I

n [Contrapartida 268](http://www.javeriana.edu.co/personales/hbermude/contrapartida/index) we discussed the deductive approach (for international classification of accounting system) by Gerhard Mueller and its implication over the Colombian accounting system. Also, we questioned: which classification of accounting system does Colombia have in place. And we answered that under the deductive approach Colombia has a macro-uniform based system. Now we are going to take a look over the inductive approach by Nair and Frank in order to have another perspective that lead us understand and classify the Colombian accounting system.

The inductive approach by Nair and Frank (1980) begins with an analysis of individual accounting practices. Their research identified four measurement groupings characterized broadly as the British Commonwealth, Latin America, Continental European, and US models. However the number of groupings increased to seven when disclosure practices were considered.

Nair and Frank used a number of explanatory variables to establish the relationship of these groupings. Relationships were established with respect to some of these variables which include: language (a proxy for culture analysis which was key), various aspects of economic structure, and training ties; clearly they could identify the existence of differences between measurement and disclosure groupings.

However, the most important outcome and conclusions derivate from their research weren’t properly the accounting system classification, was the influence of the culture as a very important and fundamental factor underlying differences in international accounting systems around the world.

*“(…) In accounting, the importance of culture and its historical roots is now increasingly being recognized. Although there has been a lack of attention to this dimension in the past in the international classification literature, Harrison and Mckinnon (1986) proposed a methodological framework incorporating culture for analyzing changes in corporate financial reporting regulation at the nation-specific level. The use of this framework to assess the impact of culture on the form and functioning of accounting was demonstrated through an analysis of Japan’s accounting system. (Lee H. Radebaug, Sidney J. Gray, Ervin L. Black. International Accounting and Multinational Enterprises John Wiley & Sons, USA 2011. Page 41)” (…)”.*

As a conclusion, we can argue that a cultural analysis and an effective classification of our accounting system are crucial issues in order to success within a convergence process, and must be the first analysis and evaluation that we should do.

*Carol Ortega Algarra*