constructing a new accounting theory against knowledge management. All these processes are clearly reflected in Figure-2 below. Finally, structuring a theory for accounting against knowledge management faces a unique challenges and critics. The first of all these challenges and critics, it may go contrary to the popular beliefs of the accountant's community. The second is that construction of an accounting theory needs more clarification in view of both GAAP and IFRS. Finally, this study is small and humble contribution in the way of constructing a new accounting theory against knowledge management.

IV. META-THEORY: GUIDELINES FOR PROSPECTIVE SETTING AND PRAGMATIC GROUNDING

4.1 *Re-inventing rules of accounting recognition*

As mentioned previously, the current paper is an exploratory research undertaken to explore the necessities of accounting against knowledge management. The adopted methodology has been based on analyzing the structural body of accounting in very critical way to knowledge nexuses. Large bodies of literature are surveyed to exploring lacks and shortcomings of the accounting model. However, analyzing theses lacks is urgent and desirable to gauge the extent of validity. Accounting model has been under huge critics because of what can be called "preventing the wheel". The effective research clearly shows a perceived technical gap when investigating knowledge management literature. It is also evident from the literature that the problem of accounting is neither rules nor reporting format. Further, the conflict between accounting and knowledge is particularly high in recognition of intangible assets. A review of research into accounting dilemmas indicates that almost all the previous researches have focused on problems of accounting rules that relate to recognition of knowledge assets. A second preliminary paradox that must be disposed is the invisibility of knowledge assets and revenues. Unlike the industrial, the knowledge business model does not care about owing assets. It's promotes the idea the fewer assets the better and as a consequence strip off balance sheet of non-current assets (Holsapple, 2003). A traditional business model is a collection of hard (or physical) assets that bought and owned as a measure of the capital health. Accounting against operations is pushing to enhance the size of the balance sheet. In contract, knowledge management is based on totally different ideas, mechanism, and does not care about owing assets. Its strips balance sheet of non-current assets. This phenomenon has been called the victories of information over inventory. At bottom, accounting terms to define and recognize asset still same as were set up throughout the industrial era. The accounting rules of recognition ignore the investment in discovery and learning as a driver for creating knowledge assets. This problem in consequence reduces the reliability of accounting to provide relevant and timely information about knowledge initiatives (Haskel, 2007). The operational accounting ignores the implementation phase of value chain where value usually created or destructed (Lindsey, 2001). The successful development for the new generated ideas is creating considerable value, but actual transactions may take years to materialize. As a result, disconnection between market and book values is happened (Pandian, 2011). The generally recognized problem is knowledge assets in terms of how to be recognized, measured, reported, and interpreted. Unfortunately, only few researches have addressed the accounting theoretical settings. The failure of accounting model to address knowledge management initiatives can