

DETERMINANTS FOR INTEGRATED REPORTING IN THE PUBLIC SECTOR: ARE SDGS A DRIVING FORCE?

Zorio-Grima, Ana; Hancu-Budui, Andreea

Universitat de Valencia, Spain

ABSTRACT:

Public sector organizations play a vital economic and social role. The current era of great change has highlighted the fragility of the global economy, due to past financial crises and an increase in climatic and ecological disasters. To combat this, the UN Sustainable Development Goals (SDG) initiative has set an ambitious agenda. The PS has incorporated SDG into its management and reporting policies as a means of promoting sustainable behavior. This shift in mindset requires economic agents to make decisions with a long-term perspective rather than focusing on short-term results. The International Integrated Reporting Council (IIRC) has developed the Integrated Reporting (IR) initiative, which is often used alongside the SDG to promote sustainable business practices. This reporting model necessitates changes in organizational design, published information, and communication channels.

This paper presents new theoretical frameworks and an evolution of existing theories to outline the role of IR in PS accounting. The study analyzes integrated reports from 62 PS entities globally to identify factors that contribute to higher compliance with the IIRC conceptual framework, such as external assurance of the report, the use of sustainability standards, and the incorporation of the SDG. The authors provide examples of how IR and SDG complement each other and are used concurrently in the PS.

Keywords: IIRC, Integrated reporting, SASB, GRI, Public Sector