particularly relevant that the first sentence of SSAP2 (ASSC, 1971) states,

It is fundamental to the understanding and interpretation of financial accounts that those who use them should be aware of the main assumptions on which they are based.

This suggests that this statement of standard accounting practice intends to make the implicit explicit.

The Corporate Report (ASSC, 1975), from the perspective of this paper, is probably the most important development in CFR. Not only did it represent the first formal conceptual framework in UK CFR, but it also suggested extending the possibility of companies' reporting responsibility beyond the investor-creditor grouping (in Figure 2 the Corporate Report is placed in the implicit/explicit cluster as one of the characteristics of this cluster concerns policy

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6 However, only statements 1, 2, 4, 5 and 6 are in issue with statement 3 replaced by statement 6.
recommendations which may for example lead to prescriptions for future practice.

In the Corporate Report an implicit framework is being made explicit, with recommendations for future practice. There is some empirical work, current practice is surveyed, and basic principles as to what is required are also suggested. Interestingly, the different accounting bases suggest different conceptual frameworks, and each is considered in turn (see Huey, 1963; Nye and Berardo, 1966 and; Cook and Berenberg, 1981, for similar approaches). The Corporate Report discusses objectives, users and qualitative characteristics. It also makes a policy recommendation for a change from the status quo, based on historic cost, to current value and a general index. Also, it is suggested that new statements be introduced. The implicit is made explicit, inadequacies are discussed openly, and policy recommendations are made. This conceptual framework attempts to clarify the situation and investigates competing conceptual frameworks related to accounting bases.

Later the same year, the Sandilands Report (Sandilands, 1975) on inflation accounting was published which has often been overlooked as a conceptual framework. It has many characteristics which suggest that it does indeed represent a CFR conceptual framework. The Sandilands Committee's remit was to find a suitable method for companies to reflect the effect of inflation on their financial statements. The Committee began by considering the legal paradigm for CFR. This was similar to a literature review, and a summary of history/current practice of disclosure. They also considered who the users of financial reports were and debated the information needs of these groups, which included: measurement of assets; clarification of gains and the concept of profit, and; the liquidity position of the company. The Committee reviewed the qualitative characteristics of financial disclosure. Their main objective was to find an acceptable accounting base, which suitably took inflation into account. To this end they considered several accounting-based paradigms for CFR, namely: historic cost accounting, including modifications to historic cost, and current purchasing power; value accounting, including replacement cost, present (or current) value accounting, continuously contemporaneous accounting; cash flow accounting, and; current cost accounting, each one representing a conceptual framework in its own right. Current cost accounting was their policy recommendation.

The next major CFR conceptual framework project in the UK arose from the Macve Report
(Macle, 1981). The terms of reference given to Macle by the Accounting Standards Committee were,

... to review critically current literature and opinion in the UK, US and elsewhere, with a view to forming preliminary conclusions as to the possibilities of developing an agreed conceptual framework for setting accounting standards and the nature of such a framework; and to identify areas for further research (Macle, 1981, p. 3).

These terms of reference are compatible with the conceptual framework methodology discussed above for the implicit/explicit cluster. Most importantly, this conceptual framework has a different emphasis from the other accounting conceptual frameworks, yet displays similarities. Macle states,

... a conceptual framework must be seen as a framework for investigation and research into solutions; not as a package of solutions (1981, p. 72).

Notably, this is the only UK official conceptual framework report which begins by considering what a conceptual framework actually is, and why it is needed. Macle introduces the notion of making implicit accounting practice explicit,

Anyone recommending a particular accounting practice must necessarily base his views on an implicit conceptual framework - and it is therefore important, if there is to be rational discussion and evaluation of the proposal, to try and make that framework explicit (1981, p. 22).

The discussion turns to the contemporary accounting model, thereby making the implicit explicit. In the traditional methodology for developing a conceptual framework for CFR, an important component involves a discussion of the elements (assets, liabilities, etc.), in terms of defining them, "...there can be no 'correct' definitions of how 'profit', 'net assets' etc. are to be calculated" (Macle, 1981, p. 30). After developing a reality, he suggests what improvements need to be made to the model. The main difficulty was the variety of user needs and conflicts of interest that arose. Macle then surveys the literature in the area, essentially other conceptual frameworks and reports in CFR from other countries. He considers the implications for CFR, and states,

This is a view of a conceptual framework for accounting theory primarily as an aid to suggesting what are the important questions to try and answer rather than providing a formula or set of formulas such that solutions to particular accounting problems can be readily derived (Macle, 1981, p. 83).

This approach coincides fundamentally with the notion of an implicit/explicit cluster. He then makes policy recommendations for further research, which focus on conflicts of interest and the variety of users' needs, suggesting that the content of financial statements, and hence a conceptual framework, is as much a political process as it is a search for technically best methods. For Macle, the difficulty was finding an agreed conceptual framework, not that he had a problem with a conceptual framework methodology per se (see Macle, 1997).
The "Guidelines for Financial Reporting Standards" (Solomons, 1989) avoid the use of "conceptual framework" in the title and do not discuss this omission perhaps due to the controversy surrounding the conceptual framework and the need to define them and what they aim to achieve. The Solomons guidelines establish the status quo for CFR,

The freedom of choice that is left to executives in how they report financial results has, however, over the years been increasingly constrained by a growing body of 'generally accepted accounting principles... (1989, p. 1).

The existence of an implicit framework for the regulation of CFR is also considered,

The aim of this paper is to provide the Accounting Standards Committee with an explicit framework, or at least parts of one, that could reinforce the implicit framework where it is found to be sound, and could replace it where it is found to be defective (Solomons, 1989, p.4).

The users of general purpose financial reports and their needs are discussed suggesting that information is required for decision-making purposes as well as: how users' needs for financial information are met; financial statements and their elements; qualitative characteristics; and, the choice of a general purpose accounting model. Interestingly, at the end of the guidelines, a glossary of terms is provided, which seems to characterise conceptual frameworks in a maturing discipline. Another indication of a mature discipline seems to be a comparison of competing conceptual frameworks, as seen in Sheman (1984) where three views of a CFR conceptual framework are considered.7

The Accounting Standards Board (ASB, 1995 and 1999) has developed a conceptual framework to underpin its standards which is based on the work of the FASB in the USA. As in other cases, the Board has opted not to use the term "conceptual framework" but rather Statement of Principles. This is similar in both content and format to the other official CFR conceptual frameworks. In common with other approaches, the ASB suggests that the Statement of Principles is designed to provide a coherent framework of reference including a set of definitions. In developing the Principles, the Board considered explicit and implicit accounting practices, concluding that these were inadequate. As a result, they set themselves five objectives in order to improve the reporting framework (ASB, 1996). It would therefore seem that the Statement of Principles does not simply represent current reporting practice, but also a framework of future practice. This may explain why there is not complete consensus over the Statement of Principles

7 These are Anthony (1983, 1984) who fundamentally based his conceptual framework on revenues and expenses, Sprouse (1984) who discussed the FASB conceptual framework project which, at is base are assets and liabilities, and Ijiri (1983, 1984) who differentiates between accountability and decision-usefulness, suggesting the accountability approach is superior. Essentially, the conceptual frameworks differ according to their objectives and accounting bases.
(Davies et al., 1994) as it represents the Board's normative view of future practice. We therefore suggest that a *status quo* exists in UK CFR conceptual frameworks due to taxonomy used (objectives, qualitative characteristics, elements, etc.) but that there is debate over the agreed 'reality' for each of the classifications. Numerous other CFR conceptual frameworks exist such as the International Accounting Standards Committee conceptual framework (IASC, 1989), those in Canada (CICA, 1988), and Australia (AARF 1987, 1988a, 1988b, 1990, 1992). They are all relatively similar (for further details see Davies et al., 1994, and Mathews and Perera, 1996).

As well as the official CFR conceptual frameworks a series of competing approaches have been proposed. For example, Ijiri (1983) has discussed an accountability based approach, which distinguishes between a decision based framework (user-oriented and uni-directional) and an accountability based framework (bi-directional). Power (1993) discusses an approach based on jurisprudence, using Rawls' (1973) reflective equilibrium. Archer (1993) combines a jurisprudence approach with Ijiri's accountability approach, rejecting the normative and deductive approach, or 'hard' system, in support of a 'soft' system methodology. Higson (1997) proposes an alternative basis for the construction of a conceptual framework in CFR which questions whether stewardship and/or decision-making are appropriate objectives in today's commercial environment. Indeed, he suggests that these are now outdated as objectives as they should be derived from communication theory for today's purposes. Bryer (1998) takes a Marxist view. He considers the FASB's conceptual framework project as subjective and vague, and uses Marxist theory to provide "Accounting with a Scientific Foundation". He does this by changing the definitions of assets and liabilities, thus creating a different reality. The adoption of any of these alternative approaches would result in a major upheaval of the *status quo* for CFR. Therefore they have been placed in the *ideological cluster*, as they are unlikely to be adopted in the near future.

*Positioning Conceptual Frameworks in Corporate Environmental Reporting along the Continuum*

An area of literature exists which promulgates a series of codes of practice, frameworks, guidelines, charters, etc. for CER, which may be refereed to collectively as "wish lists", as they generally consider the desires of different user groups. Some of these wish lists may be viewed as CER conceptual frameworks. Arguably, the most well-known guidelines are those outlined by
the Coalition for Environmentally Responsible Economies, or CERES (1992). Their approach involved establishing both a set of normative principles, and a consensus with commerce, to facilitate useful disclosure (Hoffman, 1996). The Ceres Principles underpin disclosure, whereas the interpretation of the Principles, the "wish list", is found in the Ceres Report. The Ceres Principles and Report can be placed in the ideological cluster, variant II as they proffer the views of a select group of stakeholders.

Macee and Carey (1992), under the auspices of the ICAEW, produced a future research agenda for CER closely linked to the CFR framework. Although not intended to represent a conceptual framework, it covers many characteristics common to frameworks in variant II of the ideological cluster. In 1992 CER was embryonic in nature and, as the implicit framework was almost non-existent it would have been impossible to produce an implicit/explicit conceptual framework.

The European Chemical Industry Guidelines (CEFIC, 1993) propose a common structure for CER with the aim of creating comparability between chemical companies suggesting that chemical companies adopt the proposed common structure. However, the guidelines do leave companies the "necessary" flexibility to fulfill their own needs, specifications or policies. These guidelines can be placed in variant II of the ideological cluster. Stemming from the work of CEFIC, the UK Chemical Industry Association has produced a set of guidelines that deal with site-specific CER. This industry-specific CER conceptual framework again falls into variant II of the ideological cluster. Another set of CER guidelines were produced by the Canadian Institute of Chartered Accountants (CICA, 1994) and their 'conceptual framework' is quite advanced. being positioned in the implicit/explicit cluster. The development of this framework involved canvassing the views of a wide range of stakeholders and the resulting conceptual framework is based on this survey evidence as well as on an extensive literature review. The guidelines define terms and have helped to establish a common terminology for CER. Several policy recommendations are also made.

One stakeholder group with significant credibility in the financial community is the European Federation of Financial Analysts' Societies (EFFAS) who have produced their own CER framework representing a user perspective (EFFAS, 1994). An interesting aspect of their 'catalogue of requirements' is that it is does not adopt a mix and match, menu-driven, approach. It is a prescriptive set of requirements which are ambitious in nature, reflecting more of the user than the producer perspective. The EFFAS framework fits neatly into variant II of the

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8 The Ceres Principles were developed as a result of the Exxon Valdez disaster.
ideological cluster as it advocates the disclosure required by a particular user group. Further recommendations with an industry perspective are the Public Environmental Reporting Initiative, or PERI guidelines as they are commonly known (PERI, 1994). These were developed between 1992 and 1993 by a number of corporations from different industrial sectors with input from various stakeholders and are intended for adoption on a voluntary basis. They represent a 'pick and mix' approach and therefore fall into variant II of the ideological cluster, as they allow the reporting companies to create their own reporting reality.

The principal independent study of CER practice and international industry codes of conduct was produced by the United Nations within the sustainability agenda (UNEP, 1994). The study canvassed opinion from high level producers of CER and considered different stakeholder needs. These guidelines also represent an attempt to make the implicit explicit but we consider they are not convincing enough and place them in variant II of the ideological cluster, as the empirical research underlying them, which would make them objective, seems inadequate. The next stage in the United Nations Environmental Programme (UNEP, 1996a) continued previous efforts by revising the CER reporting ingredients. This revision came about as a result of stakeholder consultation. Further, there are a series of case studies (UNEP, 1996b) which reveal the CER needs of stakeholders. This detailed consultation process allows the more developed United Nations conceptual framework to be less subjective and we therefore position it in the implicit/explicit cluster.

The World Industry Council for the Environment (WICE, 1994) (a global coalition of enterprises, initiated in 1993, by the International Chamber of Commerce) suggested possible contents of an environmental report which aim to enable companies to produce reports relating to their business interests and the main users. Therefore, the company can pick and choose which contents to use. The framework represents an industry consensus and does not necessarily incorporate the views of other stakeholders. We therefore position it in variant II of the ideological cluster. Also from an industry perspective, the Confederation of British Industry guidelines (CBI, 1994) use an abridged version of the guidelines suggested by WICE (1994) and the Public Environmental Reporting Initiative (PERI, 1994). This conceptual framework may also be placed in variant II of the ideological cluster. Interestingly, the CBI guidelines represent a movement towards a consensus and therefore towards the implicit/explicit cluster.

Gray, Dey, Owen, Evans and Zadek (1996) suggest that a conceptual framework for corporate
social reporting could provide some guidance to best practice. Their framework falls *variant I of the ideological cluster* and is normative in nature, representing the key elements of an 'ideal' social account. Their stated objective is accountability and they suggest that information should possess the characteristics of completeness, reliability, verifiability, consistency, comparability and understandability.

The UK government, via the Department of the Environment's Advisory Committee on Business and the Environment (ACBE), has published a report whose terms of reference were to provide dialogue between government and business on environmental issues; to help mobilise business into demonstrating effective environmental practice and management, and; to provide a link with, and focus attention on, international business initiatives on the environment (ACBE, 1997). These guidelines do not adopt a mix and match approach but make recommendations concerning what should be reported. The framework focuses on the needs of the financial community. We therefore position it in *variant II of the ideological cluster* as consultation has taken place with the financial community but therefore only their subjective views are represented.

The environmental task force of the European Federation of Accountants (FEE, 1999) has produced a generally accepted framework for CER based chiefly on qualitative characteristics of the accounting conceptual framework. This is unquestionably intended to be a conceptual framework as they state that,

> The role of all conceptual frameworks is to standardise and underpin external corporate reporting, thus giving users greater confidence in the reporting process itself and the credibility of the information reported. The FEE Environmental Task Force believes that the practice of CER will benefit as much from the development of an underpinning conceptual framework as has the practice of financial reporting (FEE, 1999, parag. 2.5).

The discussion paper contains a number of questions to which interested parties are asked to respond. The first version of the FEE framework may be placed in *variant II of the ideological cluster* (see Figure 2) and although FEE (2000) represents an up-dated framework is does not seem to have been developed further and we consider it has not evolved further than *variant II of the ideological cluster*. The General Reporting Initiative (GRI, 1999) convened by CERES,

> ...seeks to establish a common framework for enterprise-level reporting on the linked aspects of sustainability: the environmental, the economic and the social (GRI, 1999, p. 1).

An essential element in these guidelines is the development of sample themes which are offered as a conceptual framework. We position GRI (1999) in the *ideological cluster* (see Figure 2). However,
These Guidelines have been developed for public comment and testing through the end of 1999. The test period will serve as a laboratory for assembling examples and experiences in the this early stage of developing sustainability reporting guidelines ... GRI seeks to encourage reporting enterprises and other stakeholders alike to review and pilot-test the Guidelines and to bring feedback and experiences to the attention of GRI. As a result of this information, the Guidelines will be revised and re-released in early 2000 (GRI, 1999, p. 1).

This has happened with the publication of GRI (2000) and we therefore position the newer version in the *empirical cluster*. Public testing and consultation have allowed empirical evidence to be gathered on how successful the GRI (1999) conceptual framework has been in achieving its aims and objectives, therefore allowing rapid movement from the *ideological cluster* to the *empirical cluster*. The GRI represents a composite conceptual framework since it combines CER conceptual frameworks by CERES, CICA, FEE, and UNEP into one, comprehensive framework. This comprehensive framework now extends to economic and social performance as well as environmental performance. There are a number of interesting aspects to these new guidelines, including the suggestion that a permanent independent international body should be created to oversee them, as well as definitions and a glossary of terms which play in important role in this dynamic, evolving conceptual framework.⁹

The Institute of Social and Ethical Accountability (ISEA, 2000) have produced a set of guidelines (AA1000) which can be used

... to improve the accountability and overall performance of organisations by increasing quality in social and ethical accounting, auditing and reporting (p. (i)).

The AA1000 is a process model based on 16 standards and can be used on a stand-alone basis or in conjunction with other guidelines in order to underpin their quality, for example AA1000 can be used in conjunction with the GRI guidelines discussed above. These guidelines do not only deal with CER but also with corporate social reporting. They are a result of select consultation and are presently in draft form. Further consultation is requested by the institute from those who consult the draft guidelines. These guidelines represent the foundations of a conceptual framework in the area and may currently be placed in *variant II* of the *ideological cluster*. One reason we position this framework here is the lack of evidence that the ISEA has the legitimate authority to advocate these guidelines on behalf of society.

To summarise, we have considered CER conceptual frameworks which seem to fall mainly in the

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⁹ Further, the guidelines suggest that the qualitative characteristics for social (including environmental) reporting are relevance, reliability (valid description, substance, neutrality, completeness, prudence), clarity, comparability
ideological cluster, with a few illustrations of the implicit/explicit cluster. Looking at the guidelines, similarities between the wish lists may be perceived which could form an implicit conceptual framework. Further, the wish lists range from those which prescribe basic, or even primitive environmental disclosure (arising from the industry perspective, for example) to those which recommend more ambitious, or mature reporting. The more user-oriented wish lists, such as those from the United Nations fall into this category of recommending more ambitious disclosure.

CONCLUSION AND POLICY RECOMMENDATIONS

In this paper, we have developed a conceptual framework of conceptual frameworks which may act as a basis applying the conceptual framework methodology in research. We have considered extant conceptual frameworks across a broad range of disciplines. Further, we have focused on the application of the conceptual framework methodology to CFR and more recently to CER. Our clarification of this methodology should be useful to researchers who are attempting to develop new conceptual frameworks in the growing area of CER and CSR, as well as in the dynamic area of CFR.

Our survey of conceptual frameworks has shown that there is an implicit methodology for developing a conceptual framework which may be applied to any discipline. This methodology seems equally applicable to the area of CFR and CER, as a means of exploring the level of consensus between parties, and in enabling the implicit to be made explicit. We have interpreted different forms of conceptual framework as falling into clusters on a continuum. The ultimate use of the conceptual framework methodology used in its most developed form is the recommendation of future directions for policy. This is particularly relevant in the area of CFR and CER, as research in these areas should lead to useful policies which will improve the overall state of reporting. It seems that all the conceptual frameworks developed for CFR fall into the implicit/explicit cluster whereas conceptual frameworks for CER may only currently be positioned in the ideological cluster. However, the approach towards CER of adopting stakeholder consultation could quickly force CER frameworks into the most sophisticated, empirical cluster. For example, UNEP (1994) was placed in the ideological cluster but within two years (UNEP, 1996a and b) it had moved to the implicit/explicit cluster and could, given a
looser definition of the *empirical cluster* be placed in the furthest group along the continuum. One policy recommendation that arises from this research is that more stakeholder consultation is required in the area of CFR to ensure that this discipline evolves in a dynamic way. For the discipline to reach full maturity, empirical conceptual frameworks of CFR need to be developed. Perhaps the reason that CER seems, according to our model, to be evolving and maturing at a faster rate than CFR simply reflects current interest in this relatively novel area. We hope that this paper inspires other researchers to study CFR, CER and other evolving forms of accounting from a conceptual framework perspective. We also hope that our model will help to illuminate the level of maturity and dynamism of frameworks which are being developed.

As a last comment, we suggest that our *conceptual framework of conceptual frameworks* may be positioned in the *ideological cluster* as we are describing our interpretation of reality for the use of the conceptual framework methodology.
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Figure 1: A Conceptual Framework of Conceptual Frameworks

Key To Symbols:
- A Conceptual Framework
- Direction of Continuum
Figure 2: Illustrating A Conceptual Framework of Conceptual Frameworks

Unidentified Cluster

I ideological

Cluster

Copernicus (1543)
Darwin (1859)
Crowley (1944)
Orem (1971)
Richardson (1975)
Edwards (1981)
Rothschild (1981)
Ijir (1984)
O'Hare (1988)
CERES (1992)
Mace & Casey (1992)
CEFIC (1993)
CBI (1994)
Deming & Goddard (1994)
EFFAS (1994)
PERI (1994)
UNEP (1994)
WICE (1994)
CIA (1995)
Gray et al. (1996)
Najim (1996)
ACBE (1997)
Higson (1997)
FEE (1999, 2000)
GRI (1999)
ISEA (2000)

Unidentified Cluster

Implicit / Explicit Cluster

Pacioli (1494)
Galileo (1632)
Huey (1963)
Nye & Berardo (1966)
ASCI (1971)
ASCI (1975)
Sandland (1975)
Cook & Berenberg (1981)
Mace (1981)
Walker & Ruekert (1987)
Solomons (1989)
Dawkins (1990)
Johnson & Kaplan (1991)
Key & Scott (1991)
Albala-Bertrand (1992)
CICA (1994)
Dick & Basu (1994)
ASB (1995, 1999)
Kasouf et al. (1995)
UNEP (1996 a & b)
Solomon et al. (2001)

Unidentified Cluster

Empirical Cluster

Anna et al. (1978)
Nordstrom (1979)
Ouchi (1979)
Steiner et al. (1996)
Hawkins (1984)
Solomon et al. (2000)

Key To Symbols:

A Conceptual Framework

Direction of Continuum

Key To Discipline:

a = Corporate Financial Reporting
b = Development
c = Economics
d = Education
e = Environmental / Social Reporting
f = Ethnopolitics
g = Finance
h = Geography
i = Management
j = Management Accounting
k = Marketing
l = Medicine
m = Nursing
n = Sociology
o = Astronomy
p = Evolution
q = Theoretical Physics
r = Astrology