

Discussion of 'A change in the research paradigm in corporate reporting? Some reflections on the role of the accounting academia'

Paul André*

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The opinion piece written by Araceli Mora is very interesting and raises important issues for accounting academia. I offer further elements to feed the debate and discussion. The core of Araceli Mora's paper is that corporate reporting is experiencing a serious questioning of the main and dominant view as to the objective of corporate reporting, that is, the predominantly short-term 'decision usefulness' view. She believes that this first evolved following the 2007-8 financial crisis to a financial stability role and a protecting the European economy role to now being even more broadly a long term 'public interest' view. Araceli Mora then exposes what she believes to be the current main challenges for accounting academia. First, a required further rethink of the research questions and methodologies we use. Second, an often narrow view of what constitutes the top journals in our field where, in the end, very few papers are published, there is a high rejection rate and a very long review process. She also believes this narrow focus leads to a lack of innovation. Third, the undue influence of the impact factors has driven many to publish outside of accounting journals and does not recognize the useful role local/national journals can play in exposing research on specific local institutional settings. Fourth, the sometimes questionable social impact of the research we do.

* University of Bristol Business School. Full professor in Accounting at the University of Bristol (UK). Paul has been a Professor at HEC Lausanne, ESSEC Business School, the University of Edinburgh, HEC Montreal, UQAM and the University of Ottawa. Paul served as Editor of *Accounting in Europe* and as a member of the EFRAG Academic Panel. His research focuses on the topics of financial reporting, earnings quality, corporate governance, ownership structures, auditing and mergers and acquisitions. E-mail: paul.andre@bristol.ac.uk.

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1. 'The reports of my death are greatly exaggerated'

The direction of travel may be changing somewhat. Changing economic and political conditions are leading to a serious rethink. The European Commission's Omnibus Package, introduced on February 26, 2025, has sent a shock wave in both the corporate and academic worlds. The package proposes significant amendments to streamline and simplify existing European Union (EU) sustainability regulations, aiming to enhance the competitiveness of European businesses and unlock additional investment capacity. The package brings together proposals in a number of related legislative fields and covers a far-reaching simplification in the fields of sustainable finance reporting, sustainability due diligence, EU Taxonomy, carbon border adjustment mechanism, and European investment programs.

More specifically with respect to the Corporate Sustainability Reporting Directive (CSRD), it proposes a 1) **Scope Reduction**: The threshold for mandatory sustainability reporting would increase to companies with over 1,000 employees, reducing the number of entities required to report by approximately 80%; 2) **Delayed Implementation**: The reporting deadlines for large undertakings and listed small and medium-sized enterprises (SMEs) would be postponed by two years, providing additional preparation time, and 3) **Simplified Reporting Standards**: Plans to introduce sector-specific reporting standards would be abandoned, focusing instead on streamlined, sector-agnostic standards to reduce complexity.

While we all digest the implications of the proposals, it may not signify a role back to investor decision usefulness, but the voice of investors has been taken into account, and we have refocused on the potential negative unintended consequences/real effects of the numerous and costly regulatory changes enacted over the last few years.

Is this the end of 'double materiality'? Double materiality extends beyond traditional financial materiality by considering both Financial materiality – How sustainability issues (e.g., climate change, social risks) impact a company's financial performance, affecting investors and stakeholders – and Impact materiality – How a company's activities affect the environment, society, and broader stakeholders. It implies that companies should not only disclose sustainability factors that influence their financial value but also those that reflect their broader social and environmental impact. However, measuring Impact materiality is incredibly challenging and may explain the roll-back. Among the challenges are how to measure impact materiality, how to harmonize this with other frameworks (e.g., International Sustainability

Standards Board - ISSB, Global Reporting Initiative - GRI), how to define scope and boundaries, and how to ensure data quality and assurance.

2. Academia: Some encouraging signs

While Araceli Mora's critics of accounting academia are not new and also believe that they have in the past limited innovation and led to serious questions on the social impact of our work, a number of initiatives and developments make me maybe more optimistic as to the future.

3. San Francisco Declaration on Research Assessment (DORA)

Established in 2012, DORA (information can be found at <https://sfdora.org/>) is a global initiative that challenges the use of journal impact factors as a primary measure of research quality. The declaration advances that the assessment of research be based on its own merits rather than the metrics of the journal in which it is published. More than 26,000 organizations and individuals from 166 countries have signed the declaration, including universities, research institutes, and funding bodies. DORA encourages more equitable and meaningful evaluation of scholarly work, fostering a culture that values diverse research outputs and broader societal impact. To now have been in two institutions that have signed up to the declaration, it does initiate at least a rethink on research assessment and on promotion and tenure decisions.

4. The new Research Excellence Framework (REF)

Every seven to eight years, universities in the United Kingdom (UK) are assessed to determine their funding in the future years. While a very British exercise, I do find that it has some influence outside the UK on how to determine research excellence. This new REF is seeking to change the emphasis from the performance of individuals to the contribution institutions and disciplines make to healthy, dynamic, and inclusive research environments. It also wants to encompass broader contributions to research and the research process.

It will focus on three newly shaped categories: 1) People and culture (25% weighting), 2) Contribution to knowledge and understanding (50% weighting) with a look to find evidence of the broader contributions to the advancement

of the discipline, and 3) Engagement and impact (25% weighting). Hence not simply on top publications. This third category forces us to think about the benefits of our research and the impact that happens beyond academia.

5. The evolution of impact factors

There has been quite an evolution in the number of scores and impact factors. Newer scores and impact factors take into account a broader set of journals and have increased the number of years used to measure the impact of a paper. Initially, the Journal Impact Factor (JIF), now indexed by Clarivate's Web of Science, focused on 2 years and a more limited list of journals. The competition from CiteScore, produced by Elsevier from the Scopus database, looks at four years and a broader list of journals. I remember when I became Editor-in-Chief of *Accounting in Europe* (AinE) in 2014, AinE was not ranked in any list. Today, AinE (<https://www.tandfonline.com/journals/raie20/about-this-journal#journal-metrics>) has a very good JIF and CiteScore being in the best quartile (Q1) in both.

Finally, while the databases also measure the individual impact of each publication, Google Scholar, launched in 2004, has the advantage of being the broadest, not being limited to a selected number of journals. While it has its own limitations, it is a useful tool for academic research that indexes a wide range of sources, including non-peer-reviewed materials.

6. Conclusion

We live in interesting times. While I am not convinced that we are experiencing a paradigm shift yet, the changing role of corporate reporting presents many challenges but offers many opportunities. In parallel, the role and impact of accounting academic research are also evolving for the better, I think.