

Using Oral History Interviews in Accounting Research

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A qualitative research method that has not been extensively used in accounting research is the oral history interview. This paper describes how to use oral history interviewing. It presents two examples of collected oral histories. One collection is with Maurice Stans, former Nixon confidant, U.S. Commerce Secretary, and Watergate defendant. A second oral history is collected from Tim Sasak. Mr. Sasak, a former CPA, was convicted of using a Ponzi scheme to steal millions from his investors. The interviews demonstrate the methodologies used in conducting an oral history interview and their adaption for publication in refereed journals.

Keywords: Oral History Interviews, Linguistic Patterning, Context Analysis, Annotated Corpora

INTRODUCTION

Oral history interviewing has not been extensively applied in accounting research. However, such interviews can provide a deep textured account of significant events in the history of accounting development. They can be used to study the background of leaders in the accounting profession, histories of state societies, or the American Institute of CPAs, itself. It will be shown how such collections can be used to identify the character traits of “scoundrels” of the accounting profession. Oral histories provide unique perspectives from the individual who was part of an event, and a view that is otherwise uncollectible. Such collections incorporate the attitudes and feelings of the person experiencing the event. The purpose of this paper is to explain how oral history interviews can be adapted for accounting research and used for more than an archive collection.

The Steps to A Successful Interview

An oral history is a collection of taped interviews with an individual who has personal knowledge about a specific event. The steps in developing an oral interview are: (1) Establishing a relationship with the interviewee; (2) Background preparation for the interview; (3) Obtaining permission to use the interview; (4) Conducting the interview; and (4) Applying the interview to a research topic (Collins & Bloom 1991; Larmour, J. (1994); Hammond & Sikka (1996); Matthews (2000); and Haynes (2010).

Establishing a Relationship with An Interviewee

The initial contact with the interviewee will determine the success of the interview. Early contact can begin with a letter describing the project and highlighting the interviewee’s importance to the project. The letter should describe the nature of the research. The letter indicates that a follow-up phone call can

be expected to discuss the interview in more detail. The purpose of the phone call is to develop more rapport with the interviewee. It is also to assure them that this is not a “60 minutes” interview. In the phone call, the expected length of the interview should be mentioned to allow the interviewee to schedule time for the meeting. The best place to conduct the interview is where the interviewee feels most comfortable talking. This may require a visit to the interviewee’s home. Conducting an interview in a work environment is not the best choice as it reduces the straightforwardness of the conversation. If the initial contact is successful, then the next step is to develop additional background information about the interviewee.

Background Preparation

It would be expected that the interviewer has already developed primary background material about the topic and the interviewee. Now, it is necessary to collect more detailed information about the event under question. One purpose for this step is to appear fully knowledgeable during the interview. Additionally, background research will provide a defined direction for the interview. The interviewer can develop a series of questions that they would like to ask during the interview. It is not recommended that the interviewer refer to a question sheet during a face-to-face interview as it affects the tone of the interview. Figure 1 is a partial list of questions that were written down prior to an interview with Tim Sasak who was convicted in a Ponzi scheme. These questions were not referred to during the interview, but they helped provide a backdrop for the interview.

FIGURE 1 SUMMARY LIST OF POSSIBLE INTERVIEW QUESTIONS

1. *Tell me something about your background as you were growing up.*
6. *Why did you choose accounting as an undergrad major?*
7. *Why did you choose to work for an Accounting Firm?*
9. *Did you take risks in the accounting firm?*
10. *Were such risks rewarded?*
13. *How do you see your conduct as a CPA and at Avanti.... are they related?*

Obtaining Permission to Use the Interview

If you do not have legal permission to use the interview, it is not a successful interview. If you attempt to use any portion of the interview without having legally obtained the interviewee’s permission, you can be sued. Figure 2 provides an example of the partial wording in such a document.

FIGURE 2 AN EXAMPLE OF THE WORDING USED FOR GRANTING PERMISSION TO USE AN INTERVIEW FOR RESEARCH PURPOSES

*In consideration for the taping recording, transcription, cataloging and preservation of my oral history memoir by Steve Smith consisting of the following tapes: [Add tape numbers]
I, _____, at _____ (address), City of _____,
State of _____ herein relinquish and transfer to Steve Smith for such historical and scholarly purposes as he sees fit.*

Conducting the Interview

The interview is not a “60 minutes” video-taped interview. The interviewer should make it clear, early in the interview, that is not an intrusive interview. The interview should be conducted as a friendly discussion between two individuals. No notes should be taken during the interview as it tends to destroy

the rapport that has developed. It is necessary to tape the conversation, so the interviewee should be asked if it is acceptable to use a tape recorder. This is true even if the interviewee has already given their permission. The tape recorder should be as unobtrusive as possible. Further, the recorder should be able to record the interview for at least a two-hour period without any interrupts. From the interviewer's point of view, there should be no time limit set for the interview. It is up to the interviewee as to how long they want to spend in the interview. Although the interviewer has a general direction for the interview, it may stray away from that direction. It is up to the interviewer to try to get the discussion back on course. One way to redirect the interview is to ask to take a break. Upon restarting, the discussion can return to the main topic.

After the interview is completed, the interviewer should point out that a copy of the transcript will be available for the interviewee. Finally, the interviewer needs to ask if it is acceptable to call later if any part of the interview needs further work or elaboration.

Applying the Interview to A Research Topic

Once the interview is completed, a verbatim transcript needs to be made from the taped recordings. Both questions and answers should be on the transcript. The transcript should have a reference to dates when the interview took place and tape numbers that correspond with the transcript pages. These transcripts can run from 30 pages to more than 100. Each transcript page costs about \$2 per page at a minimum.

As it is unlikely that an accounting journal is going to publish a complete transcript, many transcripts are accumulated as part of a historical collection and are left in an archive. If the interviewer oriented the discussion carefully, a portion of the interview may become part of a journal article.

ADAPTING ORAL HISTORY INTERVIEWS FOR PUBLICATION

This section of the paper provides examples of how it may be possible to use the interviews as the basis for an article or as a supplement to an article

An Interview with Maurice Stans

Maurice Hubert Stans (March 22, 1908 – April 14, 1998) was President of the AICPA, Deputy Postmaster General under Eisenhower, executive partner at Alexander Grant (later Grant Thornton), Finance Chairman to re-elect President Nixon, Secretary of Commerce in the Nixon Administration, investment adviser on Wall Street, and he was convicted under Federal Election Campaign Act of various violations arising from the Watergate investigation. In an interview conducted with Mr. Stans in 1994, he talked about his career in accounting and public service. He was from a period when leaders of accounting firms wrote numerous articles about standard issues of the day. Part of the preparation for the interview involved reading and reviewing Mr. Stans' publications. The topic of professional social responsibility was a common thread in his writings.

The original purpose for contacting Mr. Stans was to develop an oral history collection of former AICPA presidents and chairmen. The interview was conducted at his home in Pasadena, California over a two-day period. The only restriction that he placed on the interview was that it would not cover any Watergate topics. An excerpt from the interview follows with Mr. Stans explaining how he got his first accounting job. There is a depth to this material that is unavailable in a biography which might only mention that he worked at Alexander Grant.

So then, I watched the ads in the paper, and I saw an ad by Alexander Grant & Company. Which then was a very small firm with six accountants on its staff in Chicago. Grant was a great person and a real genius, who died very young at the age of 38, I think. But anyway, I went in and was interviewed and I was hired on the spot. I think \$125 a month. So that made the transition from the stenographer business into a junior accountant. And later on.... I imagine you want to ask me what I did at Grant & Co.

The interview resulted in a 72-page transcript. An immediate question that arises after collecting a 72-page transcript is how to use it. It was clear from reviewing that transcript, a major topic was Mr. Stans' view about the social responsibilities of the accounting profession. In one section of the interview, he spoke about the use of company reserves to smooth income.

I don't think there was any momentum to it (social responsibility) because the profession was growing so fast in its fields that it wasn't taking the time to look at social responsibility.

...when you had a bad year, you made it look better by taking out some of that reserve and putting it into income statement. This wasn't right,...

There were some of the firms--thought I should not in anyway talk to the public or write in a way which the public got a hold of it in a manner that was critical.

Although the transcript was never used in its entirety, two articles were published based on the interview (Smith 2007; and Smith 1996).

An Interview with Tim Sasak

Mr. Sasak, a former CPA who had started and sold his own accounting firm and later founded a mortgage investment firm, was indicted on numerous counts of racketeering in 1989. He eventually served nine years in a maximum-security prison. Judgments against Mr. Sasak totaled \$228M. The charges against him arose from the collapse of his mortgage investment company, Avanti Mortgage Funds (Avanti). Avanti served as the basis for his Ponzi scheme. In addition, as CEO of Avanti he took kickbacks of approximately \$674,165. A total of three thousand investors were defrauded. At the time of the interview in 2003, he had completed his prison sentence. The purpose of the interview was to develop a project that evaluated risk-taking behaviors. An excerpt from the interview highlights risk taken by Mr. Sasak:

So as long as the securities market is good and flowing and viable, I don't see any safeguards, at all, being able to stop the smart CEO that knows how to get the control of a national company and, ah, take over the checkbook as his own and rip off investors. I know I could do it. I know I could hood wink the CPAs.

The powerful CEO knows how to control the independent auditors. They know how to control the regulators. And they know how to prolong any investigations from any, any outside forces.

Analyzing the Interview

A methodology for rigorously investigating the text in any written document, such as a transcript, is called context analysis. Context analysis categorizes large amounts of textual material, i.e. transcripts, to identify word patterns that can lead to the identification of personality traits (Pollach 2012; McCrae and Costa 1996; Pennebaker et al., 2003; Cohn et al., 2004). In this approach, the structure of the text provides a basis for identifying underlying characteristics of the person writing the text. These word patterns are based on lexical categorizations used by a mapping tool for automated context analysis. The tool maps a text file with counts on dictionary determined categories as well as the different senses that can be assigned or tagged to a word, such as positive or negative connotations, based on an algorithm within a corpus. These word patterns are linguistically rated and tested for reliability. The word patterns are then identified with real-world behaviors and individual differences (Tausczik and Pennebaker 2009). Li and Chignell (2010) used a corpus to show how personality types could be identified with the words written by blog writers. Argamon et al., (2005) used this approach and found word usage could be identified with the trait of extroversion in writers. Pennebaker has written extensively about the relationship

between the personality traits associated with writing or speech styles (1999, 2002, 2003, and 2011). Pennebaker and King (1999) state:

Thus, language use may be thought of as an arena in which the impact of the person is unavoidable (p. 1309).

Many annotated corpora for context classification are available and are well-recognized. Within these corpora, there are word dictionaries with meanings assigned to word usages. One such corpora system that has been in use since the 1990s is the Linguistic Inquiry and Word Count (LIWC2015) analysis software which was developed by coders with linguistic backgrounds (Pennebaker, et al., 2015). LIWC2015 has been widely used to identify traits in various documents from texts to tweets (Robinson, Boyd, & Fetterman 2014; Ritter, Preston & Hernandez 2013; Underwood, et al., 2012; Holtgraves, 2011; and Tumasjan, et al., 2010).

LIWC2015 allows for the linguistic patterning of text to identify associated traits. It is composed of two basic parts: (1) dictionaries and (2) an algorithm to process text. The LIWC2015 dictionary contains nearly 6,400 words, word stems, and emoticons used to process text. LIWC2015 captures 86 percent of the words people use in writing and speech (Pennebaker, et al.,). LIWC2015 was initially developed using independent judges to build word lists for its dictionaries. Later, other groups of judges continued to rate the goodness of fit for the 81 categories as well as the words in the dictionary. In LICW2015, summary variables were added to the categories. These variables are: (1) analytical thinking; (2) clout; (3) authenticity; and (4) emotional tone. These variables are the only non-transparent section of the ratings as shown in Table 1, i.e., although there are word groupings in these four categories, no word examples are disclosed. Before being released, the LIWC2015 was tested by measuring each category for reliability and validity scores based on real-world text sets (see Pennebaker, et al., 2015).

LIWC2015 process text files sequentially. It finds each word and then determines if it is in its dictionary. Next, it includes that word in its count, and uses those word totals to calculate a percentage function, i.e., as a percentage of the total words in the complete document. It then uses a scaled algorithm to determine a psycholinguistic category as output. Word counts, and word percentages are summed by category. In scoring the words, one word may fit in several category traits such as "sadness" and negative emotion. Additionally before counts are made, the word roots are lemmatized by reducing word stems such as "ly" "ion" or "ing" or "ize" and "izes."

The analysis of a text begins with a selection of the categories to be used in the LIWC2015 software package. The 81 categories in the LIWC2015 are used to identify personality traits in written communication. Sasak's interview was checked for correct spellings, typos and converted into the proper file format before being processed with the LIWC2015. A section of the transcript was processed using the following twenty traits shown in Table 1.

TABLE 1
THE TRAITS USED FOR ANALYSIS (PENNEBAKER, EL AL. 2015)

Trait	Description	Word Examples (total number of words in category)
Part I: Linguistic Processes		
Analytic Thinking	High score: formal, logical, hierarchical; Low score: informal, personal, narrative thinking	
Clout	High score: “high expertise”; Low score: more tentative or humble; can indicate confidence and level of leadership.	
Authentic	High score: honest and disclosing; Low score: more guarded and distanced in disclosure	
Tone (Emotional tone)	High score (>50) positive emotion; Low score (<50) more anxiety and hostility	
WPS (words/sentences)	Words per sentence; measure of sentence complexity	Word Count
Negate (negations)	More inhibition	No, not, never (62)
Numbers		Second, thousand (36)
Part II: Psychological Processes		
<i>Cognitive Processes</i>		
Posemo (Positive Emotion)	More Optimistic; More extravert	Love, nice, sweet (620)
Negemo (Negative Emotion)	More neurotic	Hurt, ugly, nasty (744)
Anx (Anxiety)	More neurotic	Worried, fearful (116)
Anger	More neurotic	Hate, kill, annoyed (230)
Sadness	More neurotic	Crying, grief, sad (136)
Insight	Suggest learning or understanding	Think, know (259)
Tentat (Tentative)	Less self-assurance	Maybe, perhaps (178)
<i>Drivers and Needs</i>		
Power	More control	Superior, bully (518)
Reward	Compensation	Take, prize, benefit (120)
Risk	Hazard or threat	Danger, doubt (103)
<i>Time Orientation</i>		
Focuspresent (Present focus)	Current focus	Today, is, now (424)
Focusfuture (Future focus)	More goal oriented	May, will, soon (97)
<i>Personal Concerns</i>		
Money	More personal oriented	Audit, cash, owe (226)

The scores from the transcript analysis are shown in Table 2. It should be noted that LIWC2015 does not provide for norms. If 5% of the words are positive in one column, there is no norm saying that 5% of the words are expected to be positive or that there is a specific ratio between positive emotions (posemo) and negative emotion (negemo) scores. Results are important as comparative measures between cases in

a specific research study. Going beyond the direct analysis of the transcript text and traits as presented in Table 2, it would be possible to make a comparative analysis with another transcript or other document to determine if there are differences.

TABLE 2
TRAITS AND CORRESPONDING SCORES IN THE SASAK INTERVIEW

Trait	LIWI2015 Scores
Analytic	48.17
Clout	28.84
Authentic	92.64
Tone	65.10
WPS	16.76
Negate	.52
Number	1.69
Posemo	2.98
Negemo	.91
Anx	0.13
Anger	0.39
Sad	.13
Insight	2.98
Tentat	1.43
Power	2.59
Reward	2.46
Risk	1.28
Focuspresent	7.39
Focusfuture	1.04
Money	.65

Although only a partial analysis of the interview was made, it can be seen how this methodology can be used with oral history interviews to make the collection more adaptable for publication. In an initial review of Mr. Sasak's transcript, he tends to be more positive than negative in his outlook. He is focused on power and rewards, and his traits exhibit a factor of risk. Further, he is not focused on the future which might be expected, and he is strongly focused on the present.

SUMMARY

The Stans and Sasak interviews are examples of two oral histories that can be adapted to journal criteria for publication. These interviews by themselves are not publishable in a refereed journal, and this may be a reason oral interviews are not widely used in accounting research. Yet, when the interviewee's statements are combined with additional analysis, oral histories are as publishable as any other research. A great deal of effort goes into collecting an oral history, and many times these transcripts are left to languish in archives. Two methods have been suggested that allow an accounting researcher to expand the transcript beyond an archived collection. First, an oral history can provide a supplement to a research paper as was done in the Stans' interview. Secondly, the interview can be analyzed for its hidden meanings using context analysis as was demonstrated with the Sasak interview. Both methods expand the potential for the publication of these collected histories.

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