



**BUSINESS SCHOOL**

## **Sustainability Accounting and Accountability**

**Supervisors:** [Dr Anwar Halari](#) and [Dr Shraddha Verma](#), Department of Accounting and Finance, The Open University Business School

### **Project Description:**

Although the concept of ethical and sustainable organisational behaviour surfaced many decades ago, it wasn't until the late 1980s and early 1990s that sustainability emerged as an increasingly popular area of research within accounting spheres (Gray et al., 1993; Gray and Bebbington, 2000; Bebbington and Larrinaga, 2014). Authors such as Gray et al. (1993) and Egan and Tweedie (2018) emphasise the importance of the accounting profession to help organisations become more sustainable and move away from traditional financial accounting to wider sustainability accounting. To be truly sustainable, an organisation must consider environmental, social as well as governance issues in addition to financial considerations.

We are currently witnessing a fast-growing interest in sustainability accounting, which has been further accelerated by the COVID-19 pandemic. Consequently, to cater for the needs of the market, there has been a surge of new sustainability related roles in organisations as well as a growing number of policies promoting sustainability. Furthermore, consumers and investors increasingly look at social, environmental, and governance (ESG) performance to guide their purchase, investment and employment decisions. Organisations are being called to be more accountable over their social, environmental and economic impacts to a wider range of stakeholders, revise their missions and adapt their ways of operation to be in line with the communities in which they operate. Accounting and accountability practices are deeply involved in this process, for instance, by identifying, measuring, and reporting the social, environmental, and economic impacts and the overall sustainability implications of the organisation. Interestingly, even though there has been a significant increase in sustainability reporting, sustainable investing and changes in regulations, carbon emissions continue to rise as well as social inequality and the environmental damage. Research is urgently needed to understand accountability and new kinds of accounting is required to tackle the environmental and social crisis.

This doctorate project seeks to provide a better understanding of the interplay between sustainability accounting and accountability and the role of accounting (and the accounting profession) in this context. Of particular interest is how accounting and accountability practices can drive a transition towards a sustainable, equitable and a climate-conscious society. The research may relate to a range of different topics and contexts, for instance:

- An examination of whether accounting for ESG considerations or inclusion of ESG into organisational policies and performance measures foster sustainable behaviour.
- How are professional accounting bodies equipping their members with necessary skills to respond to sustainability/ UN SDGs.
- What governance mechanisms are required to ensure accountability to tackle environmental and social challenges.
- What does sustainable performance and accounting for sustainability mean for SMEs/ /social enterprises etc.
- What changes to carbon accounting is necessary to achieve a net-zero economy?
- What sustainable accounting and performance measurement should look like.
- How accountability and accounting is used in sustainability and social mission of organisations.
- Which forms of accountability are most important to address the environmental and social concerns.

The applicant is encouraged to read the Special Issue on Social and Environmental Account/Ability 2020 and Beyond, published in Social and Environmental Accountability Journal:

Laine, M., Scobie, M., Sorola, M. and Tregidga, H., 2020. Special issue editorial: Social and environmental account/ability 2020 and beyond. Social and Environmental Accountability Journal, 40(1), pp.1-23.

We envisage the research project to be flexible according to the interests and background of the PhD candidate. We are open to both qualitative and quantitative research methodologies such as document analyses, interviews, case studies, longitudinal studies, surveys etc.

**Expectation:**

The doctorate is expected to develop specific research questions within this area and gradually develop three working papers over the period of three years that are potentially publishable in internationally recognised academic journals.

It is hoped that the prospective candidate will demonstrate an interest in developing both a theoretical/conceptual and empirical contribution within this field.

**Applicant Specification:**

The candidate must express a keen interest in sustainability accounting and accountability research. Prior knowledge and experience in both qualitative and quantitative research methodologies is required. An understanding and knowledge of UN SDGs would be an advantage; however, it is not compulsory.

### **About the Supervisors:**

Dr Anwar Halari's research interests are in the area of accounting and finance. His recent project is in the area of accountability and sustainability where he is investigating the role of accountants in the move towards sustainability. His [recent work](#) was published in the International Review of Financial Analysis that investigated organizational non-compliance with principles-based governance provisions and corporate risk-taking. Anwar also wrote a piece on what [COVID-19 means for universities' sustainability](#) plans. Other areas of research Anwar is currently working on include accounting for the social and environmental impacts of organisations, corporate governance, accountability and socially responsible investing.

Dr Shraddha Verma's research interests are in the area of accounting and finance covering a range of areas including the professionalisation of accounting, accounting history and accounting and risk. Her work includes historical analyses of the development of accounting professions in different contexts including issues of race in accounting professions and risk assessment and reporting within public bailouts of private companies. This work has been published in journals such as the British Accounting Review, Critical Perspectives in Accounting and Business History. More recently, Shraddha has been developing work in relation to EDI in different contexts including education and accounting professions.

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