

The Future of Businesses Reporting: Learning from Financial and Covid-19 Crises

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Abstract

Purpose (mandatory): The purpose of this study is to identify what changes the businesses should adopt in their reporting as a reflection of the current crisis. We discuss how both the financial and Covid 19 crises have led to economic crisis globally. We identify the gap in the literature about lack of business's awareness in non -financial activities, especially biodiversity, which can be responsible for recent crisis. The purpose of the study is to recommend approaches to enhance the quality of reporting and making it more comprehensive for the stakeholders.

Design/methodology/approach (mandatory): We developed our critical thinking to link financial crisis, the absence of mandatory regulation of non-financial reporting specially biodiversity and extinction accounting to Covid 19 crunch. We adopted Actor Network Theory (ANT) to support our argument that nature consists of both human and non-human. The use of ANT can enhance the better understanding of the stakeholders of the business about the interest of the business in financial and non-financial activities.

Findings (mandatory): Our finding recommends two important issues: (1) implement/adopt Circular Economy concept and (2) to report on biodiversity and extinction accounting in more structured and mandatory way via producing integrated reports (IR). The IR should cover both financial and non-financial information to create value on short, medium and long terms.

Research limitations/implications (if applicable): Due to the recent Covid-19, there is no data available to analyse. As other research, this research also has limitations. There is huge opportunities for future research to tackle this crisis. For example, a stream of research might focus on initial initiatives for adopting circular economy in different sectors. Another stream might concentrate on how the mandatory adoption of integrated reporting will enhance stakeholders' trust and credibility.

Practical implications (if applicable): the findings of the study will inform policy makers to enforce integrated reporting mandatory rules and regulations and to issue some guidelines on how to implement circular economy. The contribution to accounting change literature lies in identifying how accounting professionals feel accounting change for the CE can be accomplished, namely through information-need and formal-rule-setting

Social implications (if applicable): combining nature and human being will enrich the quality of the life around world and will mitigate the risk of future crisis equivalent to Corona Virus..

Originality/value (mandatory): The research is an original research and this is the first paper to tackle the Covid 19 crisis and offer solution for future reporting. This research note will add value in the academia and society.

Keywords: Business Reporting; Financial Crisis, Covid-19 Crisis; Non-financial activity; Circular Economy, Integrated Reporting; Biodiversity