Journal DOI: 10.36713/epra1013 | SJIF Impact Factor (2024): 8.431 ISSN: 2347-4378
EPRA International Journal of Economics, Business and Management Studies (EBMS)
Volume: 12 | Issue: 1 | January 2025 -Peer-Reviewed Journal

THE RELEVANCE OF SUSTAINABILITY REPORTING: ANALYZING THE DETERMINANTS AND IMPLICATIONS FOR FINANCIAL INSTITUTIONS, COMPANIES, MARKETS AND SOCIETY

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Article DOI: https://doi.org/10.36713/epra19724
DOI No: 10.36713/epra19724

ABSTRACT

Over the years, sustainability reporting has increased awareness of the benefits and development of sustainability in the business world as a tool for companies to communicate and report on their performance towards sustainability goals. Therefore, it is important to investigate the characteristics of this phenomenon to better understand and define it. This study aims to analyze the literature on specific aspects of safety reporting and to provide a theoretical framework that categorizes the main drivers for the adoption of safety reporting sustainability. Through the analysis, we have made a synthesis and summary of the characteristics of sustainability reports. The resulting drivers can be useful not only in terms of non- financial promotion, but also in terms of promoting market economy thinking that can stimulate new research for researchers in the region.

KEYWORD: *Legitimacy theory: Stakeholder theory, Institutional theory, Non-financial information, Sustainability reporting, Institutional drivers.*

Research Field
International Research in "Economics and Management of Sustainability and Innovation".

JEL Code
M14 – Corporate Social Responsibility
G32 – Financial Risk and Risk Management L21 – Business Objectives of the Firm.
Q01 – Sustainable Development

INTRODUCTION

In the past decade, researchers have become increasingly aware of the importance of promoting sustainability in business and international organizations. International leaders in particular have brought this different issue to the forefront. The changes to be made to the new map require the implementation of various laws, regulations, standards, guidelines and standards. The mandatory and voluntary disclosure of this information is an institutional practice. However, there is a difference in the global importance and context of the participating organizations, that is, in their ability to change the organization and create long-term benefits for the company, including economic, social and environmental performance. main. Therefore, in order to understand the concept of value creation by introducing security in the language of the elements of our millennium economy, a theoretical framework needs to be created from the existing literature. The complexity of the business world, the complexity of business systems continues to increase due to the developments in science and technology. Multiple difficult-to-code sections create complex problems. It is recommended to consider these sections that can provide simple solutions to difficult situations in the future. Similarly, conflict and uncertainty in business life can be attributed to many obstacles depending on the perspective, and the difficulty is the challenge that managers and companies face every day.

LITERATURE REVIEW

The historical characterization of the World Commission on Environment and Development, which puts intra- and intergenerational justice in the middle of thinking, Dyllick and Hockerts (2002:131), define corporate sustainability as

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"meeting the needs of a firm's direct and indirect stakeholders …, without compromising its ability to meet the needs of future stakeholders as well". To achieve this goal, companies need "to maintain their economic, social and environmental capital base" (Dyllick andHockerts, 2002: 132) which directly refers to Elkington's (1997) triple-bottom-line (TBL) thinking.Lozano and Huisingh (2011) present an even more holistic perspective on sustainability by explicitly including a fourth time-dimension focusing on "short-, long- and longer-term perspectives." They propose that there are dynamic and simultaneous interrelations within and between the TBL dimensions, not only at certain points in time but also over time. In sum, all four dimensions including the time interrelate at equilibrium. As can be seen from these characterizations, sustainability and CSR gradually converge (Hahn, 2011) and thus this literature review considers sustainability (reporting) and CSR (reporting) as consistent concepts.

The concept of "safety education" has generated significant research interest. The adoption of SR has increased in recent years in response to both stakeholders' social and environmental performance and investors' reliance on non-financial information as an indicator of business risk and future financial performance. The available information on information disclosure suggests that internal sources such as large companies, businesses, CDA and other sources such as law and economics, as well as the country's economy and culture, can influence the nature and expression. The aim of this literature review is to develop a unified and comprehensive understanding of the concept of sustainability reporting (SR) through various theoretical approaches and to reveal the issues that have led to the adoption of safety reporting. It represents a model for business excellence, combining theoretical references with practical solutions and implications.

Current sustainability-related reporting practice is primarily of voluntary nature so that companies are flexible in experimenting with disclosing information (Chen and Bouvain, 2009). In light of this discretionary latitude, corporate reporting practice has led to an abundance of labels for recent reports (e.g., Corporate Citizenship Report, Corporate (Social) Responsibility Report, Sustainable Development Report, Sustainable Value Report, and Sustainability Report) which also points to the above mentioned similarities of sustainability and CSR as normative concepts. This is not surprising given the abundance of efforts to characterize any of the mentioned terms (see, e.g., Dahlsrud, 2008) and we acknowledge this ambiguity by relying on an extensive keyword search as described below. There is an increasing trend towards multidimensional reporting (Kolk, 2010) and recently even integrated reporting (which integrates sustainability information together with traditional financial information in a single report to provide a holistic picture of value creation over time) (KPMG, 2011; Integrated Reporting Committee of South Africa, 2011). Nevertheless, one-dimensional reporting (e.g., Environment Reports, Financial Reports) still remains existent. However, only those reports that simultaneously include all three dimensions of sustainability can truly be regarded as "sustainability reporting" while one-dimensional reports are merely sustainability-related because they cover only isolated aspects of sustainability. In this sense, so-called "sustainability reports" also often exclude important aspects especially from the economic pillar which are usually disclosed in separate annual reports.

OBJECTIVES

Our first objective was to present an overview of the current state of research on sustainability reporting. I aimed at answering the question of what are general trends and relations and which (in)consistencies in the results can be identified, and searched for any major research gaps. After reviewing about one-third of the literature, has found that a significant proportion of studies focused on determinants of sustainability reporting. It inductively refined the aim to identify what determinants are examined in the literature and again searched for (in)consistencies and gaps. The database includes all journals with an impact factor which are (supposedly) the most important outlets in the field. Each article was screened in order to assess whether its content was essentially relevant with regards to sustainability reporting.

To increase reliability of the research. Descriptive analysis: Assessing formal aspects of the material serves as the basis of the subsequent theoretical analysis. Material collection: to deals with the definition and delimitation of the material to be collected. Category selection: Structural dimensions are selected, forming the major topics of the content analysis. We independently searched the literature for recurring patterns in research. These patterns were used to inductively identify structural categories as the major topics of analysis from the material. Material evaluation: In the final step, the whole material is scrutinized according to the structural categories allowing the identification of relevant themes and interpretation of findings.

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METHODOLOGY

To achieve the research objectives, I use rigorous and well-planned analysis to identify, select and analyze the findings obtained from the literature review and available data to answer specific questions. The aim of this study is to create a research collection with a systematic approach. The data extraction module was designed to obtain the necessary information about the characteristics and outcomes investigated in this
study. The Priority Publications for Systematic Reviews and Meta-analyses (PRISMA) guidelines were followed, which is considered a useful tool for analysis.

◦ Studies were selected according to the author year, title, research objective, theoretical framework, research, results and future applications.

◦ Secondly, systematic reviews were used to include or exclude studies from the review.

◦ The third step is to develop and use analytical methods to identify research topics.

◦ Finally, consolidate and evaluate our “findings”.

The shortlist was prepared according to a manual review process where duplicates were checked and examples were not included. The importance of more conversations is also considered as a participation factor. The model was modified for the current study to adjust its integration into a quality product model that can validate recommendations and/or advice (items) on a given topic. A total of 25 articles were excluded from the inclusion criteria. Abstracts whose content did not fit the purpose of this study were excluded from further analysis. The process of the phase and the initial phase were run according to the same method and classification process using the PRISMA statement flow process. It is important to graphically represent the selection process and consider the progression of identification, selection,
evaluation and linkage between studies.

RESULTS

The concept developed in this study includes various theories explaining non-financial concepts. Sustainability refers to practices that produce complex results that cannot be explained by a single theory. Therefore, it is necessary to fully elaborate these theories in order to determine the driving factors in the next analysis. The proposed theories include needs-based theory, participation theory, organization theory, voluntary disclosure theory, orientation theory, organizational theory, cultural theory and economics. Legitimacy theory is based on the principle of "social contract" that exists between a company and people. A company can only be legitimate if it complies with the rules and values and not only acts as expected, but also informs other companies about its actions. The research will check whether the difference between the 'common teaching' really meets the 'participants' perspective, while determining the quality of the security report in relation to other small research areas that have a prior understanding of the 'participants'. The 'information needs and 'rights' of 'users' contribute to the empowerment of 'them'. This also means moving from an emphasis on 'content analysis' of published data to more exploratory and confirmatory methods such as interviews, surveys and test research. A great opportunity to 'contribute to the field of media security'. This would also imply a shift from the dominance of content analysis of published documents towards more exploratory and confirmatory methodological approaches such as interviews, surveys, and experimental studies. Overall, the above mentioned gaps suggest that there are significant opportunities for future researchers to contribute to the field of sustainability reporting.

CONCLUSION

This study shows that in the last decade the scientific community has shown interest in studying the stability of multiple perspectives. This demand stems from the willingness of companies to include sustainability issues as part of their business strategies and to look at social partners as strategies. This decision is justified by the need to present the real, transparent and true image of the company to the business it affects. This conclusion, although allowed, should be related to the latest innovations in security reporting published worldwide and to the continuous development of information adopted by the reporting process, which can be obtained consistently and meaningfully. To this end, we have seen that SR is the link between financial and non-financial information and is the most suitable tool to improve the internal and external communication of the company, environmental, social and moral values, which were previously difficult to define, according to traditional norms. This study aims to broaden the perspectives that lead to SR and thus to identify the factors that influence the adoption of SR. The current reporting process will form the basis for future changes in the implementation of the role in the business sector.

Understanding the key concepts will lead to a new perspective for companies advertising with a newer approach to sustainability. Obviously, all the elements that help overcome the limitations of business culture need to be demonstrated

in the context of use in order to understand the effectiveness of SR compared to traditional teaching methods.

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