



The Use of Social-Environmental Accounting Information by Managers of Non-Government-Organization to Support Decision Making

Wulan Dari¹, Nany Noor Kurniyati²

^{1,2}Widya Mataram University, Yogyakarta

¹Goethe University, Frankfurt am Main

E-mail: wulandari@widyamataram.ac.id¹, nanykurniyati@gmail.com²

ARTICLE INFO

ABSTRACT

Article history:

Received: Des 12, 2021

Revised: Jan 14, 2022

Accepted: Feb 14, 2022

Keywords:

Social and Environmental Accounting,
Managers Decision,
Stakeholder Theory,
Social Entrepreneurship

In order to achieve sustainability, organizations are starting to pay attention not only to financial issues, but also social and environmental issues. Then, recently, sustainability accounting or social-environmental accounting has emerged in order to convey information on financial, social and environmental responsibility for business sustainability. Various studies are still limited to the use of this information by external stakeholders (investors), this study uses internal parties, particularly managers, whether to consider social and environmental information in their decision making. In an attempt to fill the gap in social environmental accounting literature, this study explores the managers in nonprofit companies, particularly non-government-organization who claim to be social entrepreneurs. This research is bridged by stakeholder theory, with the hypothesis that internal parties (social entrepreneurship managers) consider social and environmental information in their decision making.

Copyright © 2022 Jurnal Mantik.
All rights reserved.

1. Introduction

The principle of sustainability has long been a consideration in the decision making of a business entity. The principle of the company in making decisions is oriented to generate the maximum profit. The outline of a company is to get the maximum economic profit and as much as possible to prevent losses or reduce losses. The traditional approach to decision making derived from economic theory which assumes that a manager will make decisions to maximize profitability. Managers should invest resources in projects to generate the greatest profit for the company and evaluate the economic performance of the project on a regular basis (Harrison and Harrell, 1993). Therefore, accounting information that represents economic performance is the main source of information in making project investment evaluation decisions (Staw, 1976; Harrison and Harrell, 1993; Rutledge and Karim, 1999; Booth and Schulz, 2004; Chong and Suryawati, 2010).

For the sake of company sustainability, currently, the business focus is not only limited to profit maximization (Larson and Gray, 2011). The impact of business on social and environmental impacts is causing increased concern and concern for many parties, and the impact of social and environmental issues has led a number of companies to actively explain and regulate them (Adams and Frost, 2008). Atkinson et al. (2011) also say that improvement, compliance, and environmental management are important aspects of current good business practices in order to survive. A study by EY and the Boston College Center for Corporate Citizenship (2013) found that sustainability reports related to social and environmental (sustainable reports) made by companies have an impact on the company's reputation for the better, increasing employee and consumer loyalty, reducing inappropriate information about organizational corporate social performance, improved corporate vision and corporate strategy, improved relationship with regulatory bodies, cost savings, increased access to capital, increased long-term profit, better long-term risk monitoring, and improved corporate management. In practice, this concern in business is also reflected in the social and environmental information shown by the KPMG survey (2013). The survey shows that as many as 93 percent of the 250



largest categories of companies in the world (G250 companies) currently have reported on their corporate responsibility (Corporate Responsibility) activities.

The role of entrepreneurship is often emphasized in discussions on sustainable development. One example of a policy is the United Nations (UN) initiative “Supporting Entrepreneurs for Sustainable Development”, this aims to develop entrepreneurial practices in the social and environmental fields, as well as to increase benefits. It has been the concern of many researchers to examine the use of information from social and environmental accounting in the context of future business sustainability, especially utilization by external parties, such as research from Guidry and Patten (2010), research by Rikhardsson and Holm (2008), research by Murray et al. (2006), research Hassel et al. (2005), research by Al-Tuwaijri et al. (2004), Milne and Patten (2002), research by Chan and Milne (1999), research by Teoh and Shiu (1990), Ingram (1978), Hendricks (1976), and research by Belkaoui (1976). Most of these studies explain that submitting reports related to social and environmental issues is important because they contain information. This shows that investors, as users of information from external parties, in agency theory (Jensen and Meckling, 1976), consider social and environmental information in making investment decisions. However, in these studies, it is not clear whether managers, as internal users, consider information related to social and environmental issues in their decisions, especially for project investment evaluation.

Previous empirical research already exists, regarding manager decisions in the context of project investment evaluation based on agency theory as a basic argument, one of which is the research of Harrison and Harrell (1993). On the other hand, in the research of Rutledge and Karim (1999) and research by Booth and Schulz (2004), they conclude that there is a weakness in the generalization of agency theory by using a morality approach. In addition, the weakness of agency theory can also be found in research on business practices that involve conflicts of interest between many stakeholders. Research from Hill and Jones (1992) shows that one of the weaknesses of agency theory is the inability of the theory to explain the implicit or explicit contractual nature that occurs in the company's relationships with various stakeholders. These stakeholders include the interests of all parties, including interests related to the environment (Gibson, 2012; Starik, 1995) and community interests (Silver, 2012). To overcome the weakness of this agency theory, another theory is needed as a basis for consideration. Stakeholder theory takes into account the diversity of groups that have shares or interests in the operations of a company (Freeman, 1984; Freeman et al., 2010). This theory has a wider scope than the agency theory of Hill and Jones' research (1992) because it represents an implicit or explicit contractual relationship with all stakeholder groups, including the company's internal parties. The interests of various stakeholders tend to be non-complementary so it is important to have a mechanism so as to create a balance between the various interests (Wall and Greiling, 2011) which means that it will increase the responsibility of managers, so it is proposed in their research for a framework to increase the responsibility of managers, One important aspect is information. Therefore, in Wall and Greiling's research (2011) it is stated that if the managerial accounting system is designed based on the stakeholder's view of the company, it will be profitable because decisions will be better if managers have more knowledge about external and social impacts.

Research on the use of environmental and social information for internal parties has so far been limited to studies examining the use of environmental and social information for internal decision-makers in making decisions. However, not many studies have investigated experimentally the effect of environmental and social information on managers' decisions in non-government-organizations. There has also been no experimental research examining the effect of environmental and social information on the decisions of managers of non-government-organizations using internal corporate practitioners as subjects, particularly managers in non-profit companies who claim to contribute to the sustainable development of vulnerable communities. Therefore, it is necessary to conduct research related to the importance of environmental and social information experimentally using the subject of internal practitioners in non-government-organizations.

Principally every non-profit company must realize the importance of environmental and social information because it contributes greatly to the sustainability of the company. One of the non-profit companies claiming to be in the construction sector is development for vulnerable communities. This non-profit company consistently cares about the importance of environmental and social information, especially in the form of accountability for external funding interests. Not-for-profit companies often get Corporate Social Responsibility (CSR) funds from large companies. This large company was also awarded the Sustainability Reporting Award from the National Center for Sustainability Reporting (NCSR) for its consistency in



reporting not only accounting responsibilities, but also environmental and social responsibility, in the form of CSR assistance provided to these non-profit companies.

This concept explains that the company's strategy and business practices do not only focus on the interests of shareholders (economic needs) but also on all parties called company stakeholders (social environmental needs). The concern of the company to take a small part of its profits (profit) for the benefit of human development (people) and the environment (planet) in a sustainable manner using appropriate and professional procedures is a tangible manifestation of the implementation of corporate responsibility. Corporate concern for the environment and society is a form of corporate moral responsibility, this is known in moral theory by Kohlberg (1958). The essence of the concept of sustainability report responsibility is found in the triple bottom line concept from Elkington (1997) through the well-known terms economic prosperity, environmental quality, and social justice or also known as the 3P concept (Profit, People, Planet) in research's Swa (2005).

However, despite the success in the performance of the accountability reporting of these large companies which is carried out by implementing the sustainability report, non-profit companies that receive CSR funding currently have not used environmental and social information for managers as internal practitioners of non-profit companies related to decisions in project investment. sustainable development in vulnerable communities. This can have an impact on non-profit companies such as when evaluating environmental and social project investments. One example of the impact that occurred was the controversy surrounding the beating of doctors when an internal non-profit company defended the interests of vulnerable communities which was eventually reported to the police. Other examples, such as the controversy over the case of entering the community yard without permission, threatening, extorting, and even defrauding the village head from a vulnerable community, finally, the village head took legal action by reporting a non-profit company to the police. This happens because managers rarely pay attention to some ethics related to sensitivity to environmental and social information, as well as government rules such as ethics in social, ignoring the responsibilities and good name of companies that have invested, and worse until the occurrence of fraud in the community affected by the disaster. For some things like this, when a problem occurs, it is difficult to find a solution. Ethical leadership combines decision-making and ethical behavior. Michelli (2007: 178-183) in his research explains that the actions of managers have a huge impact on individuals and society.

This study aims to examine the use of environmental and social information in the decision-making of managers in not-for-profit firms, particularly non-government-organizations, which claim to contribute to sustainable development in vulnerable communities. This will provide empirical evidence on whether managers in non-government organizations consider environmental and social information neglected in the research of Harrison and Harrell (1993), the research of Booth and Schulz (2004), the research of Rutledge and Karim (1999), and the research of Chong and Suryawati (2010). This is expected to provide empirical evidence on whether environmental and social information can influence the behavior of managers in non-government-organizations to be more environmentally and socially responsible in their organizational decisions.

1.1 Hypotheses Development

Decision-making on projects, which is part of non-routine decision-making, is different from routine decisions where the decisions are clear, so you have to revisit the problem. Environmental and social information as a result of the accounting system can indicate existing problems (Davidson and Trueblood, 1961) because considerations are not limited to economic aspects. One of the factors that influence the use of information to develop knowledge about the work environment is the diversity of information (Hall, 2010). This positive or negative environmental and social information will provide more knowledge about external and social impacts, so managers will make better decisions (Grit, 2004). Hall (2010) explains that accounting information is important information for managers in managing company projects because they are responsible for various projects and use accounting information to develop knowledge about which projects are causing problems. The environmental and social information as feedback information will be used to adjust the manager's strategy (Henri and Journeault, 2010). Poor environmental and social information will encourage the manager to adjust his decision on the project so that it can change the original decision and result in the cancellation of the project. On the other hand, good information will encourage managers to continue with the project. This can happen based on the instrumental approach of stakeholder theory that managers try to improve economic performance by considering that information because social responsibility performance can improve economic performance through the development of the company's intangible

resources in the form of innovation, reputation, culture, and human capital (Surroca et al., 2010). Henri and Journeault (2010) also explain that good environmental and social performance can reduce long-term risks regarding resource reduction, energy fluctuations, product liability, compliance costs, and improve company image which will contribute to economic performance. Then the following first hypothesis is stated:

Ha1: Managers who are provided with poor economic information and good environmental and social information are more likely to continue with the company's projects than managers who are provided with only poor economic information.

Based on stakeholder-agency theory arguments, managers use environmental and social information to maintain environmental and social contracts. The manager's job is to maintain the organization as a platform for maximizing stakeholder interests (Freeman and Phillips, 2002). When managers consider information about managerial actions and environmental and social issues, it will improve contractor relations, and ultimately, economic performance (Henri and Journeault, 2010). While the normative approach suggests that managers will consider environmental and social information because these stakeholders naturally deserve consideration (Donaldson and Preston, 1995). Therefore, based on stakeholder theory using three stakeholder-agency approaches, instrumental stakeholders and normative, the following second hypothesis is stated:

Ha2: Managers who are provided with good economic information and poor environmental and social information are more likely to discontinue the company's projects than managers who are provided with only good economic information.

Stakeholder theory has been used to explain that decision-making managers use environmental and social information to maintain environmental and social contracts. Therefore, to emphasize that there is almost no difference between the decisions of managers who only get good economic information and managers who get bad economic information and good social environment information, we will produce the following third hypothesis:

Ha3: Managers who only get good economic information and managers who are given bad economic information and good environmental and social information are no different tend to continue the company's projects.

2. Methods

This research was carried out using an experimental method that combines the research instruments of Rutledge and Karim (1999) and also the research instruments of Chong and Suryawati (2010) regarding the project evaluation case that displays information on economic performance and predictions of the economic performance of the project. Modification of the instrument was carried out by incorporating environmental information developed from the experimental instruments of Teoh and Shiu's (1990) research and Chan and Milne's (1999) research.

A total of 155 subjects participated in the case study. The subjects are students of the Department of Accounting and the Department of Management at Mahakarya Asia University. To ensure that all the subjects involved understand the case, this experiment requires that all students are students who have received previous material on introductory accounting, issues of social entrepreneurship in vulnerable communities, and issues of sustainability accounting or financial, social, and environmental accounting. . There were 45 males (71%) and 110 females (29%). All subjects participated in the experiment voluntarily so that they were given incentives to increase their motivation in completing the experimental task. They were told before the online experiment was conducted that they would get an appreciation, in the form of door prizes, namely OVO transfers worth Rp. 100,000.00.

All participants were given information on reports on economic performance, but only the experimental group received information on reports on environmental and social performance. This environmental and social performance is presented in the form of good and bad performance reports. This study had four groups of participants: group A were those who received only good economic information, group B were those who received both good economic performance information and poor social and social environment, group C were those who only received poor economic performance information, and group D are those who receive both poor economic performance information and good social and environmental performance information.



2.1 Trial Procedure

In the experimental task, all online participants were instructed to act as investment managers of a not-for-profit company that helps disaster-prone communities. Four years ago, the company decided to invest in buying a sophisticated machine to make bricks with more quantity and faster results, an investment of IDR 100,000,000.00 with an estimated economic life of seven years. This machine is loaned to disaster victims who are currently unable to find permanent jobs. This machine is useful for business capital for vulnerable communities affected by disasters so that they can continue to live by selling bricks. Then the participants, as investment managers of not-for-profit companies, must decide whether the project should be continued or discontinued, because there is information on environmental and social performance related to projects related to not-for-profit companies, this information is adjusted to the subjects taken in the study.

This instrument asks participants as investment managers of not-for-profit companies to make decisions on ongoing vulnerable community projects. Participants were asked to make a decision to continue or not to continue the project on the vulnerable community starting on a scale of one to ten. This scale is then separated at the midpoint so that the choices on the other hand around the numeric 1-5 reflect the participant's decision to continue the project and the choices on the other side around the numeric 6-10 reflect the participant's decision to discontinue the project. Thus, the greater the numerical response is shown by the research subjects, the greater the tendency to end the project. The author uses this participant's response as the dependent variable in this experimental study.

Social and environmental information are independent variables in this study. This information includes environmental performance which refers to the research of Chan and Milne (1999) which contains information about environmental pollution and compliance with environmental regulations. This environmental information is reported in both bad and good forms. For the report in poor form, it is presented that this project was carried out without complying with applicable environmental regulations, and caused environmental, soil, and air pollution. As for the report in good form, information is presented that the project was implemented according to the rules at that time, and some progress has been made to reduce the pollution caused by the project.

The social performance information presented in this experimental instrument was developed from the research of Teoh and Shiu (1990) which contains information related to public occupational health and safety. This social information is also reported in both bad and good forms. For reports in poor form, information is presented that since the start of the project, no progress has been made to ensure occupational health and safety, so many health and safety issues have arisen. Regarding the communities affected by the project, information is presented that the project is still using a machine that produces bricks that have not yet gone through the trial stage to be safe for use as building materials in the community. For the report in good form, information is presented that the project has tried to prevent and overcome health and safety issues that have arisen, and the surrounding community supports the project because the bricks produced are proven to be of high quality and more earthquake resistant. While this study focuses on the decisions of project managers in not-for-profit companies that claim to be social entrepreneurs who contribute to the sustainable development of vulnerable communities, developments were made to adapt that information into environmental and social information related to the project. This information is adapted to environmental and social information on general non-profit enterprise projects.

This study selected the instruments of Chan and Milne (1999) and also Teoh and Shiu (1990) as tools in this experiment so that this study was able to provide positive updates using the good form of the instrument, and negative updates using the bad form of the instrument. The majority of the group may have the opinion that people's perceptions of social and environmental performance information have changed when compared to people's perceptions in the 1990s. However, information related to health, safety, society, pollution, and compliance with government regulations, as included in research instruments, is still considered significant, especially for businesses that wish to be considered ethical activities (Velasquez, 2012).

3. Result and Analysis

3.1 Data Analysis and Result

Analysis of Variance (ANOVA) uses a planned comparison technique, this is a category analysis of contrast analysis (Kerlinger and Lee, 2000), this study needs to use this technique to test the hypothesis. The analysis for the hypothesis was carried out by comparing the control group with the experimental group. This

test aims to determine whether there is a statistically significant difference between the two groups. ANOVA is used as dependent variable data which is normally distributed based on the Q-Q Plot which shows a fairly straight line (Pallant, 2011). In addition, Levene's Test which is the equivalence of variance error will also be carried out in this study whether it presents that it is not significant or significant at a certain level, Levene's Test on the similarity of variance shows results that are not significant at the 0.05 level ($p = 0.312$).

Table 1
Descriptive Statistics

Social and Environmental Information	Economic Information	
	Good	Bad
No	Group A $n = 39$ $\bar{Y} = 3.7857$ $\sigma Y = 4.0003$	Group C $n = 38$ $\bar{Y} = 7.5384$ $\sigma Y = 3.5734$
	Good	Group D $n = 39$ $\bar{Y} = 3.7871$ $\sigma Y = 3.7040$
Yes	Group B $n = 39$ $\bar{Y} = 8.0714$ $\sigma Y = 2.7305$	

3.2 Descriptive Statistics

Table 1 shows the number of participants, mean, standard deviation in each group. As expected, the table shows that the mean decision of the experimental group on project evaluations that received good economic information and bad social-environmental information (group B) was higher than that of the control group which only received good economic information (group A), which was 3.786 (sd=4.00) for group A and 8.071 (sd=2.73) for group B. On the other hand, the mean decision of the experimental group that received poor economic information and good social environment information (group D) was lower than that of the control group who only received poor economic information (group C), which is 3.787 (sd=3.704) for group D and 7.538 (sd=3.57) for group C. Table 1 also shows that there is almost no difference in the mean between the control group's decisions on project evaluation which only obtain good economic information (group A). and the experimental group that obtained poor economic information and good social environment information (group D), showing a mean value, which both indicate that they have the same tendency to continue the project, 3.786 (up to 4.00) for group A and 3.787 (up to 3.704) for group D.

3.3 Hypothesis test

Testing Hypothesis 1 and Hypothesis 2

Table 2
ANOVA Results
Panel A: ANOVA

	SS	df	MS	F	P-value	F crit
Between Groups	261.0198	3	87.00661	22.5925	.0000	2.7555
Within Groups	234.9186	61	3.85113			
Total	495.9384	64				

<i>Panel B: Contrast Analysis</i>					
	Value of Contrast	Std Error	t	Df	Sig.
Group A vs Group B	4.286	.8163	-5.436	38	.000
Group C vs Group D	3.751	.6878	4.847	37	.000
Group A vs Group D	0.001	.7573	-1.32	38	.205



Panel A: ANCOVA

	SS	df	MS	F	Sig.
Corrected Model	262.402	4	74.200	19.280	.001
Intercept	117.230	1	117.230	22.511	.000
Gender	1.217	1	1.217	.204	.643
Information	108.711	3	36.420	8.018	.001
Error	205.318	60	3.913		
Total	1634.000	65			
Corrected Total	325.7184	64			

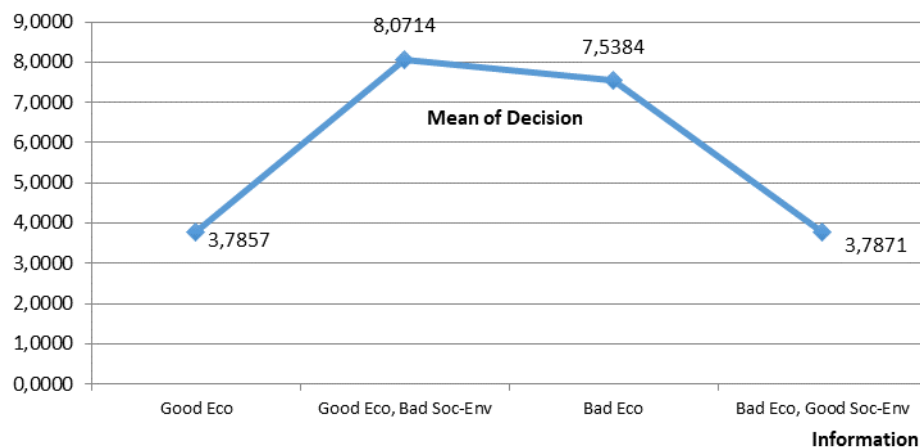
Panel B: Contrast Analysis

	Value of Contrast	Std Error	Sig.
Group A vs Group B	4.652	.8176	.000
Group C vs Group D	3.328	.6887	.000
Group A vs Group D	1.021	.7582	.205

Table 2 Panel A shows the ANOVA results related to testing hypothesis 1 and hypothesis 2. These results indicate a statistically significant difference (p-value < 0.05) between all groups formed in the experiment. To test the hypothesis, further analysis of the differences in certain groups is needed because the hypothesis implies the need to conduct a planned comparison between certain groups. Planned comparison is done by using contrast analysis.

The hypothesis predicts that managers who receive information on poor (good) economic performance and good (bad) environmental and social performance information are more likely (not) to continue the company's project than managers who only get information on poor economic performance (good). As supported in Table 1, the mean value of the decisions of the experimental group that received good economic information and bad environmental and social information (Group B) was higher than the control group which only received good economic information (Group A). Table 2 Panel B shows the mean distance between the two groups (4.286) and confirms it is statistically significant (p-value <0.05). Therefore, the results of this study support the proposed hypothesis 1. This is also illustrated by Figure 1.

Figure 1: Means Plots of Managers' Decision



Description:

Information: A = Good economic information; B = Good economic information and bad social and environmental information; C = Bad economic information; D = Bad economic information and good social and environmental information

Furthermore, as also supported in Table 1, the mean decision of the experimental group that received information on poor economic performance and good information on social-environmental performance (Group D) was lower than that of the control group which only received information on poor economic performance (Group C). Table 2 Panel B also shows the distance between the two groups' mean decisions

(3.751) and confirms it is statistically significant (p -value < 0.05). Therefore, the results of this study support the proposed hypothesis 2. This is also illustrated by Figure 1.

3.4 Hypothesis Testing 3

Furthermore, Table 1 and Figure 1 also support that the mean is almost no difference between the decisions of the control group that only gets information on good economic performance (Group A) and the experimental group that gets information on poor economic performance and information on good social-environmental performance (Group D). Table 2 Panel B also shows almost no difference between the decisions of the two groups (i.e. only a difference of 0.001) and confirms that it is statistically significant (p -value < 0.05). Therefore, the results of the research on hypothesis 3 support the proposed hypothesis 1 and hypothesis 2.

4. Conclusion

The experiments carried out in this study prove the predictive power of stakeholder theory. Within the scope of considering the interests, not just managers and owners as in agency theory, this research provides empirical evidence through experiments how managers of non-profit companies claiming to be social entrepreneurs who contribute to the sustainable development of vulnerable communities, can make decisions in projects involving multiple stakeholders. This study also analyzes whether the research results are influenced by the sex of the experimental participants or not. The results are illustrated in the ANCOVA data processing that does not show a significant effect of gender on managers' decisions. Therefore, it can be concluded that the gender of this study is not problematic. This study also provides empirical evidence that so far does not exist, about how internal parties use environmental and social information in non-profit companies as social entrepreneurs. Empirical evidence so far only explains how external parties use environmental and social information.

A significant implication of this research is the need for management accountants for non-profit companies to prepare environmental and social information for managers' decision-making. As predicted, when managers obtain environmental and social information, they take that information into consideration in their decision-making as social entrepreneurs. So far, environmental and social information has not been integrated into one piece of information presented by management accountants so the current management information system is not efficient and leads to poor decision making and is less ethically responsible (Schaltegger et al., 2006).

By providing environmental and social information it will have a positive impact. In Demski and Feltham's (1976) research and Sprinkle's (2003) research it is stated that accounting information, in this case including social and environmental information, influences managerial decision-making in two ways: directly as input for decisions and indirectly that can influence manager behavior. This will be a source of information, and can even change the behavior of managers so that they are socially and environmentally responsible.

From an instrumental approach, this will have a positive influence on the company's financial performance. This is due to an increase in economic performance which is the influence of the company's social information performance, this is stated in the research of Surroca et al. (2010) and research by Simpson and Kohers (2002). Therefore, the presentation of environmental and social information will encourage the role of accountants in improving the performance of companies in general, and non-profit companies as social entrepreneurs in particular.

The results and implications of this study need to be understood in the context of the limitations of this study. The limitation of the research is the use of qualitative environmental and social information which has weaknesses in terms of ability to be compared so that the value of the information will be reduced. In the research of Teoh and Shiu (1990), it is stated that social performance in quantitative form has a more significant effect on being considered by investors in making investment decisions. Then, the limitation of this research is that it still uses projection research subjects, namely students, as managers of non-profit companies who make decisions in experiments. A limitation of research related to the method is that it does not consider the impact of information sources that may be subject to discussion by managers as described in Fisher's (1996) study. Future research can overcome the limitations of this study. For example, a future study could conduct an experiment using the case of a for-profit company. In addition, future research may use



different research approaches, such as using survey methods or using consideration of the influence of information sources.

References

- [1] Al-Tuwaijri, A.S., Christensen, T.E. and Hughes, K.E. (2004), "The relations among environmental disclosure, environmental performance, and economic performance: a simultaneous equations approach", *Accounting, Organizations and Society*, Vol. 29 No. 5-6, pp. 447-471.
- [2] Anderson, J.C. and Frankle A.W. (1980), "Voluntary social reporting: an iso-beta portfolio analysis", *The Accounting Review*, Vol. 55 No. 3, pp. 467-479.
- [3] Atkinson, A.A., Kaplan, R.S., Matsumura, E.M. and Young, S.M. (2011), *Management Accounting: Information for Decision Making and Strategy Execution*, Pearson Education, New Jersey.
- [4] Baker, G., Gibbons, R. and Murphy, K.J. (1997), "Implicit contract and the theory of the firms", working paper No. 6177, NBER, Cambridge, September, available at: <http://www.nber.org/papers/w6177.pdf>, (accessed 23 January 2014).
- [5] Belkaoui, A. (1976), "The impact of the disclosure of the environmental effects of organizational behavior on the market", *Financial Management*, Vol. 5 No. 4, pp. 26-31.
- [6] Boddy, D. (2002), *Managing Projects: Building and Leading the Team*, Prentice Hall, London.
- [7] Booth, P. and Schulz, A.K.-D. (2004), "The impact of an ethical environment on managers' project evaluation judgments under agency problem conditions", *Accounting, Organizations and Society*, Vol. 29 No. 6-7, pp. 473-488.
- [8] Borkowski, S.C. and Ugras Y.J. (1998), "Business students and ethics: a meta-analysis", *Journal of Business Ethics*, Vol. 17 No. 11, pp. 1117-1127.
- [9] Bruns, W.J.Jr. (1968), "Accounting information and decision-making: some behavioral hypotheses", *The Accounting Review*, Vol. 43 No. 3, pp. 469-480.
- [10] *Business Ethics Quarterly*, Vol 12 No. 3, pp. 331-349. Gibson, K. (2012), "Stakeholders and sustainability: an evolving theory", *Journal of Business*
- [11] Chan, C.C.C. and Milne, M.J. (1999), "Investor reactions to corporate environmental saints and sinners: an experimental analysis", *Accounting and Business Research*, Vol. 29 No. 4, pp. 265-279.
- [12] Chang, C.J. and Yen, S.H. (2007), "The Effects of Moral Development and Adverse Selection Conditions on Managers' Project Continuance Decisions: A Study in the Pacific-Rim Region", *Journal of Business Ethics*, Vol. 76 No. 3, pp 347-360.
- [13] Chong, V.K. and Suryawati, R.F. (2010), "De-escalation strategy: the impact of monitoring control on managers' project evaluation decisions", *Journal of Applied Management Accounting Research*, Vol. 8 No. 2, pp. 39-50.
- [14] Clarkson, M.B.E. (1995), "A stakeholder framework for analyzing and evaluating corporate social performance", *Academy of Management Review*, Vol. 20, No. 1; pp. 92-117.
- [15] Davidson, H.J. and Trueblood, R.M. (1961), "Accounting for decision-making", *The Accounting Review*, Vol. 36 No. 4, pp. 577-58.
- [16] Demski, J.S. and Feltham, G.A. (1976), *Cost Determination: A Conceptual Approach*. Iowa State University Press, Iowa.
- [17] Donaldson, T. and Preston, L.E. (1995), "The stakeholder theory of the corporation: concepts, evidence, and implications", *The Academy of Management Review*, Vol. 20 No. 1, pp. 65-91.
- [18] Elkington, J. (1997), *Cannibals with Forks: The Triple Bottom Line of 21st Century Business*, Capstone Publishing Limited, Oxford.
- [19] EY and Boston College Center for Corporate Citizenship (2013), "Value of sustainability reporting".
- [20] Freeman, R.E. (1984), *Strategic Management: A Stakeholder Approach*, Pitman, Boston. Freeman, R.E., Harrison, J.S., Wicks, A.C. Parmar, B. and de Colle, S. (2010), *Stakeholder*.
- [21] *Ethics*, Vol. 109 No. 1, pp.15-25.
- [22] Gray, R. (2002), "The social accounting project and accounting organizations and society privileging engagement, imaginings, new accountings and pragmatism over critique?", *Accounting, Organizations and Society*, Vol. 27 No. 2, pp. 687-708.
- [23] Grit, K. (2004), "Corporate citizenship: how to strengthen the social responsibility of managers", *Journal of Business Ethics*, Vol. 53 No. 1-2, pp. 97-106.
- [24] Guidry, R.P. and Patten D.M. (2010), "Market reactions to the first-time issuance of corporate



- sustainability reports: evidence that quality matters”, *Sustainability Accounting, Management and Policy Journal*, Vol. 1 No. 1, pp. 33-50.
- [25] Hall, M. (2010), “Accounting information and managerial work”, *Accounting, Organizations and Society*, Vol. 35 No. 3, pp. 301-315.
- [26] Harrison, P.D. and Harrell, A. (1993), “Impact of "adverse selection" on managers' project evaluation decisions”, *Academy of Management Journal*, Vol. 3 No. 3, pp. 635-643.
- [27] Hassel, L., Nilsson, H. and Nyquist, S. (2005), “The value relevance of environmental performance”, *European Accounting Review*, Vol. 14 No. 1, pp. 41-61.
- [28] Hendricks, J.A. (1976), “The impact of human resource accounting information on stock investment decisions: an empirical study”, *The Accounting Review*, Vol. 51 No. 2, pp. 292-305.
- [29] Henri, J-F. and Journeault, M. (2010), “Eco-control: the influence of management control systems on environmental and economic performance”, *Accounting, Organizations and Society*, Vol. 35 No. 1, pp. 63-80.
- [30] Henriques, I. and Sadorsky, P. (1999), “The relationship between environmental commitment and managerial perceptions of stakeholder importance”, *The Academy of Management Journal*, Vol. 42, No. 1, pp. 87-99.
- [31] Hill, C.W.L. and Jones, T.M. (1992), “Stakeholder-agency theory”, *Journal of Management Studies*, Vol. 29 No. 2, pp. 131-152.
- [32] Ingram, R.W. (1978), “An investigation of the information content of (certain) social responsibility disclosures”, *Journal of Accounting Research*, Vol. 16 No. 2, pp. 270- 285.
- [33] Jensen, M.C. and Meckling, W.H. (1976), “Theory of the firm: managerial behavior, agency costs and ownership structure”, *Journal of Financial Economics*, Vol. 3 No. 4, pp. 305-360.
- [34] Jones, T.M. (1995), “Instrumental stakeholder theory: a synthesis of ethics and economics”, *The Academy of Management Review*, Vol. 20 No. 2, pp. 404-437.
- [35] Jones, T.M and Wicks, A.C. (1999), “Convergent stakeholder theory”, *The Academy of Management Review*, Vol. 24, No. 2, pp. 206-221.
- [36] Kerlinger, F.N. and Lee, H.B. (2000), *Foundations of Behavioral Research*, Thompson Learning, Australia.
- [37] KPMG (2013), “The KPMG Survey of Corporate Responsibility Reporting 2013”, available at: <http://www.kpmg.com/Global/en/IssuesAndInsights/ArticlesPublications/corporate-responsibility/Documents/corporate-responsibility-reporting-survey-2013.pdf> (accessed 06 April 2014).
- [38] Larson, E.W. and Gray, C.F. (2011), *Project Management: The Managerial Process*, McGraw-Hill/Irwin, New York, NY.
- [39] Liyanarachchi, G.A. and Milne, M.J. (2005), “Comparing the investment decisions of accounting practitioners and students: an empirical study on the adequacy of student surrogates”, *Accounting Forum*, Vol. 29, No. 2, pp. 121-135.
- [40] Mathews, M. R. (1997), “Twenty-five years of social and environmental research: is there a silver jubilee to celebrate?”, *Accounting, Auditing, and Accountability Journal*, Vol. 10 No. 4, pp. 481–531.
- [41] Milne, M.J. and Patten, D.M. (2002), “Securing organizational legitimacy: an experimental decision case examining the impact of environmental disclosures”, *Accounting, Auditing, and Accountability Journal*, Vol. 15 No. 3, pp. 372-405.
- [42] Murray, A., Sinclair, D., Power, D. and Gray, R. (2006), “Do financial markets care about social and environmental disclosure?: Further evidence and exploration from the UK”, *Accounting, Auditing and Accountability Journal*, Vol. 19 No. 2, pp. 228-255.
- [43] Pallant, J. (2011), *SPSS Survival Manual: A Step by Step Guide to Data Analysis Using SPSS*, Allen and Unwin, Australia.
- [44] Phillips, R., Freeman R.E. and Wicks, A.C. (2003), “What stakeholder theory is not”, *Business Ethics Quarterly*, Vol.13 No. 4, pp. 479-502.
- [45] Rikhardsson, P. and Holm, C. (2008), “The effect of environmental information on investment allocation decisions – an experimental study”, *Business Strategy and the Environment*, Vol. 17 No. 6, pp. 382-397.
- [46] Rutledge, R.W. and Karim, K.E. (1999), “The influence of self-interest and ethical considerations on managers' evaluation judgments”, *Accounting, Organizations and Society*, Vol. 24 No. 2, pp. 173-184.
- [47] Schaltegger, S., Bennett, M. and Burritt, R. (2006), “Corporate sustainability accounting, a catchphrase



- for compliant corporations or a business decision support for sustainability leaders?”, in Schaltegger, S., Bennett, M. and Burritt, R. (Eds.), *Sustainability Accounting and Reporting*, Springer Publishing, Dordrecht, pp. 37-59.
- [48] Silver, D. (2012), “Citizens as contractualist stakeholders”, *Journal of Business Ethics*, Vol. 109 No. 1, pp. 3-13.
- [49] Simpson, W.G. and Kohers, T. (2002), “The link between corporate social and financial performance: evidence from the banking industry”, *Journal of Business Ethics*, Vol. 35 No. 2, pp. 97-109.
- [50] Starik, M. (1995), “Should trees have managerial standing? Toward stakeholder status for non-human nature”, *Journal of Business Ethics*, Vol. 14 No. 3, pp. 207-17.
- [51] Staw, B.M. (1976), “Knee-deep in the big muddy: a study of escalating commitment to a chosen course of action”, *Organizational Behavior and Human Performance*, Vol. 16 No. 1, pp. 27-44.
- [52] Surroca, J., Tribo, J.A. and Waddock, S. (2010), “Corporate responsibility and financial performance: the role of intangible resources”, *Strategic Management Journal*, Vol. 31 No. 5, pp. 63-490.
- [53] Teoh, H.Y. and Shiu, G.Y. (1990), “Attitudes towards corporate social responsibility and perceived importance of social responsibility information characteristics in a decision context”, *Journal of Business Ethics*, Vol. 9 No. 1, pp. 71-77.
- [54] *Theory: The State of the Art*, Cambridge University Press, Cambridge, UK. Freeman, R.E. and Phillips, R.A. (2002), “Stakeholder theory: a libertarian defense”, *Journal of Business*
- [55] Velasquez, M.G. (2012), *Business Ethics: Concepts and Cases*, Pearson Education, Upper Saddle River.
- [56] Wall, F. and Greiling, D. (2011), “Accounting information for managerial decision-making in shareholder management versus stakeholder management”, *Review of Managerial Science*, Vol. 5 No. 2, pp. 91-135.