

The Role of the Accountant: Including Sustainability to their consultancy services

A cross-sectional study of Accountant firms in Kristiansand, Norway. The awareness on sustainability reporting standards, attitude towards sustainability consulting and the status on sustainability consulting amongst accountants in Kristiansand.

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PREFACE

Sustainability has become an increasingly popular topic in relation to small- and medium-sized enterprises (SMEs) and because SMEs in total accounts for a large portion of organizations worldwide, they also have the possibility to make a significant difference when it comes to transitioning to a sustainable future. The Nordic Accounting Federation (NAF) has developed the Nordic Sustainability Reporting Standard for SMEs in the Nordic countries which has selected the accountants as the helping hand when implementing sustainability reporting.

The purpose of this study is therefore to see if accounting firms in Kristiansand consult on sustainability and to determine their attitude towards including consulting services on sustainability issues as part of their profession and if stakeholder expectation influences whether they provide consulting services on sustainability issues.

The study is conducted as a quantitative, deductive study by a primary survey amongst accountant firms in Kristiansand. The accountants were presented a questionnaire by telephone and were all asked the same questions after a template. The thesis is built up as the seven step hypothetico-deductive method (Bougie & Sekaran, 2020, p. 20).

ACKNOWLEDGEMENTS

We want to thank all the accounting firms in Kristiansand that wanted to participate in our survey by telephone, even though we know that spring is an even more hectic time of the year for accountants. Furthermore, we want to express our gratitude towards our supervisor, Victoria Edgar, who has provided helpful comments and has shown a genuine interest in our work. At last, we want to thank both family and colleagues for the support and encouragement that we have received throughout this semester.

SUMMARY

SUMMARY ENGLISH

Focus on sustainability is present and increasing worldwide. The more focused companies and people are to act sustainable and fulfil the UN's Sustainable Development Goal (SDG) that are relevant for the environment they are in, the more focus it brings to transparency on the topic. For transparency the need for sustainability reporting arises.

The Nordic Accountant Federation has published the first report out of three in 2021, and the goal is to develop Nordic standards for sustainability reporting for small and medium sized enterprises (NSRS).

The NSRS report concludes that the accountant will play a major part in the consulting on sustainability reporting for their clients.

The NSRS report is the background for this thesis, in addition to an extensive literature search about the accountant's role in sustainability consulting.

We performed a survey amongst accountant firms in Kristiansand to investigate the current landscape on sustainability reporting and the knowledge on NSRS and SDG. Telephone interviews were performed amongst 57 accountant firms in Kristiansand during March 2022.

The majority of the accountants in Kristiansand do not consult on sustainability reporting for their clients, and the majority have knowledge of the SDG but not NSRS. The result of this survey is that the accountant's attitude towards sustainability and the assumption of the stakeholder's expectation are factors that influence the accountant to consult on sustainability reporting. Most of the accountant firms that do consult clients on sustainability also consult on sustainability reporting for their clients.

Age of firm and gender distribution of the firms did not have any effect on consulting the clients on sustainability, but there is a tendency that the larger firms consult more on sustainability than smaller accountant firms.

The NSRS report concludes that the accountant is a natural partner for their clients on sustainability reporting, but the majority is not prepared for the role. For the accountants in Kristiansand, we come to the same conclusion.

SUMMARY NORWEGIAN

Økende fokus på bærekraft er til stede verden over. Dess mer fokus firmaer og menneskene har på å opptre bærekraftig og til å oppfylle FN's Bærekrafts mål som er aktuelle for det forretningsområde som er gjelder for dem, dess mer fokus vil det være på gjennomskinnelighet på området. For å oppnå gjennomskinnelighet oppstår behov for bærekraftsrapportering.

Den Nordiske Regnskapsstiftelsen har publisert den første av tre rapporter i 2021, og målet er å utvikle nordiske standarder innen bærekraftsrapportering for små og mellomstore bedrifter. (NSRS)

NSRS rapporten konkluderer med at regnskapsføreren vil spille en viktig rolle i å rådgive sine klienter på bærekraftsrapportering.

NSRS rapporten er bakgrunnen for denne master avhandlingen, i tillegg til et stort litteratursøk om regnskapsførere og rådgivning om bærekrafts rapportering.

Vi foretok en undersøkelse blant regnskapsførere i Kristiansand for å undersøke nåværende landskap på bærekraftsrapportering og kunnskapen om NSRS og FNs bærekraftsmål.

57 regnskapsførere fra forskjellige firmaer ble intervjuet per telefon i mars 2022.

Majoriteten av regnskapsførerne rådgir ikke sine klienter på bærekraftsrapportering. De fleste kjenner til FNs bærekraftsmål, men vet ikke om NSRS. Resultatet av undersøkelsen viste også at regnskapsførernes holdning til bærekraft og antakelsen om at interessehavere i selskapet forventer det, har betydning for om regnskapsførere rådgir om bærekraftsrapportering. De fleste av firmaene som oppgav at de rådgir om bærekraft rådgir også om rapportering.

Alder på firma og kjønnsdistribusjon i firma har ikke effekt på om de rådgir på bærekraft og bærekraftsrapportering. Størrelse på firma har imidlertid en betydning for bærekraftsrådgivning i og med at større firmaer oppgir oftere at de rådgir på bærekraft til sine klienter.

NSRS rapporten konkluderer med at regnskapsførere er en naturlig partner for deres kunder for å rådgive på bærekraftsrapportering, men at flesteparten ikke er klar for rollen. For regnskapskontorene i Kristiansand kommer vi til samme konklusjon.

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1 INTRODUCTION

1.1 RELEVANCE

The role of the accountant has been a topic of interest for researchers and the literature on the topic is extensive. In the NSRS Theoretical Annex report a survey was conducted to understand the future role of the accountant and on the question “how do you see the role changing?” one quote was as follows: *“I believe accountants will not simply account for the financials of the business anymore, they will transcend their original roles as mere bookkeepers in the public’s eyes to crusaders of corporate conscience”* (NAF, p. 155). Furthermore, sustainability is a topic that has been increasingly important and is of discussion in numerous contexts. As sustainability is becoming a larger part of education, the way organizations are conducting business, the roles of the accountants and auditors etc. we can no longer choose to ignore it. In relation to the accountant’s role the following statement was made: *“As the world changes, the finance and accounting professionals would need to develop themselves not just finance and accounting knowledge but also business strategic thinking and planning, or even combine with some of the marketing, human resources and sociology knowledge in order to improve the business sustainability.”* (NAF, p. 155).

Small- and medium-sized enterprises (SMEs) accounts for more than 99 per cent of all organizations in Norway and can have a huge impact in the transition towards a sustainable future (SSB, 2022a). SMEs have in recent times received greater attention in relation to sustainability and The Nordic Accounting Federation (NAF) has developed the Nordic Sustainability Reporting Standard (NSRS) that aims to provide a simplified sustainability reporting framework for Nordic SMEs. Previous research show there is an increasing expectation towards implementing sustainability into the business model (Collins et al., 2011). The accountants has in that regard been chosen to be the integrator in terms of incorporating sustainability into the organizations strategy, operations and reporting (IFAC, 2011). The accountants are facing increasing expectations towards including sustainability consultancy service into the profession and we chose to look at the role of the accountant in Kristiansand in relation to providing their clients with sustainability consulting services because we believe that accountants might have a strong position in providing SMEs with these services as they are already expected to be *“the most trusted advisors”* to SMEs (NAF, 2021, p. 145).

1.2 RESEARCH QUESTIONS

Our aim of the study is to explore the role of the accountants in Kristiansand as sustainability consultants for their clients. The following research questions are created to see if accounting firms in Kristiansand are providing consultancy services for their clients and if the accountant's awareness, attitude, and knowledge on sustainability are affecting whether they provide these services for their clients. In addition, we want to see if accounting firms in Kristiansand is experiencing stakeholders' expectations towards providing consultancy services on sustainability issues.

Sustainability consulting:

RQ1 - Are consultancy services on sustainability a part of the accountant's services to their clients in Kristiansand?

RQ2 - What influences the sustainability consulting?

RQ3 - Do accounting firms that also do audit consult clients more frequently on sustainability?

RQ4 - Does gender on employees matter on consulting on sustainability?

Consulting and awareness, attitude, and competence on sustainability in accountant firms in Kristiansand

RQ5 - Does the accountant firm's awareness, attitude, and competence on sustainability effect consulting on sustainability for their clients?

Accounting firm's attitude and stakeholders' expectation towards sustainability

RQ6 - Does the management attitude and stakeholders' expectations influence on whether the accounting firm includes consulting on sustainability as a part of their services to their clients?

Consulting on sustainability as part of the accounting firm's marketing plan

RQ7 - Does accounting firms use sustainability consulting as a part of their own marketing?

1.3 DELIMITATION

According to RegnskapNorge (2020) there were 3097 accounting firms in Norway and 12093 authorized accountants in 2020. We have chosen to look at the role of the accountant in Kristiansand only. As the statistics show in chapter 2.1 *Small and medium-sized enterprises (SMEs)* 99 per cent of all organizations are small and medium sized enterprises (SMEs) In our

study we are therefore looking at the clients as SMEs. As small and medium accounting practices (SMPs) are SMEs themselves according to our findings in chapter 2.2 *Small and medium accounting practices (SMPs)* we are focusing on the accountants in Kristiansand as SMPs. Furthermore, as mentioned in section 1.1 *Relevance* the concept of sustainability is broad and complex, and we have therefore narrowed it down to corporate sustainability and reporting on sustainability issues. As we have chosen to do a quantitative study, we will only look at the overall picture with a 10-minute questionnaire with questions regarding the accountant's awareness, attitude and knowledge on sustainability and stakeholder expectations in addition to some general questions about the accounting firm.

1.4 STRUCTURE

In chapter 2 *Theory and literature review* we will start by exploring the terms small- and medium-sized enterprises (SMEs), small- and medium-sized accounting practices (SMPs), sustainability and sustainability reporting to get an overall picture before exploring the role of the accountant in relation to SMEs and sustainability and at last exploring the impact stakeholder expectation has on the accountant services on sustainability issues and to see if the accounting firms in Kristiansand are using their consulting services on sustainability as part of their marketing plan.

In chapter 3 *Methodology* we will describe the research model and design and present the method for data collection. The research questions raised from previous research, gathered in chapter 2 *Theory and literature review*, and the formation of hypotheses will furthermore be elaborated in this chapter. The data will be analysed in SPSS Statistics and will be presented in chapter 3 *Methodology* as well. Furthermore, the findings will be presented in chapter 4 *Test of hypothesis and presentation of results* followed by our discussion of our results in context of previous research in chapter 5 *Discussion*.

We will furthermore provide you with a conclusion in chapter 6 *Conclusion* on our thesis including limitation of our study and suggestions for future research.

2 THEORY AND LITERATURE REVIEW

2.1 SMALL AND MEDIUM-SIZED ENTERPRISES (SMEs)

Previous research show that small- and medium-sized enterprises (SMEs) contribute to over 99 per cent of all enterprises and 100 million jobs, and they represent around 67 per cent of the private sector (Blackburn & Jarvis, 2010). As we are looking at the role of the accountant in Kristiansand as a sustainability consultant for their clients, the majority of most clients are SMEs according to the statistics. We therefore want to identify some characteristics of SMEs to get a better understanding of the organizations the accounting firms in Kristiansand are providing consultancy services to.

SMEs are often defined in terms of turnover, gross asset value, ownership structure, number of employees etc. (Inyang, 2013, p. 123). According to the European Commission (2003, p. L124/139) they define SMEs as enterprises with less than 250 employees, with a turnover of € 50 million or less and/or an annual balance sheet total of €43 million or less as shown in the figure below.

Company category	Staff headcount	Turnover	or	Balance sheet total
Medium-sized	< 250	≤ € 50 m		≤ € 43 m
Small	< 50	≤ € 10 m		≤ € 10 m
Micro	< 10	≤ € 2 m		≤ € 2 m

Figure 2-1 Definition of SME by the European Commission

This numerical definition of SMEs are in the upper limit of the scale of when an organization is classified as SME, and according to Inyang (2013, p. 125) this definition may not be applicable to all countries because these may be seen as large organizations in these countries. “Small scale enterprises” are usually within the scale of 5 to 10 employees with the upper limit of 50 to 100 employees. Whereas “medium-sized enterprises” is usually between 100 to 250 employees (Inyang, 2013, p. 125). In Norway there are registered 629 953 establishments in 2022 whereas 99.9 per cent have less than 250 employees and only 0.01 per cent has 250 employees or more (SSB). This corresponds with the percentage of SMEs in Europe. According to the European Commission (2022) 99 per cent of all businesses in Europe are classified as SMEs and are the backbone of the European economy and accounts for more than half the Europe’s Goss domestic product (GDP), and provide two out of three jobs (European

Commission, 2020, p. 1). They have significant impact worldwide in terms of the economic, environmental and the social matters (Inyang, 2013, p. 123) and are facing increasing pressure to have more sustainable practices which influences the activities of SMEs (Street et al., 2016, p. 7).

Furthermore SMEs can be defined in a qualitative way with characteristics such as they control a small market share and that their personal management is carried out by the owner if there is indeed a formalized bureaucratic structure (Inyang, 2013, p. 125). Other characteristics that SMEs have is that a significant share of SMEs are family businesses and they have the desire to maintain the family control (Street et al., 2016, p. 7). Street et al. (2016, p. 7) also points out that they are connected with the local community and national environment. In terms of how they run their business the decision process is often based on a “hunch” and based on unplanned actions and with little information. They generally operate with the strategy of “learn by doing” and use an informal approach in their communication (Street et al., 2016, p. 7). Furthermore, some of the challenges that SMEs are facing are assessing capital and external funding sources. Furthermore, they lack of information as well as modern technology and innovations (Krawczyk, 2021, p. 4).

Klewitz and Hansen (2014) has through their literature review identified six drivers of SMEs in relation to including environmental improvements into their business. These drivers are voluntary engagement, stakeholders, legislation, resources, motivation and knowledge (Klewitz & Hansen, 2014). Accounting firms in Kristiansand need to have the demand for sustainability consultancy services for them to provide them. Voluntary engagement with the owners of SMEs would rely on the owner’s personal motivation and attitude. There would be a need for SMEs to have resources available for them to undertake sustainable improvements and they would have to have enough knowledge on sustainable ways to improve their business. But as all of these are some of the key barriers from SMEs perspective (Klewitz & Hansen, 2014), the need for stakeholders’ expectation and legislations towards undertaking sustainable improvements are even more essential. Furthermore, the findings of NAF (2021, p. 89) show that SMEs tend to show risk-averse behaviour because of the lack of resources, as the payback period of investing in sustainability activities is uncertain in term of time horizon.

Based on these findings the importance of the accountant’s role in relation to providing consultancy services for their clients is even more interesting to investigate, as we would expect an increase in regulations, recommendations, and pressure from stakeholders towards

undertaking more sustainable practices and the need for measuring and reporting these sustainable practices to respond to the increased demand.

2.2 SMALL AND MEDIUM ACCOUNTING PRACTICES (SMPS)

According to previous research small and medium accounting practices (SMPS) are the most preferred advisors to SMEs (Street et al., 2016). As we are looking into the role of the accounting firms in Kristiansand regarding their role as sustainability consultants for their clients, who are mainly SMEs according to statistics of the previous chapter, we believe it is relevant to look at the characteristics of SMPS as well to get a better understanding of the accounting firms we are studying.

SMPS has been less extensively researched than SME's even though they are a huge part of the accounting bodies (Blackburn & Jarvis, 2010). Accounting firms are generally segmented into three groups based on the size of the company. The first group is the Big 4 firms, the next group is the second or mid-tier firms and at last we have SMPS. SMPS share some characteristics with larger accounting firms, such as facing different issues with different clients and that they have expanded the range of services they provide for their clients from traditional accounting to becoming a business advisor for their clients (Street et al., 2016, p. 10).

The International Federation of accountants (IFAC) has defined SMPS's as "*accounting practices whose clients are mostly SMEs, external sources are used to supplement limited in-house technical resources and contain a limited number of professional staff. What constitutes an SME differs depending on the country.*" (Blackburn & Jarvis, 2010, p. 10). And as we can see from the definition the limited number of professional staff makes sense as one of the main characteristics of SMPS are that they are knowledge-intensive service firms that rely on the knowledge and competence of their employees to provide solutions to problems that are faced by their client. Due to the fact that employees are the main resource for SMPS, they face issues of major concern related to staffing as they have limited resources for training and professional development, hiring competent staff etc. (Street et al., 2016). According to the IFAC Global SMP Survey: 2018 Summary conducted in 150 countries with more than 6000 respondents, 54 per cent found it difficult to attract the next generation talent, whereas 66 per cent where due to lack of candidates with the right mix or skills (IFAC, 2018). From the definition provided by IFAC SMPS does not only have limited number of professional staff but limited in-house technical resources as well. As Street et al. (2016, p. 10) concludes that SMPS are SMEs

themselves and that they share the same characteristics as SME in general we can use some of the same characteristics as mentioned in the previous chapter.

As we saw in the previous chapter SME tend to have limited resources in form of assessing capital and external funding as well as lack of modern technology and innovations. This corresponds with the definition provided by IFAC, mentioned above, SMPs are facing limited resources with in-house technical resources and therefore uses external sources to compensate.

Looking at the role of the accountant in relation to sustainability consultancy services some of the key drivers for SMPs to provide these services are stakeholders' expectations, as stakeholders request greater accountability and transparency in the way organizations are running their business and the way they are affecting society (ACCA, 2021, p. 37), and regulations, as Europe (EU) for example launches several progressive new climate regulations (NAF) that need to be implemented in the business strategy for their clients. As most of the clients are SMEs, the need to consultancy services on new regulations and recommendations would then increase. We will therefore investigate stakeholders' expectation and look into sustainability as well as sustainability reporting in chapter 2.6 *Stakeholder' expectation* and 0.

Sustainability.

Spence et al. (2012) findings show that SMPs have limited resources and lack of knowledge on environmental sustainability and the resources and knowledge they were to draw upon were based on personal interest and experience. As a result of the findings of previous research on SMPs we find it interesting to see if accounting firms in Kristiansand have the resources to obtain the necessary knowledge in form of skills and competencies or not as well as their personal attitude towards sustainability is compromising their ability to provide consultancy services on sustainability issues. We will look further into this in chapter 2.4 *The accountants' role* and 2.5 *The relationship between the accountant and their clients and accountants as SME advisors*.

2.3 SUSTAINABILITY

Sustainability has gained increased attention all over the world and has become a popular trend. Researchers have studied the concept of sustainability in different fields and it has gained different meanings in the different fields (Özsözgün Çalışkan, 2014, p. 261). The expectations that organizations face in relation to including sustainability into their business model affects the accountants as they need to meet these needs (Collins et al., 2011). Furthermore, there is an increasing awareness on creating suitable sustainability framework and the European Commission are has indicated their intention to furthermore deepen the European Economy towards sustainability (Caruana & Dabbicco, 2022, p. 1). In this chapter we will look at the concept of sustainability as well as the 17 SDG, sustainability reporting and the Nordic Sustainability Reporting Standard (NSRS) to get a better understanding of the pressure accounting firms in Kristiansand are facing in terms of including sustainability consultancy services to their clients.

According to The Brundtland Report titled “Our Common Future” sustainability development is defined as: *“development that meets the needs and aspirations of the present generation without destroying the resources needed for future generations to meet their needs.”* (Keeble, 1988, p. 20). Sustainability development addresses the economic, environmental, and social aspects as it requires generations today to avoid selfishness when meeting their needs, so that future generations are able to meet theirs (Özsözgün Çalışkan, 2014, p. 261). This is a very broad definition of sustainability development and because sustainability is such a comprehensive topic to cover there are many different approaches to defining the topic. In our thesis we are focusing on sustainability as a part of consulting services by accountants to SMEs and it will therefore be narrowed down to corporate sustainability and reporting on sustainability. According to Özsözgün Çalışkan (2014, p. 251) organizations are able to create serious economic, environmental and social negative impacts when satisfying their stakeholder’s needs. Enforcing a sustainable development approach will reduce these negative effects that organizations create and contribute to the overall goal of meeting the need for future generations.

The three components; economic, environmental, and social aspect, has been used in the term “triple bottom line” which were introduced by John Elkington’s in the 1990s (NAF, 2021, p. 41). This term have been brought up in several researches related to sustainability reporting such as (Smith & Sharicz, 2011) and Kwakye et al. (2018) pronounces that sustainability accounting and reporting (SAR) involves corporate reporting on the three aspects;

environmental, social, and economic, which is conceptualized as the “triple bottom line reporting”. According to the European Commission (2001, p. 31) triple bottom line is defined as *“the idea that the overall performance of a company should be measured based on its combined contribution to economic prosperity, environmental quality and social capital”*. ICAEW has furthermore, provided definitions on the three elements of the triple bottom line, whereas environmental performance is related to the natural capital which is the resources and processes used when organizations are producing and delivering their products and services to their customers (ICAEW, 2004). Furthermore, ICAEW defines the social performance as the impact the organization has in human and social capital, which relates to health, skills, knowledge, and value added by human relationships, partnerships etc. Economic performance is defined as financial performance that reflects the impact the organizations has on the economy as whole as well as the organizations own manufactured and financial capital (ICAEW, 2004, p. 9).

According to the United Nations balancing the environmental factors, social equity and economic demands is the key for the achievement of sustainability (Wilson, 2015, p. 433) and according to Milne and Gray (2013, p. 18) the triple bottom line might be the motivation for the Global Reporting Initiative’s (GRIs) development of voluntary reporting on environmental, social and economic aspects.

2.3.1 17 United Nations Sustainability Goals

As sustainability is an international concept, that has developed due to stakeholders demands (Herremans et al., 2016, p. 417), there has been a need for a common set of goals that each country can aspire to. To fulfil the core objective of sustainability the United Nation (UN) created the 17 Sustainability Development Goals (17 UN SDG) to be achieved in 2030 (Sánchez-Hernández et al., 2021). As we have mentioned in chapter 2.1 *Small and medium-sized enterprises (SMEs)*, SME play an important role in most national economies, and as SMEs are able to make a huge impact in reaching the 17 UN SDGs (Inyang, 2013).

The 17 United Nations Sustainability Goals (17 UN SDGs) are built on decades of work done by countries and the UN. In 2012 the Sustainability Development Goals (SDG) were launched and in 2015 the SDGs were adopted by the members of the United Nations (UN) which Norway is also a member of (Jiménez et al., 2021, p. 1). It is a global partnership with the goal of ending poverty and other deprivations with strategies that improve health and education, reduce

inequality, and spur economic growth, persevere oceans and forests and tackle the climate change (DESA, 2022).

Belyaeva and Lopatkova (2020, pp. 23-24) categorizes the sustainable development goals into four sustainable dimensions; economic, social, environmental, and holistic, where they have defined some directions for SMEs to take in their business model in relation to each SDG. We have listed the dimensions with the associated sustainability development goals in the figure below.

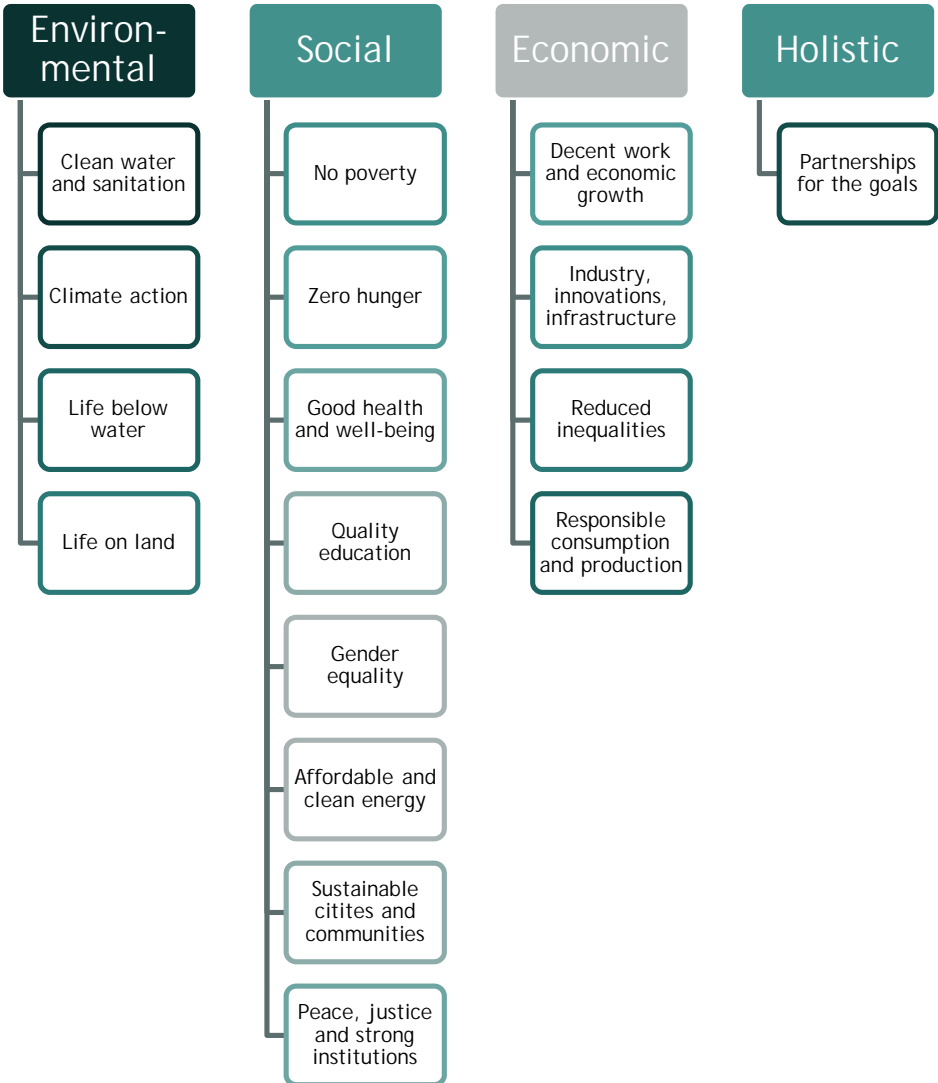


Figure 2-2 Sustainability dimensions of SDG (Belyaeva & Lopatkova, 2020, pp. 23-24)

Belyaeva and Lopatkova (2020) stresses the importance for SMEs to enhance sustainability development and that they by integrating SDGs into the business model will have a positive outcome in terms of competitive advantages, company value, good image, and reputation. But even though SMEs realizes the importance of the SDG to be included in their business strategy they are facing difficulties in doing so (Jiménez et al., 2021). According to Krawczyk (2021)

SMEs are able to meet the challenges of SDG even though they have received less attention on the matter than large organizations from their stakeholders. Even though there is an increased attention towards sustainability Smith and Sharicz (2011) findings show that there are a great number of executives of organizations that are still unclear on the term sustainability. As we have explored the term sustainability and the SDGs, we find it clear that due to the lack of resources SMEs, including SMPs, are facing makes sustainability as a concept difficult to grasp.

2.3.2 Sustainability Reporting

We explored in section 2.3 *Sustainability* and 2.3.1 *17 United Nations Sustainability Goals* there are an increasing attention towards sustainability issues for organizations to respond to. To respond to this organizations will need to report on their sustainability attainments and organizations are receiving increasing demand for sustainability reporting by stakeholders (Bernow et al., 2019). According to Caruana and Dabbicco (2022, p. 1) the accountancy profession is showing a keen interest in sustainability reporting. It is also believed that SDG reporting will advance the issue of sustainability in the annual report (Erin et al., 2022, p. 2). As accountants are the most trusted advisors for SMEs according to Street et al. (2016), we want to get a better understanding of the issues SMEs are facing in terms of sustainability reporting.

Sustainability reporting is a communication strategy for organization's to present their sustainability status to their stakeholders (NAF, p. 63). It consists of either a standalone document or a section of the organization's annual report that contains a set of sustainability disclosures (Bernow et al., 2019, p. 4) Bernow et al. (2019, p. 4) furthermore defines sustainability disclosures as "*qualitative or quantitative information about a company's performance on a topic not addressed by standard financial and operational disclosures. Sustainability disclosures ordinarily relate to environmental, social, and governance matters, including companies' sustainability impacts and responses to external sustainability trends.*". For sustainability reporting to be useful to stakeholders the information on sustainability that is produced needs to be comparable, relevant and reliable with a sufficient scope and depth as well as transparency of the methods that is used for data collection, processing the data and what information is being disclosed (NAF, 2021, p. 60).

According to the findings of NAF (2021, p. 45) there is a lack of awareness about non-financial considerations and risks by SMEs like environmental, social, technological and governance factors. The awareness on sustainability issues tend to be limited to a certain section (NAF,

2021, p. 45). This combined with the lack of internal capacity to operationalize sustainability actions effectively (NAF, 2021, p. 57) leads to a lack of integration of non-financial performance into the business strategy and operation. According to a study done by Deloitte in 2020 there was a weak connection between a company's strategy and its sustainable report (NAF, pp. 58-59). On the other hand Li and Jia (2022) concludes that announcements of mandatory sustainability disclosures has a positive effect on sustainability performance.

There are many sustainability frameworks and standards, and according to NAF (2021) the Global Reporting Initiative (GRI) is the most popular framework as a result of the KMP 2017 Survey on Corporate Responsibility reporting. What NAF (2021) furthermore points to is that the different sustainability frameworks and standards specializes in their own area and they thereby try to fulfil the gap of other standards. This creates a jungle of standards with a growing size of sustainability reporting instruments of mandatory and voluntary requirements that makes reporting on sustainability even more complex (NAF, 2021). Since SMEs and SMPs tend to have a lack of resources, this can influence whether they take action in relation to the sustainability transition (NAF, 2021).

2.3.3 Nordic Sustainability Reporting Standards (NSRS)

As NAF has taken on the role of creating a sustainability standard for Nordic SMEs, we want to investigate this standard and what their aim is to get a better understanding of what is expected of accounting firms in Kristiansand in terms of consultancy services on sustainability issues.

The Nordic Sustainability Reporting Standards (NSRS) consists of the Nordic Accountant Federation (NAF) and is supported by an expertise group of consultants within the field of sustainability, innovation, and system design (NAF, p. 26). The general background for the NSRS project is based on the need for a sustainability transition. Their geographical target is the Nordic countries, but their study has been based on Europe as a whole, because the European context is more covered to some extent. They have chosen SMEs as their target group because researchers have found that strengthening the niche innovation is crucial to get the accelerating fruitful sustainability transition that is needed. This leads to their main objective which is to develop a simplified sustainability reporting standard for Nordic SMEs (NAF, pp. 18-19). Their pilot project is SMEs that operates in construction and buildings and they want to address the environmental aspects first before they later broaden the scope of the standard to other components of the sustainability agenda (NAF, 2021, pp. 20, 33). They believe that the

accountant might be the helping hand of SMEs to get started with sustainability disclosures by extending the accountant's role to include non-financial data in addition to the existing role of gathering, structuring and reporting on financial data (NAF, 2021, pp. 32-33).

2.4 THE ACCOUNTANTS' ROLE

In this chapter we will look further into the accountant's role, as mentioned in chapter 2.2 *Small and medium accounting practices (SMPs)*, to identify the role the accountant has at this point before we explore the accountants role in terms of including consultancy services on sustainability issues.

The accountant's role has been an issue of interest of researchers in different perspectives like management accounting, traditional accounting, emerging technologies etc. NSRSs definition of an accountants role is that they have competencies and experience in areas such as financial and tax reporting, bookkeeping, financial analysis, salaries and HR-administration, advisory services, operational processes and routines, ERP-systems and other digital solutions etc. (NAF, 2021, p. 149). According to a survey conducted by Regnskap Norge in 2019 with 633 respondents, bookkeeping and year end closing accounts for 75 per cent of the accountants' total services to their clients. Furthermore, advisory services accounts for 7,5 per cent and salaries and HR accounts for 10,8 per cent of the accountants' total services to their clients (NAF, 2021, p. 149). As we can see bookkeeping and year end closing is a superior part of the accountants' services, and it is therefore important to acknowledge that the accountant's role is affected by emerging technologies through changes in the accounting profession. Emerging technologies are affecting the tasks of the accountant, they are doing their tasks in a different way or are performing new tasks. By using Big Data Analytics etc. to deal with big and complex data sets from various sources and using Artificial Intelligence (AI) to complete repetitive tasks such as invoicing, purchase orders, expense reports and so on, gives the accountant's an opportunity to take on a new role (Kroon et al., 2021). According to Blackburn and Jarvis (2010, pp. 18-19) services offered by accountants has already changed dramatically and includes a range of monitoring and advisory services, and to support information requirements related to stakeholder demands both inside and outside the company.

2.5 THE RELATIONSHIP BETWEEN THE ACCOUNTANT AND THEIR CLIENTS AND ACCOUNTANTS AS SME ADVISORS

SMEs need for advice originates from a lack internal resources and competence, the changing market conditions and change in the regulatory environment. This presents SMEs with new threats and opportunities in their marketplace that need to be addressed and the demand for consultation is therefore evolving and places the accountant in a strong position to fulfil the needs of SMEs (Blackburn & Jarvis, 2010, p. 7). In this chapter we want to explore the relationship between the accountant and their clients and identify how awareness, attitude and competence are affecting the accounting firms as sustainability consultants for their clients.

According to the findings of Banham and He (2014) SMEs heavily rely on accounting firms and according to their findings around 56 per cent of SMEs in Canada seek advice on business planning, one third of SMEs seek advice on non-accounting areas such as sales and marketing, human resources planning and remuneration. Spence et al. (2012) states that the accountant is the most trusted adviser for SMEs and accountants have been shown to be the primary source of consultation services on the implementation of change such as growth, change in government regulation, external environmental changes etc. The relationship between the accountant and SMEs are however affected by the size of the accounting firm and SMPs are facing challenges such as lack of resources for providing different types of services outside the traditional accounting and also competition from larger accounting firms (Blackburn & Jarvis). As already discussed, SMPs are knowledge-intensive service firms that heavily rely on the knowledge of their employees. The need for outside resources is therefore higher in SMPs both regarding their staffing but also their technical resources. Because the consulting services provided by the accountants need to be fit for purpose, relevant and of high quality (Blackburn & Jarvis, 2010, p. 7) the lack of resources are challenging for SMPs. According to the findings of Spence et al. (2012, p. 5) the advice given on environmental sustainability by SMPs had a tendency to be ad hoc and was only informally as part of a conversation, which was affected by the personal interest and experience or knowledge of the accountant (Spence et al., 2012). Furthermore Blackburn and Jarvis (2010, pp. 15-18) presents motivations and reasons for SMEs to use the accountant as business advisors as the competencies, trust and responsiveness. This again emphasizes the challenge SMPs are facing in terms of relying on the knowledge and competencies of their employees and the lack of internal resources. Nevertheless Blackburn and Jarvis (2010, p. 25) concludes that SMPs were the key source of advice of SMEs in relation

to sustainability. Based on this we want to explore if size and age of the accounting firms in Kristiansand are linked to whether they consult on sustainability issues or not.

SMEs seek advice from various sources such as accounting/auditing professionals, the public, family and friends, social networks etc. (Street et al., 2016, p. 13) and the willingness to use the accountant for advice are affected by factors such as if there are a previous relationship with the accountant, the image of the accountant and SMEs perception of the accountants roles and competencies, as well as the nature of advice required and the personality of the SME owner or/and manager (Street et al., 2016, p. 4). According to a survey conducted by Regnskap Norge in 2010 the respondents (SMEs) were asked who they first ask for economic advice if they were faced with a problem. The results showed that the accountants were their first choice if the clients already used an accountant. If they did not have an accountant, the first choice were the auditors and the accountants were in second place (NAF, 2021, p. 154). In Norway organizations that are classified as an “Aksjeselskap (AS)” are obligated to keep accounts and have to submit financial statements and most “Enkeltpersonforetak (ENK) are obligated to only keep accounts and have the option to do these themselves if they have the competence and skill to do so (Altinn, 2021). According to data retrieved from Brreg (2022) “Totalt antall registrerte i Enhetsregisteret» 42 per cent of all organizations registered in January 2022 were ENK and 36 per cent were AS which is a total of 78 per cent of all organizations in Norway. This combined with the fact that SMEs account for 99.9 per cent of all organizations in Norway (SSB, 2022a) we can assume that an accountant are already used by SMEs to a large extent.

According to the Theoretical Annex conducted by NAF (2021) they have investigated what role the accountant can play with regard to SMEs implementing and accelerating the use of the Nordic Sustainability Standards. Because the accountant is already working with financial reporting, combined with the insight they have into the business, NAF (2021, p. 158) finds it natural for the accountant to take on the role of preparing the non-financial part of the reporting. Schaltegger and Zvezdov (2015) suggests that accountants are able to create awareness on the use sustainability information and that this information can and should be collected. NAF (2021) furthermore express that there is a need for detailed knowledge on sustainability matters and regulations combined with the confidence to adapt their accounting skills for accountants to undertake this role (NAF, 2021, p. 159). This leads us to the question of whether accounting firms in Kristiansand are consulting on sustainability issues and whether they are advising their clients to disclose on sustainability issues.

Furthermore to improve the capabilities of the accountants there needs to be awareness on sustainability matters and regulations; they need education to understand the sustainability issues that the SMEs are facing; they need knowledge about sustainability reporting standards and training on specific sustainability accounting techniques NAF (2021, p. 159).

2.5.1 Awareness on sustainability

As mentioned in the previous chapter we want to explore previous research to see if there is a connection between awareness of sustainability issues and if accountants tend to provide consulting services on these issues.

It appears to be an increasing awareness amongst accountants on the need for them to include consultancy services on sustainability issues as part of the profession (Okwuosa & Amaeshi, 2018, p. 5). The accountant's awareness on sustainability issues and regulations seems to be influenced by the professional accounting bodies that have made an increasing effort in creating awareness of sustainability reporting and the role of the accountant regarding this (Okwuosa & Amaeshi, 2018, p. 6). According to IFAC (2015, p. 1) the accountant needs greater awareness of how they can make a difference and they need to develop the professional skills and competences that is needed to support their clients in the transition towards a more sustainable organization. In the report "Professional accountants at the heart of sustainable organizations" conducted by the Association of Chartered Certified Accountants (ACCA) they are raising awareness on the future accountancy profession where the accountant has a quote: "*integral role at the heart of sustainable organisations of the future as the sustainable business and finance professional*" (ACCA, 2021, p. 3). The findings of Ng et al. (2017) show that integrating the sustainability concept in the curricula increases the awareness of sustainability issues among students and staff. NSRS are similarly raising awareness by exploring the role of the accountant as the helping hand of SMEs in a sustainable transition.

As we can see accountants are getting more focus on their future role in relation to sustainability and we are therefore interested in seeing whether accounting firms in Kristiansand are aware of NSRS and 17 United Nations Sustainability Goals and whether their awareness are affecting if they consult on sustainability issues for their clients. It is also interesting is to see if the awareness on NSRS influences the accountant's attitude towards including sustainability consulting services into their profession.

2.5.2 Attitude towards sustainability

We want to explore the term attitude in relation to sustainability to get a better understanding of what influences the accounting firm's intention to provide consultancy services on sustainability issues for their clients.

The findings of Kwakye et al. (2018) shows that the attitude towards sustainability accounting and reporting (SAR) have a significant influence on the intention to engage in SAR. They furthermore mention that the accountant is acknowledged to have a positive attitude towards the environment. This matches the results of the research conducted by Nyquist (2003, p. 685) which showed that the accountant has a positive attitude towards reporting on environmental information where some accountants responded that environmental information improve the overall picture of the firm. But according to Street et al. (2016, p. 6) there has been insufficient research on SMPs strategic intentions and attitudes towards including non-traditional services. We therefore want to explore whether the attitude towards sustainability influences if they are consulting on sustainability for their clients.

In the NSRS Theoretical report they have investigated the demography of the Nordic accountants and divided them into groups, the "old school", "mix", "and "front-runner" to identify which group of accountants would be the most beneficial as a focus group. According to the findings middle aged female accountants commonly employed by smaller accounting companies where open to sustainability as a topic and is in the "mix" group, while middle aged men that are self-employed in a small city, "old school" where more resistance towards sustainability as a topic. The last group, the "frontrunners" that are employed in larger cities are also open for change, but this group has less experience than the "mix" group. Their main findings therefore indicates that targeting the "mix" user group that is the largest would be most beneficial (NAF, 2021, p. 164). As we are trying to understand the attitudes towards sustainability, we find it interesting to get a better understanding of the types of accountants that are working in the accounting firms in Kristiansand. According to the responses in the survey conducted by Nyquist (2003) there were not found any particular difference in the answers based on which gender the respondents where. It would therefore be interesting to see whether the distribution of gender in the accounting firms in Kristiansand are influencing if they consult on sustainability for their clients or not.

2.5.3 Skills and competencies

If accountants have to broaden their services to offer their clients consultancy services on sustainability issues they need to move from being accountant technicians to be knowledge professions (Blackburn & Jarvis, 2010, p. 20) and (Ascani et al., 2021). This requires the skills and competencies and previous research suggests that accountants lack these skills and competencies in relation to sustainability issues (Spence et al.). Limited resources, lack of knowledge about sustainability issues and the lack of confidence where some findings that Spence et al. (2012) presented in their report. They furthermore present competencies and trust as two conditions that are making SMPs a source of advisory services for SMEs. Without the skills and specialized competence the accountant therefore cannot take on the role as the best advisor on the matter for their clients (NAF, 2021, p. 196). Krasodomska et al. (2020, p. 17) states that the lack of competence of the accountants was the main reason for them to be less motivated to engage in environmental accounting and reporting. According to the results of Nyquist (2003, p. 690) Swedish accountants are positive towards environmental information but are asking for more training which also corresponds with the findings of NAF (2021) where education and practical tools are necessary for attaining the role as a sustainable consultant. Ascani et al. (2021) point to the role of accounting education to improve the accountant's sustainability knowledge. In the NSRS Theoretical Annex report, NAF furthermore conclude that accountants should establish partnerships with sustainability experts in order to get credible knowledge and data (NAF, 2021, p. 196) in order to have access to necessary resources and knowledge. However, Spence et al. (2012, p. 9) finds accountants to have a sceptical attitude towards using external support which might become a barrier in relation to developing partnerships.

In addition it is important to take into consideration that the accountant profession should not only focus on education and training programs but assess the capacity of the accountant (Egan & Tweedie, 2018, p. 1767) as lack of time for the majority of the Nordic accountant is the main barrier in terms of the investment in learning new skills and gaining new competence (NAF, 2021, p. 146).

Based on the presented theory we want to explore the knowledge accounting firms in Kristiansand already have on sustainability based on which aspect of sustainability they are consulting on.

We furthermore want to explore whether organizations that have both auditing and accounting services does consult on sustainability more frequent than organizations that only provide accounting services.

2.6 STAKEHOLDER' EXPECTATION

Sustainability as a concept was developed because of stakeholder demands (Herremans et al., 2016, p. 417). As mentioned in chapter 2.2 *Small and medium accounting practices (SMPs)* stakeholders request greater accountability, inclusivity and transparency in the way they are doing business and how they are affecting society (ACCA, 2021, p. 37). As we are investigating the role of the accountant in terms of providing sustainability consultancy services for their clients it is interesting to see if the accounting firms in Kristiansand are experiencing pressure from their stakeholders. We will therefore explore the term stakeholders and what expectations we can anticipate accounting firms receive and also what expectations their clients receive as this affects the demand for sustainability consultancy services.

Herremans et al. (2016) identifies the types of stakeholders in relation to sustainability reporting as financial/equity markets; product/consumer markets; labour markets and political/social markets. According to the European Commission (2001, p. 3) European companies are promoting their corporate social responsibility towards the various stakeholders that they interact with including shareholders, investors, employees, costumers, public authorities etc. This corresponds with NAF (2021, p. 42) that identify key motivations to improve corporate sustainability as company reputation and stakeholders satisfaction and they find that there is a positive connection between sustainability activities and the organizations image and reputation, and on employee motivation, retention and recruitment.

Research on the other hand also show that there are insufficient motivations amongst organizations to improve sustainability performance due to a mindset focused on short-term capital returns by the investors and that the prime concern for financial stakeholders are the financial returns (NAF, 2021, pp. 38, 43). Because there is in general an increasing demand towards sustainability accountability and transparency, regulators and other stakeholders are increasingly requiring organizations to report on non-financial considerations such as environmental, social and governance impacts (ACCA, 2021, p. 30). Change in stakeholders needs will therefore change the roles of the profession whereas management accounting and finance function roles are some of them (ACCA, 2021, p. 81).

The conclusion of Ballou et al. (2012, p. 285) states that voluntary disclosures of non-financial information are perceived ever more important to investors but according to NAF (2021, p. 28) there tend to be large variations in the sufficiency and quality of the information produced in the sustainability reporting, making it difficult for stakeholders to compare across different businesses and thereby making it difficult for stakeholders to act according to the information they are presented with. According to results of the literature review conducted by Silva et al. (2019, p. 204), many stakeholders deem current sustainability performance measurement and that assessment approaches are insufficient for their needs. But as sustainability information are more frequently collected for sustainability reports indicates that this information is important to the stakeholders (Silva et al., 2019). Regulators, societies international organization etc. has therefore demanded more extensive reporting from organizations (Erin et al., 2022). The role of the accountants, in terms of fulfilling the needs of their clients that are mostly SMEs in relation to sustainability reporting, is therefore increasingly important as the the accountant is the most preferred advisors to SMEs as mentioned in chapter 2.2 *Small and medium accounting practices (SMPs)*.

As a result of previous research we find it interesting to see if stakeholders expectation are affecting whether accounting firms in Kristiansand are consulting on sustainability for their clients.

2.7 SUSTAINABILITY AS PART OF THE MARKETING PLAN

The changing role within the accountancy profession, due to new regulations and expectations from stakeholders, offers the accountant with a range of new services and opportunities which indicates the need for marketing in this area. Street et al. (2016, p. 19) addresses the issue of SMPs marketing practices and finds that there are differences in the attitude towards marketing activities but research suggests that SMPs are generally passive marketers. According to the findings of Blackburn et al. (2010, p. 31) accountants do not particularly market their services to their clients and they found that most of their gained business where derived from referrals from internal partners, the SME network or from compliance work. This combined with the claim that organisations are promoting their corporate social responsibility towards their stakeholders mentioned above, leads us to our question that is to see if accounting firms in Kristiansand are using sustainability as a promoting tool in their marketing and whether stakeholders expectation has an impact in that regard.

2.8 SUMMARY THEORY AND LITERATURE REVIEW

Sustainability and the sustainability development goals are known as an international concept that has developed due to stakeholder demands (Herremans et al., 2016, p. 417). In chapter 2.3 *Sustainability* we discovered that there is an increasing attention towards sustainability issues for organizations to respond to, and we see that there is an increasing demand for sustainability reporting as well, as organizations need to communicate their actions to their stakeholders.

According to previous research presented in chapter 2.1 *Small and medium-sized enterprises (SMEs)*, SMEs accounts for more than 99 per cent of all enterprises, 100 million jobs and they represent around 67 per cent of the private sector. They are facing increasing pressure to have more responsible and sustainable practices as they have a significant impact worldwide in terms of economic, environmental and social matters. As SMEs faces increased pressure and expectations to include sustainability into their business model as well as reporting on sustainability, the need for consultancy services on the matter increases because SMEs tend to lack resources in terms of internal resources and competencies (Blackburn & Jarvis, 2010). The accountants has therefore been pointed out to be the integrators in terms of incorporating sustainability into the organizations strategy, operations and reporting (IFAC, 2011) for their clients as they are the most preferred advisors to SMEs (Street et al., 2016).

As we have discovered the impact and importance of SMEs and their sustainability transition, we find it interesting to see if accounting firms in Kristiansand are providing sustainability consultancy services for their clients. We have therefore developed the following research question:

RQ1 - Are consulting services on sustainability a part of the accountant's services to their clients in Kristiansand?

Furthermore, as we have explored the characteristics of SMPs and the relationship between the accountant and their clients, we wanted to investigate if variables such as size, age, and gender distribution of the accounting firm was affecting whether they are providing consultancy services to their clients. Since SMPs are SMEs according to Street et al. (2016), we anticipate that most of the accounting firms in Kristiansand are SMPs based on the statistics presented in chapter 2.1 *Small and medium-sized enterprises (SMEs)*. We have therefore created the following research questions to get an understanding of the accounting firms in Kristiansand and to see if these variables affects whether accounting firms in Kristiansand are consulting on sustainability issues:

RQ2 - What influences the sustainability consulting?

RQ4 - Does gender on employees matter on consulting on sustainability?

The professional accounting body has made an increasing effort in creating awareness of sustainability reporting and the role of the accountant as sustainability consultants as mentioned in chapter 2.5.1 *Awareness on sustainability*. Furthermore, previous research shows that attitude towards sustainability accounting and reporting are affecting whether the accountants are willing to engage in these services (Kwakye et al., 2018). SMPs share the same characteristics as SMEs, but SMPs' services include the accountant's personal knowledge when providing these services. The most interesting characteristic of SMPs, in our opinion, is therefore that they are knowledge-intensive firms (Street et al., 2016). The accountant's knowledge or lack of knowledge might therefore affect whether they can provide consultancy services on sustainability issues or not. Furthermore, the number of employees have the possibility to strengthen the competence of the accounting firm as well as having an auditor department. From our research of previous literature, we want to explore if awareness, attitude, and competence on sustainability affect whether the accounting firm are consulting on sustainability for their clients, and we have developed the following research question:

RQ5 - Does the accountant firm's awareness, attitude, and competence on sustainability affect consulting on sustainability for their clients?

RQ3 - Do accounting firms that also do audit consult clients more frequently on sustainability?

As mentioned in chapter 2.2 *Small and medium accounting practices (SMPs)* stakeholders' expectation is one of the key drivers for accountants to provide consultancy services on sustainability for their clients. Research shows that stakeholders demand greater accountability, transparency, and inclusivity in the way organizations are running their business and how they affect society (ACCA, 2021). We find it interesting to see if accounting firms in Kristiansand experience expectations from their stakeholders in terms of providing consultancy services on sustainability issues.

RQ6 - Does the management attitude and stakeholders' expectations influence on whether the accounting firm includes consulting on sustainability as a part of their services to their clients?

According to previous research provided in chapter 2.7 *Sustainability as part of the marketing plan* accountants are generally passive marketers. According to Street et al. (2016) networking is an important role in the expansion of the accountants expertise as it attracts new clients and provides new services. Accountants tend to gain their business through referrals and the SME network (Blackburn et al., 2010). As response to stakeholders demands on sustainability consulting, we want to see if accounting firms in Kristiansand are using these services as part of their communication with stakeholders through marketing.

RQ7 - Does accounting firms use sustainability consulting as a part of their own marketing?

3 METHODOLOGY

This chapter describes the research method and the research design we have used for our thesis.

The objective is to create a mapping of the current status for sustainability consulting in accountant firms in Kristiansand. In addition, we want to see if there is a difference related to the size of the firm, age of the firm, the attitude towards sustainability, stakeholders' expectation, awareness, and knowledge on sustainability

Initially we started on searching for prior studies on the topic to form a theoretic framework for the research, and to formulate our research questions. Since we were investigating accountant firm in springtime, which is the busiest time of the accountant, we decided that qualitative research within depth interviews would be too time-consuming for the objects. In addition, it would limit the number of participants in this thesis. We have therefore chosen a quantitative approach when gathering our sample through our questionnaire. How we found our population and sample to be used in the research will be presented in addition to the formulation of the research questions and the description of the questionnaire. The process of analysing the data will also be presented in this chapter.

3.1 RESEARCH APPROACH

The design of this study is a deductive study that is based on the findings from our literature review and responses to telephone interviews. Through our findings in the literature review, we have developed our hypotheses that we have tested. The approach is of a positivistic manner of objectively measurements.

The thesis is quantitative research that builds on a primary survey from accountants in Kristiansand. Since there a numerous articles and studies performed on sustainability and specific research of sustainability and accountants, we have not classified the thesis as exploratory research. Exploratory research is often based on qualitative research where there is little theory on the subject (Bougie & Sekaran, 2020). We have defined that the thesis does not comply with exploratory research.

Bougie and Sekaran (2020) define descriptive studies as to obtain data that describes a topic of interest. Further they explain correlational studies to investigate if there is a relationship between to variables, and causal studies is explained to be the case where the independent variable cause an effect to the dependent variable.

In our thesis we are interested in describing if the accountants in Kristiansand are consulting on sustainability. We also want to investigate if there are correlations between the different variables and to see what eventually causes the accountants to consult on sustainability.

Based on this we have defined this study as both descriptive and causal. The study is basic research that will map the routines on sustainability for the accountants in Kristiansand.

Furthermore, our thesis is based on the seven- step hypothetico-deductive method by Bougie and Sekaran (2020, p. 20) we have identified a broad problem area and defined the problem statement. Then the hypotheses have been developed and we have determined the measures, collected, and analysed the data and at last interpreted it.

1. Observation

New standards for sustainability from the Nordic Accountant Federation were launched in October 2021. The standard is designed (NSRS) to be used by accountants in order to support their clients on sustainability matters. This made us curious on how or if accountants in Kristiansand are aware of this standard and if they consult clients on sustainability.

2. Preliminary information gathering

The first step for this thesis was literature search. And a review of relevant literature. There is no literature available on sustainability consulting for clients in Kristiansand, but the focus on sustainability and SME's is increasing, and the number of articles in the literature review reflects that. The number of references made it possible to develop a theory of how sustainability is implemented in SME and how this will affect accounting firms.

3. Theory Formulation

Even though it is largely supported in the literature that sustainability reporting is necessary because of the increasing focus on sustainability worldwide, it has been natural to seek information in the NSRS Theoretical Annex from October 2021 since it focuses on the Nordic countries. The NSRS states that the clients want the accountants to support them on sustainability. Further the NSRS reports that long standing accountant firms are more prone to neglect sustainability and

that the accountant firms are mostly women. Stakeholders' expectation and the attitude to sustainability of the accountant firm will, according to NSRS play a role in how the accountant addresses sustainability matters for their clients. The theory formulation in this thesis was to see if the accountants in Kristiansand were consulting their clients on sustainability. We wanted to see if the mix of gender, size of firm, age of firm, awareness, attitude, and knowledge on sustainability explain sustainability consulting.

99 per cent of all businesses in Europe are small and medium enterprises (SME) and it provides 50 per cent of the EU's gross domestic product (GDP) and they provide 2 out of 3 jobs. In number the SME's in Europe counts 629 953 establishments (European Commission, 2020, p. 20). The accountant firm in Kristiansand is part of this SME's and their main customers are also part of SME.

4. Hypothesizing

From the literature review several research questions arose. From these research questions we formulated hypotheses. This will be presented in chapter 3.3.2 *Hypotheses development*.

5. Data collection

The collection of data is essential in order to answer the research hypotheses. In this thesis we designed a questionnaire that was to be presented by phone interviews. It was essential that the duration of the interview was kept to a minimum because spring is the busiest time for accountants due to deadlines of financial reporting for clients. The questionnaire is shown in appendix 9.1.

6. Data analysis

The answers from the questionnaire were directly written in the excel sheet with coded numbers.

7. Interpretation of Data

After performing the analyses of the data in SPSS, the data was interpreted in order to form a discussion, conclusion and paths to further study.

3.2 RESEARCH DESIGN

Both descriptive and causal research questions are raised in this thesis. The descriptive part measures the status whether the accountants do consult on sustainability or not and if they include sustainability in the marketing plan or not. The causal research questions are addressed where we examine if the attitude towards sustainability effects consulting on sustainability or the stakeholder's expectation have effect on sustainability consulting.

The research strategy is based on a survey to collect information from the accountant firms in Kristiansand. Survey was chosen because data is not available on the topic previously, and other forms of study for example case studies or observation would be more time consuming for the timeframe of this thesis. For data collection the choice could have been interviews in a more qualitative manner, but then we would not have a numerous picture of what the accountants do in Kristiansand. The choice for data collection were a questionnaire.

To make sure we had a good response rate we decided to do the survey by questionnaire by phone. From own experience a numerous amounts of e-mails com in the in box every day, and it is possible to postpone answering e-mails. Concerning the time frame of this study questionnaire was considered most suitable.

The research design conducted is schematic shown in the figure below

Research strategies Primary Survey	Researcher interference Minimal	Study setting Non-contrived	Population Individual	Duration Cross-sectional
Data collection method Questionnaire	Sampling Number of respondents	Measurements Number coded answers		

Figure 3-1 Research Design

When performing a questionnaire on phone we were certain of getting primary data from the accountants in Kristiansand from the survey, that means that that the data was coming directly from the accountants and not from other sources. When choosing this strategy, we were able to get answers from many accountants to perform a cross-sectional study. That means we got an instant picture of the current situation, and the survey was performed one time, and not over time in for example longitudinal studies. The information was collected by using the

questionnaire presented earlier the questionnaire was not self-administrated but answered from telephone interviews. Because of the contact between the researcher and the respondent, there were some interferences from the researcher. Since the template for the interview was strict the interference was set as minimal.

Firstly, we phrased the question how the status in consulting on sustainability was at present time. We performed an extensive literature research which is shown in chapter 2 *Theory and literature review* to examine if accountants in other countries consult on sustainability for their clients, and what may be the cause for it. We also wanted to know their awareness on the NSRS and UN's SDGs. Several research questions arose which will be outlined later.

3.2.1 Measurements

Following the construction of the questionnaire, we designed a template for the introduction to the interviews so all respondents should receive the same information. The opening introduction was that we were students at the University of Agder at the Master of Science course in accounting and auditing, and we had some questions related to our master thesis with the topic on sustainability. They were informed that it would last approximately 5-7 minutes. The template is shown in appendix 9.2.

Some of the questions were measured using a dichotomous scale with yes and no answers, others we decided that we wanted to grade. There are several methods to use grading scales. Numerical scale, category scales, itemizing rating are some of the options to differentiate the respondent's opinions or rate the most appropriate answer.

Likert scales are commonly used to measure attitudes and opinions, and is suitable to test hypotheses (Bougie & Sekaran, 2020). In this thesis we used the Likert scale.

The answers were measured using number coded answers for yes and no. Yes = 1 and no = 0. We used Likert scale for how strongly the respondents agree or disagree with statements. With strongly disagree = 1, disagree = 2, Neither agree nor disagree = 3, Agree = 4 and strongly agree = 5.

The interviews were performed individually with the person on the phone.

The interviews took place in March 2022 and lasted approximately 7 minutes.

3.2.2 The sampling size

Our objective was to gather information from the accountant firms in Kristiansand. Kristiansand was chosen for several reasons. The main reason is that we live and work in Kristiansand, and the closeness to the site of the survey is suitable for the time frame of the master thesis. Another reason is that Kristiansand is the fifth largest city in Norway and in a Norwegian scale a large city with 113 000 habitants (SSB, 2022b), yet since the number of accountant firms count for 2 per cent of the similar firms in Norway (RegnskapNorge, 2020) it may be considered as a small town. We believe that the accounting firms in Kristiansand represents a cross section of accounting firms in Norway. From our initial web search for accountant firms in the search motor 1881.no it was 139 potential firms. It turned out that some of the firms were double listed, and some did not exist anymore or did not provide accountant services. The population for the survey narrowed down to 83 firms.

From this population we got 57 answers which is a response rate at 68,7 per cent. In 1975 Roscoe provided a rule of thumb that sample sizes larger than 30 would be appropriate for most research (Bougie & Sekaran, 2020, p. 264). The sample size of this study should then be suitable. In the comparison between two groups within the sample the number may be small. The goal for this research is to see a tendency and to give rise for further research in the topic, so the sample size is considered acceptable.

3.2.3 Interview form and ethics

All participants in this survey were contacted by phone. The phone numbers were found by using the search engines 1881.no, gulesider.no and web searches. The firms were contacted by phone. The interviews took place during March 2022.

The introduction to the interviews was performed in Norwegian and after a template that insured that all conversations were as close as possible.

Even though it was a strict template for the interviews, there were some comments beside the questions.

The names of all companies were changed to an ID number when they had completed the interview, and the name of the person that participated in the survey was not recorded. The list of names was deleted immediately after recording the answers.

We consulted the ethics department at University of Agder if we needed to apply to The Regional Ethic Committee (REC), we were informed that the survey was anonymized, thus it was not necessary to apply. See appendix 9.1

3.2.4 Complementary answers

The interviews did not give room for extra commentary. Still, some of the respondents gave some comments. These comments are presented in this chapter. The respondents that answered negative about consulting clients on sustainability, 10 said that they would do it in the future. Most of the accountants that answered no on consulting said that they didn't have time to do anything besides accounting, but they thought they will have to focus on sustainability in the time to come, particularly if it becomes mandatory. One of the accountants said it was not for small businesses and did not have any plans on consulting clients on sustainability. One firm also stated that the accountants did not focus on sustainability, but the auditor department did.

Most of the respondents that answered positive on consulting on sustainability stated that the consulting mostly was concerning less use of paper and saving costs in i.e., electricity. One of the positive respondents that did not include sustainability in their marketing plan told that they were planning on, and it was in the agenda because they felt the stakeholders would expect it.

3.3 RESEARCH QUESTIONS AND HYPOTHESES

From the literature on SME and accountant firms and sustainability many questions were formed. Initially we had decided that we wanted to investigate the accountant business and see how they worked with sustainability. At first, we had many ideas on what would be interesting to study, from how the accountant practice sustainability within the firm to how many SDG they knew. Since the SME businesses are so numerous and the accountant has a close relationship with many SME's (European Commission, 2020) we decided to do a cross – sectional study on accountants in Kristiansand regarding sustainability consulting, awareness of sustainability, accounting firm's attitude and stakeholders' expectation towards sustainability, and if the accountant firms had sustainability consulting as part of their marketing plan.

3.3.1 Research questions

Sustainability consulting:

RQ1 - Are consulting services on sustainability a part of the accountant's services to their clients in Kristiansand?

RQ2 - What influences the sustainability consulting?

RQ3 - Do accounting firms that also do audit consult clients more frequently on sustainability?

RQ4 - Does gender on employees matter on consulting on sustainability?

Consulting and awareness on sustainability in accountant firms in Kristiansand

RQ5 - Does the accountant firm's attitude, awareness and competence on sustainability effect consulting on sustainability for their clients?

Accounting firm's attitude and stakeholders' expectation towards sustainability

RQ6 - Does the management attitude and stakeholders' expectations influence on whether the accounting firm includes consulting on sustainability as a part of their services to their clients?

Consulting on sustainability as part of the accounting firm's marketing plan

RQ7 - Does accounting firms use sustainability consulting as a part of their own marketing?

3.3.2 Hypotheses development

Sustainability consulting

To answer the research question RQ1 and RQ2 on whether sustainability consulting is part of the accountants' services to their clients in Kristiansand we wanted to test NAFs prediction that consulting on sustainability will be a natural part of accounting services (NAF, 2021). Previous studies suggest that larger accounting firms more frequently offer other services than traditional accounting services (Blackburn & Jarvis, 2010) and that the age or experience of the firm will be more prone to advise customers on sustainability (Spence et al., 2012). Thus, we propose the following hypotheses:

H1a The accounting firms in Kristiansand consult on sustainability for their clients.

H1b Size of the accounting firm is positively linked to sustainability consulting.

H1c Age of the accounting business is positively linked to sustainability consulting.

Most research on sustainability consulting for SMEs consists of accountant firm and their role in sustainability advising or the auditor as an advisor in the field. Lack of studies that compare the two groups made us curious to see whether there is difference in Kristiansand. To answer RQ3 we propose the following hypotheses:

H1d Mixed firms with both audit and accounting consult on sustainability for their clients more frequently non-mixed firms

Nicolo et al suggests that firms and boards that have gender diversity are more prone to work with sustainable corporate governance (Nicoló et al., 2022). Hence, we wanted to test the following hypotheses to answer RQ4

H1e Gender distribution has no effect on consulting clients on sustainability issues

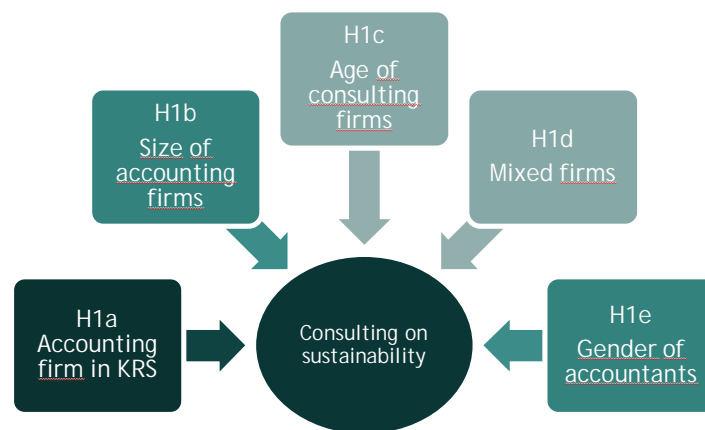


Figure 3-2 Sustainability consulting

Consulting and awareness on sustainability in accountant firms in Kristiansand

To answer RQ5 on accountant firms consulting and awareness on sustainability we wanted to test the suggested conclusion of ACCA and IFAC the accountants are getting more focused on their role as consultants for sustainability. (ACCA, 2021; IFAC, 2018). We have formulated the following hypotheses:

H2a The accounting firms in Kristiansand are aware of the NSRS

H2ai The accounting firms in Kristiansand are aware of the United Nation's 17 Sustainability Development Goals

H2b The accountant's awareness of the Nordic Sustainability Reporting Standards (NSRS) for SME has a positive effect on consulting on sustainability for their clients

H2c The accountant's awareness about the 17 United Nations Sustainability Goals has a positive effect on consulting on sustainability for their clients

H2di The accounting firm provides consulting services on the social aspects of sustainability

H2dii The accounting firm provides consulting services on the environmental aspects of sustainability

H2diii The accounting firm provides consulting services on the economic aspects of sustainability

H2e The accountant's awareness of the NSRS has a positive effect with their attitude towards including sustainability as part of their consulting service into their profession.

H2f The accounting firms in Kristiansand are advising their clients to disclose on sustainability



Figure 3-3 Awareness and consulting on sustainability in accounting firms in Kristiansand

Accounting firm's attitude and stakeholders' expectation towards sustainability

The accountant firm's attitude will have an impact on how they practice sustainability (Garvey et al., 2021), and we wanted to test whether this is the case in accountants in Kristiansand regarding sustainability consulting.

From the literature review in chapter 2 *Theory and literature review*, greater focus is set on stakeholders, such as investors, financial institutions, customers and suppliers (Ballou et al., 2012), expectation to businesses, and also to the expectation on disclosing non-financial information and sustainability. (Kwakye et al., 2018). Based on the theory these hypotheses were formed to answer RQ6 and investigate the correlation:

H3a The accountant's attitude towards sustainability has a positive effect on sustainability consulting

H3b Stakeholder's expectations have a positive effect on sustainability consulting

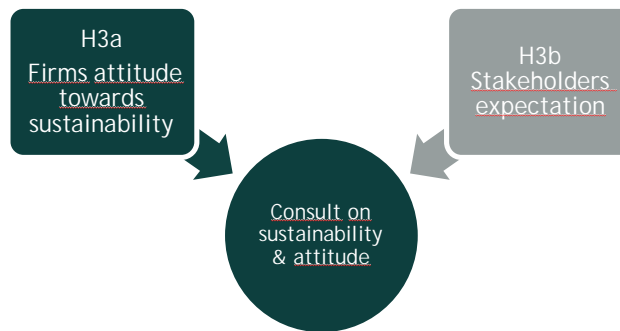


Figure 3-4 Accounting firm's attitude and stakeholders' expectations towards sustainability

Consulting on sustainability as part of the accounting firm's marketing plan

Many accountant firms do not have a marketing plan at all, but younger firms seems to prioritize marketing more (Street et al., 2016). We formulated the following hypotheses to investigate the condition amongst accountant firms in Kristiansand and to answer RQ7.

H4a Accounting firms use sustainability consulting for their clients as part of their own marketing plan

H4b Stakeholder's expectation has a positive effect on using sustainability consulting for their clients as a part of their own marketing plan

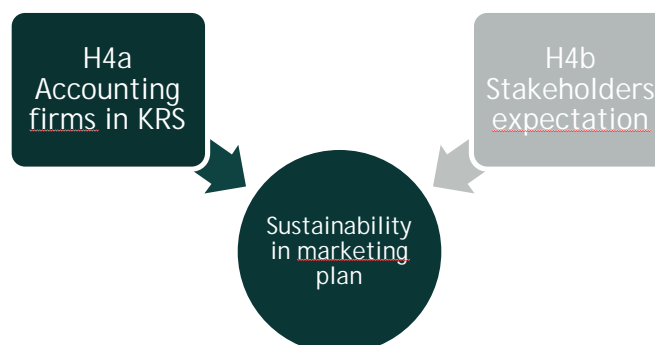


Figure 3-5 Consulting on sustainability as part of the marketing plan

3.4 DATA ANALYSIS

The data collected from the 57 respondents were gathered in an excel file and exported into SPSS Statistics Version 25 and 28 program.

In this chapter the different tests used in the SPSS program for analysing the data will be presented

3.4.1 Test for normality

We performed a test for normality on all variables. The variables will be presented in chapter 3.4.3 *Analysing methods* and 3.4.4 *The dependent variables*.

We tested for normality visually using histograms with normality curve on top. In addition, we looked at skewness and Shapiro-Wilks test. We used the Shapiro -Wilks test because this is best for small samples of about 50 respondents (Mishra et al., 2019). Since many of the data consisted of yes and no questions, coded 0 and 1, and the accountants in Kristiansand are a small sample considered to the whole population some of the general variables did not score within normality which is expected for nominal scales. That means Skewness was > 2 and for the Shapiro- Wilk test $p < 0,05$, hence not normally distributed.

Normality plots are shown below for “Sustainability consulting natural for the accountant”, “Consulting on sustainability for clients”, “Importance of sustainability in general”, “Awareness of SDG”, “Awareness of NSRS”, “Sustainability consulting natural for accountant”, “Stakeholder’s expectation” and “Attitudes towards sustainability”.

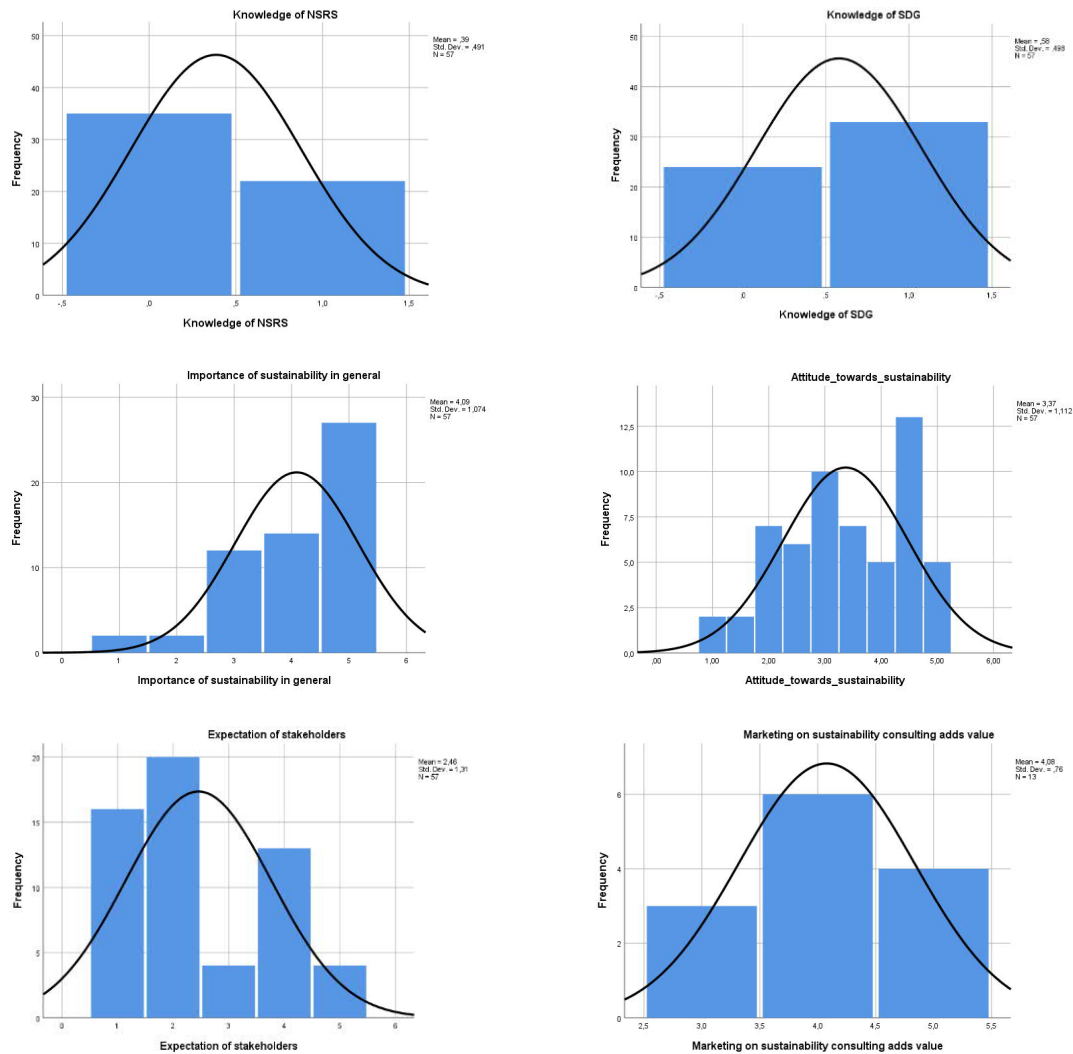


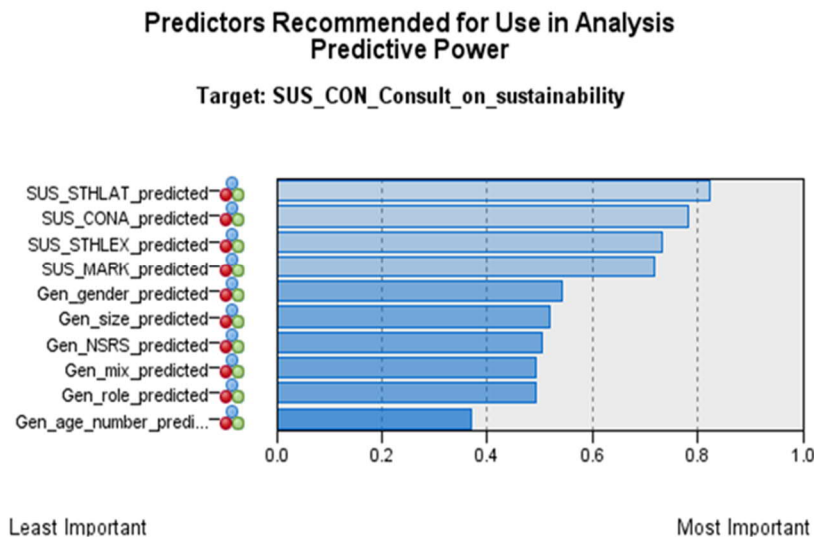
Figure 3-6 Test of normality

For the dichotomous scale questions there is a normal distribution, which is not un-common in small samples, the Standard deviation is not deviating more than 3 standard deviations and the data may be used for an indication of the hypotheses. (Lydersen, 2014). In nominal scale the subjects are grouped into two categories, for example consult on sustainability or not. The nominal in this thesis were not normally distributed, and according to Bougie and Sekaran the only statistical tests for this is frequency (Bougie & Sekaran, 2020).

We tested the raw data for outliers, and we discovered outliers in the question concerning consulting for sustainability in marketing plan in two occasions. This turned out to be typing errors and was checked with the raw data and corrected before analysing the data. After the correction there were no outliers in the normality testing. Figure 8-1 is without outliers.

3.4.2 Preparation of the data

Before the testing of the hypotheses, we ran a preparation of the data in the transform command in SPSS. This gave us an initial prediction of which variables could explain the consulting on sustainability for accountants. The figure below shows the first prediction of the raw data.



Explanation for variable name:

SUS_STHLAT= Attraction if Stakeholders, SUS-CONA=Sustainability consulting, SUS_STHLEX= Expectation of Stakeholders, SUS_MARK= Consulting on sustainability in Marketing plan, Gen_gender= gender distribution, Gen_size= Size of firm, Gen_NSRS=Knowledge of NSRS, Gen_mix= Accounting and auditing firm, Gen_role= Role in firm, Gen_age_number= Age of firm

Figure 3-7 Predictions

This data transformation changes the numerical data into logarithmic data which is more equally distributed, and gives an indication of which variables that gives the best explanation for the dependent variables (Bougie & Sekaran, 2020).

3.4.3 Analysing methods

The theory for analysing the data in this survey is all based on the textbook by Bougie and Sekaran and SPSS - courses in the topic ME-423 at University of Agder (Bougie & Sekaran, 2020).

Different approaches to analysing the hypotheses and answering the research questions are used in this thesis. Questions RQ1, RQ3 and RQ7 and hypotheses H1a, H1d, H2a, H2ai, H2di, H2dii, H2diii, H2f and H4a are all measured at a dichotomous scale with yes and no answers. The

most suitable way of answering the questions and to ascertain or neglect the hypotheses is descriptive statistics. We ran frequency tests for all these questions and hypotheses. The results are shown in chapter 4 *Test of hypothesis and presentation of results*.

For all the variables described in the next chapter we ran a Pearson correlation matrix which is suitable for variables measured on an interval or ratio scale. The questions that are not dichotomous are measured on a likert scale which normally is treated as an interval scale.

The Pearson matrix is suitable for analysing the hypotheses that postulate a positive link between two variables. To accept or reject the hypotheses H1b and H1c the Pearson correlation is used. In addition we used a non-parametric test to assess the relationship between the variables. The chi-square test is suitable for the questions with yes and no answers.

The chi-square test compares expected frequency based on probability with the observed frequency. O is the observed frequencies, and E is expected frequencies.

$$\chi^2 = \sum \frac{(O-E)^2}{E}$$

Linear regression is used to measure the effect one independent variable has on a dependent variable. This is the case in hypotheses H1e, H2b, H2c, H2e, H3a, H3b and H4b. Linear regression is suitable for categorical variables (Sucarrat, 2017). The data analysing with the linear regression on these hypotheses will answer questions RQ5 and RQ6.

Research questions RQ2 and RQ4 are not hypothesized. Possible answers to these questions will be addressed in chapter 5 *Discussion*.

3.4.4 The dependent variables

It is expected that accountant firms will play a major role in consulting SMEs on sustainability issues and sustainability reporting (NAF, 2021). In this study consulting on sustainability is used as dependent variable in the tests for hypotheses in H2b, H2c, H3a and H3b and for H2e and for H2e the dependent variable is including sustainability as part of the accountants consulting service into their profession. In H4b the dependent variable is using sustainability consulting for clients in the marketing plan.

3.4.5 The independent variables

In the hypotheses H2b, H2c, H2e, H3a, H3b and H4b the independent variables are described below.

H2b – the accountants awareness of NSRS

H2c – the accountants awareness of UN SDGs

H2e – the accountants awareness of the NSRS

H3a – The accountants attitude towards sustainability

H3b – Stakeholders attitude towards sustainability

H4b – Stakeholders expectation

3.4.6 Data reduction

The independent variable- in H3a -accountants attitude towards sustainability is a dummy variable made by a factor analysis since the two questions is explaining the accountants' attitude

Do you think sustainability is an important part of running a business in general

Do you think sustainability consulting is a natural part of your role as an accounting consultant

The independent variable in H4a- stakeholders' expectations is a dummy variable made by a factor analysis of the questions:

The stakeholders, such as customers, owners, government, banks, suppliers expects that your company is consulting on

Having competence on sustainability attracts stakeholders

Since the two questions explains stakeholders' expectation.

3.4.7 Validity

We designed a template for the questionnaire to gather the data for the survey. Every respondent got the same information. The questions were related to consulting on sustainability reporting

and sustainability in general. Some general questions like age of firm, gender distribution in the firm was asked in case this could explain whether they consult on sustainability or not.

The sample is small, but we are confident that the data collected can give a picture of the status in Kristiansand on sustainability consulting amongst accountants.

There were no links between the respondents, and the answers were anonymous. Regarding external validity the data should be generalized to the whole population (Ghauri, Grønhaug, & Strange, 2020). As previous reports show regarding the changing role of the accountant (NAF, 2021), the data gathered in this survey supports this theory.

3.4.8 Reliability

The reliability of the results means that it is firm, consistence, reliable and accurate (Bougie & Sekaran, 2020). In this research all the questions have been objectively formulated and the answers were given coded numbers that were persistent for all respondents, and the fact that the interviews were performed on telephone personal signals were not a bias.

An internal consistency test on SPSS revealed Cronbach’s alpha to be 0,811 when performed with the data-reduction variables. Alpha between 0,7-0,9 is considered to be good, and an indicator that the data is reliable (Taber, 2018).

Nevertheless, the test indicates that the data is reliable.

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,811	,827	10

Figure 3-8 Reliability

4 TEST OF HYPOTHESIS AND PRESENTATION OF RESULTS

Descriptive statistics analyses:

H1a - The accounting firms in Kristiansand consult on sustainability for their clients.

35 firms (61,4 %) answered yes and 61,4 per cent answered no, and 22(38,6 %) answered yes.

This means that the majority of accountant firms in Kristiansand do not consult their clients on sustainability.

H1d - Mixed firms (with both audit and accounting) consult on sustainability for their clients more frequently than clean accounting firms

20 firms (35,09 %) answered that they performed both auditing and accounting services, and 37 firms (64.91 %) provided only accounting services.

Of the mixed firms 13(65 %) answered that they consulted on sustainability and in the accounting firms 9 (24,3 %) answered that they consulted on sustainability.

Consult on sustainability for clients - mixed firms					Consult on sustainability for clients - only accountating						
		Frequency	Percent	Valid Percent	Cumulative Percent			Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	7	35,0	35,0	35,0	Valid	No	28	75,7	75,7	75,7
	yes	13	65,0	65,0	100,0		yes	9	24,3	24,3	100,0
Total		20	100,0	100,0		Total		37	100,0	100,0	

Figure 4-1 Descriptive results H1a and H1d

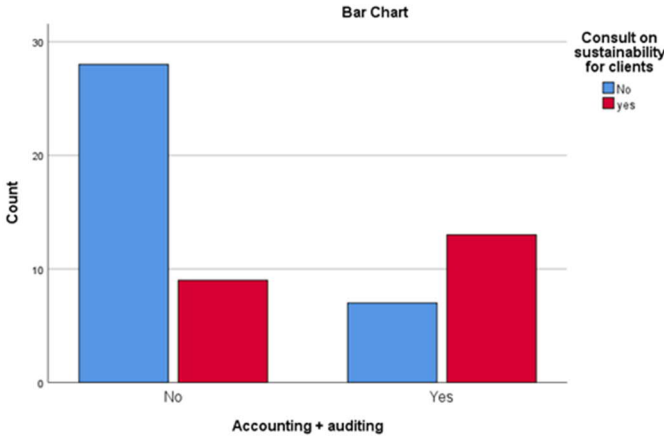


Figure 4-2 Graphical view of mixed firms versus clean accounting firms

From this we can conclude that the mixed firms consult more frequent on sustainability than the firms that only provide accounting services.

H2a - The accounting firms in Kristiansand is aware of the NSRS

H2ai - The accounting firms in Kristiansand is aware of the 17 United Nations Sustainability Goals

Frequency tests were performed to show visible whether the null hypotheses should be rejected or not.

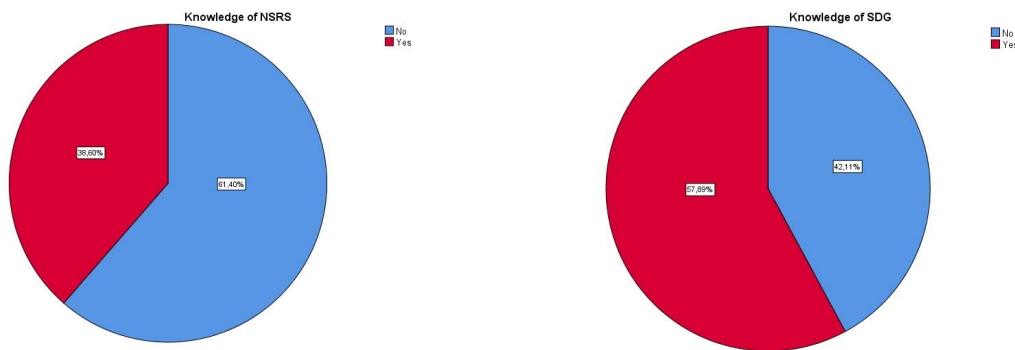


Figure 4-3 Awareness on NSRS and 17 UN SDG

35(61,4 %) of the respondents reported that they did not have awareness on NSRS, and 33(57,89 %) reported that they had awareness on SDG. From this we can conclude that the majority of the accountants in Kristiansand are not aware of the NSRS, and the majority are aware of the UN SDGs.

H2di -The accounting firm provides consulting services on the social aspects of sustainability

H2dii -The accounting firm provides consulting services on the environmental aspects of sustainability

H2diii -The accounting firm provides consulting services on the economic aspects of sustainability

The H2di-H2diii hypotheses is based on a smaller sample than the former research questions. The firms that answered yes, that means 22 of the 57 firms, on consulting on sustainability for clients were additionally asked on what aspects of sustainability they performed. We performed frequency tests on the 22 respondents. The answer was graded on a Likert- scale with 1=

strongly disagree, 2= some disagree, 3= neither agree nor disagree, 4= some agree and 5= strongly agree. The answers graded 4 and 5 are corresponding providing the service.

10 respondents reported that they consult on social aspect, 21 responded that they consult on environmental aspects and 9 responded that they consult on economic aspects on sustainability. Based on the descriptive statistics we can conclude that the firms that answered yes that they consulted on sustainability consult on environmental aspects.

H2f - The accounting firms in Kristiansand are advising their clients to disclose on sustainability

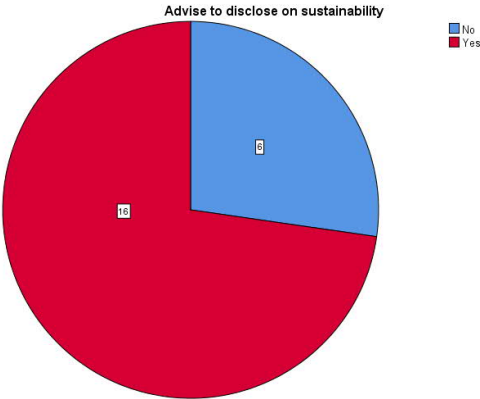


Figure 4-4 Providing advise on sustainability disclosures H2f

Of the 22 respondents that stated they were consulting clients on sustainability, 16 said that they also consulted their clients to disclose on sustainability. This will not support the null hypotheses, and the conclusion is that if the accountant consults on sustainability the majority will also consult the customer to disclose on sustainability

H1b₀ - Size of the accounting firm is not linked to sustainability consulting.

H1b_A - Size of the accounting firm is positively linked to sustainability consulting.

H1c₀ - Age of the accounting business is not positively linked to sustainability consulting

H1c_A - Age of the accounting business is positively linked to sustainability consulting

A Pearson correlation matrix was performed to analyse the correlation between the variables. In H1b the positive correlation between size of the firm and consulting on sustainability is significant at the 99 per cent confidence interval, and null hypotheses may be rejected.

Correlations

		Consult on sustainability for clients	Size of firm
Consult on sustainability for clients	Pearson Correlation	1	,401**
	Sig. (2-tailed)		,002
	N	57	57
Size of firm	Pearson Correlation	,401**	1
	Sig. (2-tailed)	,002	
	N	57	57

** . Correlation is significant at the 0.01 level (2-tailed).

Figure 4-5 Correlations on H1b

The variables are correlated, not very strong, but the correlation is significant.

A chi-square test was additional performed to support the Pearson’s correlation matrix

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	10,701 ^a	2	,005
Likelihood Ratio	10,730	2	,005
Linear-by-Linear Association	9,002	1	,003
N of Valid Cases	57		

a. 2 cells (33,3%) have expected count less than 5. The minimum expected count is 1,16.

Figure 4-6 Chi -square test on H1b

The chi- square test shows that on the confidence level of 95 per cent the null hypothesis may be rejected, and we may conclude that with 95 per cent certainty that size of the accounting firms is positively linked to consulting on sustainability

H1c0 - Age of the accounting business is not positively linked to sustainability consulting

H1cA - Age of the accounting business is positively linked to sustainability consulting

To test this hypothesis, we did a similar chi-squared test and correlation test as H1b.

Chi-Square Tests				Correlations			
	Value	df	Asymptotic Significance (2-sided)			Consult on sustainability for clients	Age of firm 2
Pearson Chi-Square	15,984 ^a	8	,043	Consult on sustainability for clients	Pearson Correlation	1	-.260
Likelihood Ratio	16,533	8	,035		Sig. (2-tailed)		,051
Linear-by-Linear Association	1,475	1	,225		N	57	57
N of Valid Cases	57			Age of firm 2	Pearson Correlation	-.260	1
					Sig. (2-tailed)	,051	
					N	57	57

a. 11 cells (73,3%) have expected count less than 5. The minimum expected count is ,79.

Figure 4-7 Chi-Square and Correlation H1c

The chi-square test suggests that the null hypotheses is valid on, and the correlation matrix shows a weak negative correlation. Hence the age of the accounting firm is not positively linked to sustainability consulting.

H1e0 - Gender distribution of the accountant firms has no effect on consulting clients on sustainability issues

H1eA - Gender distribution of the accountant firms has effect on consulting clients on sustainability issues

In this hypothesis we want to test the null hypotheses. In the survey 26,32 per cent reported that the gender was equally distributed in the company, 38,6 per cent of the companies had more than 50 per cent women and 35,0 per cent had more than 50 per cent male employees. There was no correlation between the gender distribution and the consulting on sustainability, thus the null- hypotheses is accepted.

To investigate if the awareness of Gender is influencing the consulting on sustainability, we used linear regression with the equation: $y = \beta_0 + \beta_1 X + \varepsilon$, where Y is the dependent variable and X is the dependent variable. Beta are the regression coefficients.

The result of linear regression test is shown in appendix 9.4.2.

H2b₀ - The accountant's awareness of the Nordic Sustainability Reporting Standards (NSRS) for SME has not a positive effect on consulting on sustainability for their clients

H2b_A - The accountant's awareness of the Nordic Sustainability Reporting Standards (NSRS) for SME has a positive effect on consulting on sustainability for their clients

The linear regression was used in to test the hypothesis.

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95,0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	,229	,076		2,988	,004	,075	,382
	Knowledge of NSRS	,408	,123	,408	3,312	,002	,161	,655

a. Dependent Variable: Consult on sustainability for clients

Correlations

		Consult on sustainability	Knowledge of
Consult on sustainability			
	Sig. (2-tailed)		,002
	N	57	57
Knowledge of NSRS			
	Pearson Correlation	,408**	1
	Sig. (2-tailed)	,002	
	N	57	57

Figure 4-8 Linear regression H2b

** Correlation is significant at the 0.01 level (2-tailed).

Figure 4-9 Correlation H2b

The results indicate that with 96 per cent probability the accountant's awareness of NSRS has a positive effect on sustainability consulting. To support the linear regression test Pearson's correlation matrix shows a positive correlation with the awareness on NSRS and consulting for sustainability. We can with statistical significance of 95 per cent reject the null-hypotheses and suggest that awareness of NSRS has a positive effect on sustainability consulting.

H2c₀ - The accountant's awareness about the 17 United Nations Sustainability Goals has not a positive effect on consulting on sustainability for their clients

H2c_A - The accountant's awareness about the 17 United Nations Sustainability Goals has a positive effect on consulting on sustainability for their clients

Most of the firms responded that they knew about the SDGs, and the correlation and linear regression test did not show correlation between the two variables and no statistical evidence

that the null hypotheses should be rejected. Hence in this study there is within 5 per cent certainty no connection between knowing about SDG and consulting on sustainability.

H2e0 - The accountant’s awareness of the NSRS has not a positive effect with their attitude towards including sustainability as part of their consulting service into their profession.

H2eA - The accountant’s awareness of the NSRS has a positive effect with their attitude towards including sustainability as part of their consulting service into their profession.

The variables “sustainability importance in general” and “sustainability consulting a natural part of accountant’s role” were from the data reduction and factor analyses reduced into one variable: “Attitude towards sustainability”

We performed the chi-squared and linear regression tests and in addition we performed a Pearson correlation matrix. The correlation between the accountant’s awareness of NSRS is with 95 per cent probability correlated with the significant level of $p= 0,05$. The prediction that the accountant’s awareness of the NSRS has a positive effect with their attitude towards including sustainability as part of their consulting service is significant at the $P= 0,05$ level, thus the null hypotheses is rejected.

The variables “sustainability importance in general” and “sustainability consulting a natural part of accountant’s role” were from the data reduction and factor analyses reduced into one variable: “Attitude towards sustainability”. When we performed the same analysing tests with this dummy variable, it strengthened the correlation significant level to 0,05 level.

Correlations

		Knowledge of NSRS	Sustainability consulting natural for accountants
Knowledge of NSRS	Pearson Correlation	1	,308*
	Sig. (2-tailed)		,020
	N	57	57
Sustainability consulting natural for accountants	Pearson Correlation	,308*	1
	Sig. (2-tailed)	,020	
	N	57	57

*. Correlation is significant at the 0.05 level (2-tailed).

Figure 4-10 Correlation H2e

H3a₀ - The accountant's attitude towards sustainability has not a positive effect on sustainability consulting

H3a_A - The accountant's attitude towards sustainability has a positive effect on sustainability consulting

To analyse H3a we performed the chi squared and linear regression tests as shown in Appendix 2. Pearson's correlation matrix shows the correlation between the accountant's attitude towards sustainability and sustainability consulting. The matrix shows positive correlation with the variable consult on sustainability for clients. As shown in the figure below, attitude towards sustainability is positively correlated with 0,699. The correlation is significant at the p= 0,01 level and the null hypotheses is rejected in the 99 per cent confident interval. This means that the accountant's attitude towards including sustainability is significantly affecting sustainability consulting.

An additional test was performed on the variable "SUS_CONA", consult on sustainability for clients, and "GEN_NSRS", awareness on NSRS, to see if there is a correlation between thinking sustainability advising is natural for the accountant and the awareness of NSRS.

Correlations

		Attitude_toward s_sustainabil y	Consult on sustainability for clients
Attitude_towards_sustaina bility	Pearson Correlation	1	,699**
	Sig. (2-tailed)		<,001
	N	57	57
Consult on sustainability for clients	Pearson Correlation	,699**	1
	Sig. (2-tailed)	<,001	
	N	57	57

** . Correlation is significant at the 0.01 level (2-tailed).

Figure 4-11 Correlations H3a

Correlation between the two variables is significant at the p=0,05 level.

In this case either one of the variables can be predictor or independent variable.

With "SUS_CONA" as dependent variable, that means that awareness on NSRS has effect on the accountant looks on sustainability advising as natural part of their role, and with "GEN

NSRS” as dependent variable meaning that the accountants that look upon sustainability advising is natural have effect on their awareness on NSRS The former shows not significant effect. The latter is shown under hypotheses *H2e_A*.

H3b₀ - Stakeholder’s expectations have not a positive effect on sustainability consulting

H3b_A - Stakeholder’s expectations have a positive effect on sustainability consulting

The Pearson’s correlation test shows a positive correlation between stakeholders’ expectation and sustainability consulting. The correlation is 0,747 and the correlation is significant at the p=0,01 level. Thus, the null hypothesis is rejected with 99 per cent confidence. The analysis for this hypothesis is shown in Appendix 9.4.2.

H4a₀ - Accounting firms do not use sustainability consulting for their clients as part of their own marketing plan

H4a_A - Accounting firms use sustainability consulting for their clients as part of their own marketing plan

To test this hypothesis, we performed a Pearson’s correlation test that showed the following results:

Correlations

		Consult on sustainability for clients	Consulting on sustainability in marketingplan
Consult on sustainability for clients	Pearson Correlation	1	,686**
	Sig. (1-tailed)		,000
	N	57	57
Consulting on sustainability in marketingplan	Pearson Correlation	,686**	1
	Sig. (1-tailed)	,000	
	N	57	57

** . Correlation is significant at the 0.01 level (1-tailed).

Figure 4-12 Correlations H4a

There is a positive correlation between consulting on sustainability and sustainability in the market plan. The correlation is significant, and we may with 99 per cent certainty say that the accountants that do consult on sustainability thinks it adds value to their marketing plans.

H4b₀ - Stakeholder's expectation has not a positive effect on using sustainability consulting for their clients as a part of their own marketing plan

H4b_A - Stakeholder's expectation has a positive effect on using sustainability consulting for their clients as a part of their own marketing plan

The linear regression test performed to analyse the H4b shows that there is not significant evidence to support the hypotheses.

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-,251	,106		-2,360	,022
	Stakeholders_expectation	,186	,037	,560	5,019	<,001

a. Dependent Variable: Consulting on sustainability in marketingplan

Figure 4-13 Linear regression H4b

The null hypotheses are kept, and we may with confidence of 95 per cent say that the stakeholder's expectation does not affect the accountants to use sustainability consulting in their marketing plan.

All analyses performed in SPSS is available in the Appendix.

Appendix 9.4.1: Correlation matrix all variables

Appendix 9.4.2: Output from SPSS

5 DISCUSSION

In this chapter we are discussing the accountant’s role as a sustainability consultant through our results of the survey that we conducted as well as previous research. We want to start with whether accounting firms in Kristiansand consult on sustainability or not, and if they provide consulting services related to disclosing on sustainability. We furthermore discuss the results related to size, age, and gender distribution of the accounting firm and the impact on whether they consult on sustainability or not. Then we will discuss the role of the accountant through our results on the accountant’s awareness, attitude, and knowledge regarding sustainability. At last, we will discuss our results on stakeholder expectation and whether the accounting firms in Kristiansand that are consulting on sustainability are using sustainability as a marketing tool.

5.1 CONSULT ON SUSTAINABILITY AND DISCLOSURES ON SUSTAINABILITY

Because of the increased focus on sustainability reporting in relation to SMEs and the development of the Nordic sustainability reporting standard (NSRS) who has chosen the accountant as the “helping hand” when SMEs are introduced to sustainability reporting, we wanted to see if accounting firms in Kristiansand are consulting on sustainability issues and whether they are advising their clients to disclose on sustainability issues as well.

According to our results only about 38 per cent of the accounting firms in Kristiansand, that responded to our survey, answered that they consult on sustainability. As sustainability is a complex topic and for the most part not required, we can assume that consulting on sustainability might be deprioritized when there are limited resources within the accounting firm (NAF, 2021). Furthermore, there might be a possibility that the demand for sustainability consulting is not present to that extent that it is needed in the majority of the accounting firms in Kristiansand.

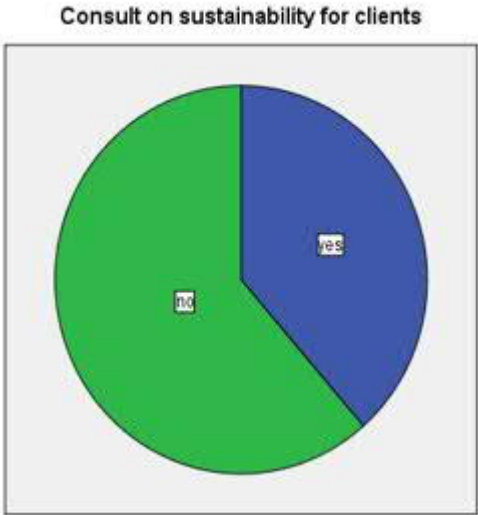


Figure 5-1 Consulting on sustainability

As mentioned in chapter 2 *Theory*, NAF (2021) believe that the accountant is the natural choice when choosing a profession that are going to help SMEs with the transition towards disclosing on sustainability since the accountant already work with the financial reporting and has insight

into the business. The regular communication, and relationship between the accountant and SMPs is a huge advantage for the accountant as the accountant is SMEs tend to favour the accountant when seeking advice when the relationship is already established (NAF, 2021). But as we look at the results of our study most accounting firms in Kristiansand do not consult on sustainability. Whether this is due to the capacity within the accounting firm, or it is due to lack of demand is interesting to investigate in more detail.

Our results furthermore show that from the accountant firms in Kristiansand that responded that they consult on sustainability issues around 72 per cent respond that they advise their clients to disclose on sustainability. Results of previous research mentioned in chapter 2.3.2 *Sustainability Reporting* and 2.6 *Stakeholder' expectation* show that there is an increased expectation towards reporting on sustainability. Our findings show that if accounting firms in Kristiansand consulting on sustainability most of them will also advise on sustainability disclosures for their client.

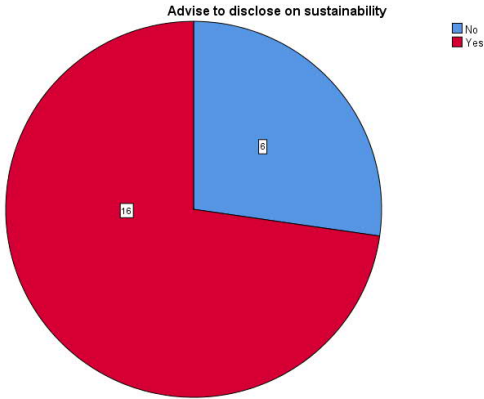


Figure 5-2 Advising clients to disclose on sustainability issues

To answer our research question RQ1 accounting firms in Kristiansand primarily do not provide consultancy services for their clients.

5.2 SIZE AND AGE

According to previous research we wanted to explore if size and age of the accounting firms in Kristiansand are linked to whether they consult on sustainability issues or not.

Our findings on size of the company show that there is a slight positive correlation when conducting the Pearson's correlation test in relation to the Chi-square test, furthermore we can see that the size of the accounting firm is positively linked to consulting on sustainability. Blackburn and Jarvis (2010) find that size of the accounting firm affects the relationship due to the lack of resources within the accounting firm which makes it difficult for them to provide services outside the scope of traditional services. Whether or not this is the case for accounting firms in Kristiansand is unsure as it was not part of our study, but we find a correlation between

size of the accounting firm and whether they consult on sustainability, and it therefore suggests that SMPs consult less on sustainability than larger firms.

In relation to the findings on the age of the accounting firm, we can see that there is no correlation between the age of the firm and whether they consult on sustainability or not. According to Krasodomska et al. (2020, p. 23) accountants with shorter work experience are more open to changes in the role of the accountant and have a more positive attitude towards non-financial disclosures to some extent. It would also be possible for accounting firms that have been running for a longer time to have the resources to take on sustainability consulting services. But as

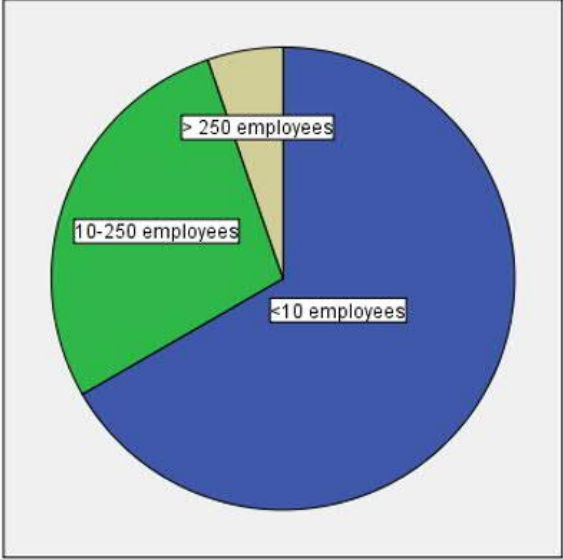


Figure 5-3 Size of accounting firms in Kristiansand

we assume from our findings on the distribution of size the accounting firms, most accounting firms in Kristiansand consists of two of the identified the groups by NAF (2021); “old schools” that are more resistant towards change and the “mix” group as positive towards the change. These groups consist of self-employed middle-aged men and middle-aged woman that work for small accounting firms, and we can therefore assume that accounting firms for the most part do not consist of accountants with shorter work experience which is the group “frontrunners” that are employed in larger cities and with less experience (NAF, 2021). Age of the accounting firm in Kristiansand does not influence whether they consult on sustainability and whether this is due to the profiles of the accountants is interesting to explore further.

5.3 GENDER DISTRIBUTION OF THE ACCOUNTING FIRM

Due to the development of the three types of accountants provided by NAF (2021) that identified as middle-aged men as the “old school” group and middle-aged woman as the “mix” group, and we wanted to explore if the gender distribution of the accounting firm has an effect on whether they consult on sustainability or not.

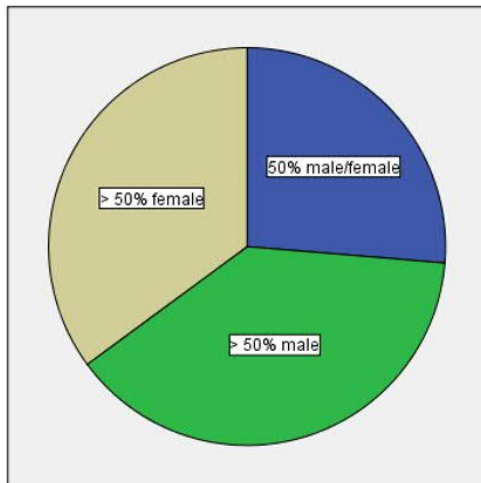


Figure 5-4 Gender distribution

As previously mentioned, several times the middle-aged men were more reluctant towards the change and middle-aged woman were more positive. According to our findings about 26 per cent of the respondents answered that gender was equally distributed in their organization. Around 38 per cent responded that more than half of the accountants were female and about 35 per cent of the respondents answered that more than half of the accountants were male. As we can see from this there is a slight predominance of female in the accounting firms in Kristiansand in our

sample. Because this is such a small difference, we assume that in general the distribution of gender is approximately equal. As mentioned in chapter 2 *Theory and literature review*, the result of the survey conducted by Nyquist (2003) show that there was no difference in the answers of the male and female respondents. What is interesting though is that in the study on sustainability amongst future professional accountants conducted by Salcedo and Salcedo (2021) 69 per cent of the respondents were female. We can only speculate on why this is the case, whether this is due to females being more open for the change towards a sustainable future or that they are more open to participating in studies or if this is related to something completely different. But based on the results of our study we can conclude that the distribution of gender in accounting firms in Kristiansand does not affect whether they consult on sustainability or not.

5.4 AWARENESS ON SUSTAINABILITY

Awareness of sustainability is a topic that is repeatedly included in research. We believe that awareness on the topic is necessary in regard to increasing the motivations for accounting firms to include sustainability consulting as part of their consulting services. Based on existing theory on the impact awareness has on sustainability issues (Okwuosa & Amaeshi, 2018) and the increasing focus on the future role of the accountants in relation to sustainability (ACCA, 2021), we wanted to see if the accounting firms in Kristiansand are aware of both NSRS and the 17 UN SDGs, and if their awareness on this are affecting whether they consult on sustainability issues for their clients or not.

As mentioned in chapter 2 *Theory and literature review* there seems to be a lack of awareness towards sustainability issues in relation to sustainability reporting and the awareness on the topic tends to be limited to a certain section of sustainability (ACCA, 2021). According to our results around 61 per cent of the accountant firms in Kristiansand, that responded to our survey, answered that they are aware of the 17 UN SDGs. These goals are adopted worldwide, and we therefore expected the numbers to be higher. It may be that the respondents believed that they had to name specific goals. The first version of the Nordic Sustainability Reporting Standards (NSRS) were launched March 2021 (NAF, 2021) and is therefore quite new. According to our results around 38 per cent of the accountant firms in Kristiansand responded that they were aware of the

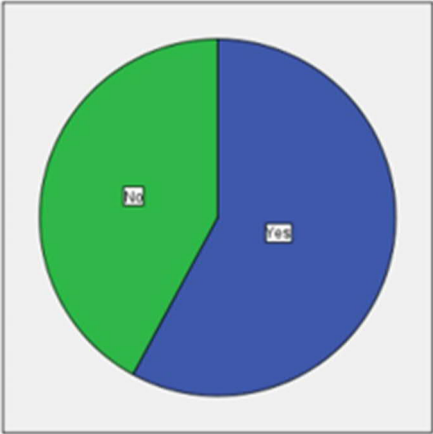


Figure 5-6 Awareness on 17 UN SDG

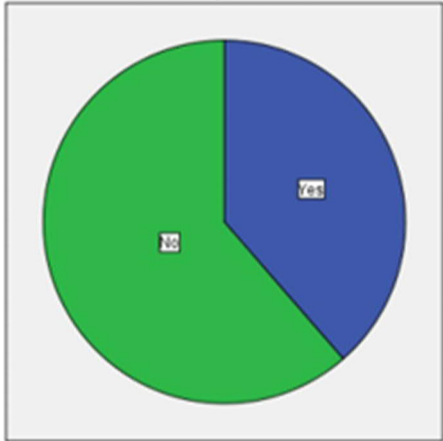


Figure 5-5 Awareness on NSRS

standard. As mentioned, in chapter 2 *Theory and literature review*, there is an increasing awareness amongst accountants regarding their role in relation to sustainability reporting and sustainability in general. What influences the awareness on the topic seems to be influenced by professional accounting bodies. Our results indicate that this is the case with the responses that we have received. The awareness on NSRS only a year after the first prototype was launched and not yet implemented is in our opinion relatively good.

Regarding awareness on the 17 UN SDGs in relation to whether accounting firms in Kristiansand are consulting on sustainability or not, our results show that even though there is a larger proportion of the respondents that are aware of the 17 UN SDGs compared to NSRS, the results show that awareness on the 17 UN SDG does not increase the probability that they are consulting on sustainability issues. This result is quite interesting because theory indicates that awareness on sustainability, as it is a repeated topic in relation to implementation of sustainability topics, are of great importance. But awareness on the topic is only one variable that affects whether accounting firms in Kristiansand are consulting on sustainability. We could assume that the 17 UN SDG might be perceived as not relevant for the accountant in relation

to their services for their clients and that this is the reason for our results. The analysing of the data suggests that awareness of NSRS influences the accountants consulting on sustainability, but awareness of UN SDGs is not relevant. As mentioned in chapter 2 *Theory and literature review* announcements of mandatory sustainability disclosures have a positive effect on sustainability performance. We can therefore draw some parallels with our results and assume the launching of the NSRS has a positive effect on whether the accounting firms in Kristiansand are consulting on sustainability or not. It is also important to acknowledge that the awareness on NSRS is since they already are consulting on sustainability and therefore are updated on new standards and regulations in that area. To answer the RQ5 we conclude that awareness of NSRS effect consulting on sustainability for their clients

5.5 ACCOUNTANTS ATTITUDE

As shown by Kwakye et al (2018) that attitude towards sustainability influences whether organizations implement sustainability into their business and that attitude towards sustainability accounting and reporting (SAR) have an influence on the intention to engage in SAR. Previous findings suggest that more research is needed on the accountants attitude towards sustainability (Street et al., 2016). Based on this wanted to explore whether attitude towards sustainability influences the accounting firms in Kristiansand to consult on sustainability issues for their clients and to see if there is a connection between awareness on NSRS and the accountant's attitude towards including sustainability into their profession.

As mentioned in chapter 2.5.2 *Attitude towards sustainability* research show that accounting firms has a positive attitude towards reporting on environmental sustainability, but according to Street et al. (2016) there has been insufficient research on the intention and attitude of SMPs to engage in including non-traditional services such as consulting on sustainability. Our findings reveal a strong connection between the attitude of the accountants in the accountant firms in Kristiansand and if they consult on sustainability or not. Our questions relating to the attitude of accountants were based on the suggestion of NAF (2021) that the accountant would be the helping hand of SMEs in relation to sustainability reporting. As we can see from our

results on the question *“Do you think sustainability is an important part of running a business in general”* there where around 47 per cent that answered that they strongly agree with the statement and around 24 per cent answered that they somewhat agree. This in total is 71 per cent which means that accounting firms in Kristiansand in general has a positive attitude towards sustainability being a part of running a business. As of the question *“Do you think sustainability consulting is a natural part of your role as an accounting consultant”* there were only around 6 per cent that

answered that they strongly agree and around 18 per cent answered that they somewhat agree of the statement, but around 20 per cent answered that they strongly disagree. As we can see from our results around 49 per cent somewhat disagree with the statement and are negative towards having consulting services on sustainability as part of their profession in contrast to the

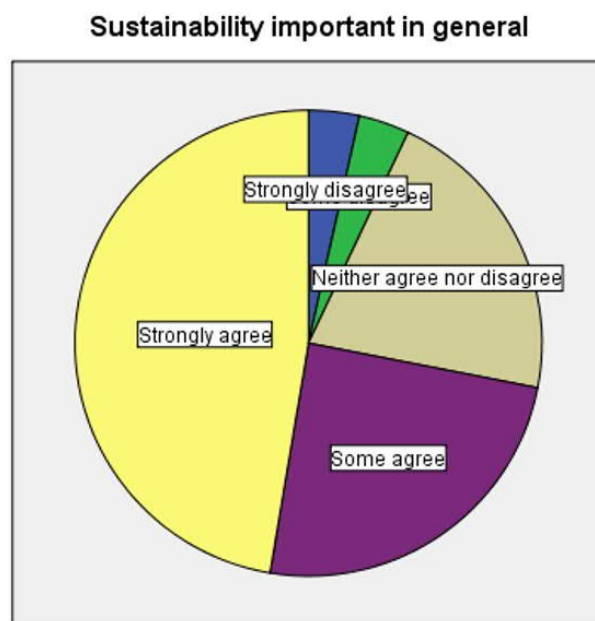


Figure 5-7 Sustainability is an important part of running a business in general

Sustainability consulting natural for accountant

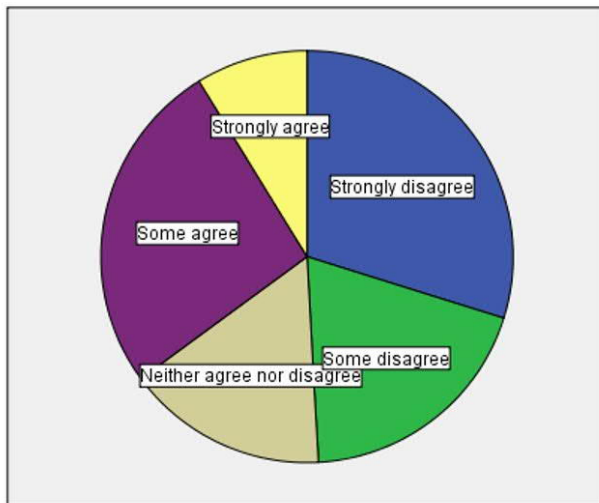


Figure 5-8 Sustainability consulting is a natural part of the accountant's role

24 per cent of the respondents that are positive towards including sustainability consulting as a part of their profession. According to NAF (2021) accounting firms have has a high degree of insight into the businesses of SMEs and as they already provide services including working on reporting standards, valuation techniques, and materiality assessment, combined with that they are seen as the most trusted advisors to SMEs, they believe that the accountant will work as the helping hand that

SMEs need to get started with sustainability disclosures. In Kristiansand, accounting firms do not seem to share these beliefs according to our results.

As mentioned in chapter 5.4 *awareness on sustainability*, awareness of NSRS has a positive effect on whether the accounting firms in Kristiansand are consulting on sustainability or not. Looking at our results the accounting firms in Kristiansand that are aware of NSRS also tend to have a positive attitude towards having consulting services as part of their profession. As we saw in chapter 5.4 *Awareness on sustainability*, awareness of NSRS might have an effect, and in relation to the attitude of accountants, the launching of NSRS might have influenced their attitude towards including sustainability consulting as part of their profession. To partly answer RQ6 we our research shows that the accounting firm's attitude influence in incorporating sustainability consulting in their services.

5.6 KNOWLEDGE ON SUSTAINABILITY

Because sustainability is a broad and complex topic, having the right skills and competencies is necessary if accountants are to take on the role of the helping hand of SMEs in relation to sustainability reporting. We wanted to identify which areas of sustainability accounting firms, that are consulting on sustainability, are consulting in. We, furthermore, wanted to see if there was a connection between having both an auditing- and accounting department and consulting on sustainability to see if the accounting department were benefiting from having the knowledge in the auditing department at their disposal.

As mentioned in chapter 2 *Theory and literature review* lack of knowledge on sustainability is in previous research shown to be a factor for sustainability consulting (Spence et al., 2012). Incompetence on the topic may lead to lack of consulting on sustainability for the accountants. The NSRS report presents that without specialized competence on sustainability and sustainability reporting the accountant cannot fulfil the role as an advisor on the topic (NAF, 2021). Furthermore, lack of confidence on the topic is the main reason for the accountant not to engage in sustainability reporting. As discussed in chapter 5.4 *Awareness on sustainability* 61 per cent are aware of the 17 UN SDGs and 38 per cent are aware of NSRS. Furthermore, as mentioned in chapter 5.1 *Consult on sustainability and disclosures on sustainability* 38 per cent of the respondents answered that they are consulting on sustainability for their clients. As we can see from our results of the respondents that answered that they do consult on sustainability

around 45 per cent consult on social aspects to some extent and around 40 per cent states that they do not consult on social aspects. Furthermore, some respondents answered that they neither agree nor disagree with the statement. If we do not include these answers, because they are neither positive nor negative, there is an overweight of the responses that do consult on social aspects.

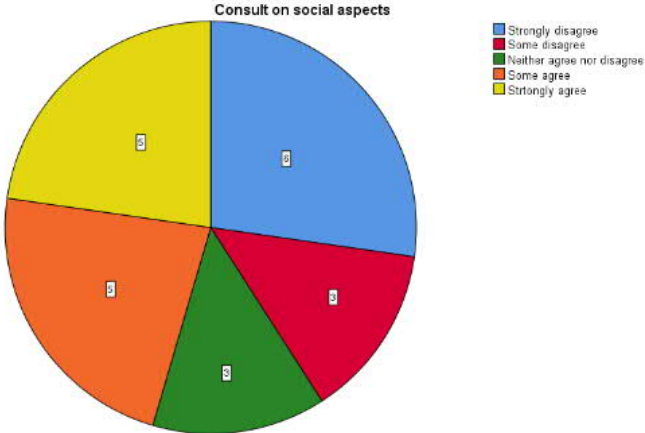


Figure 5-9 Consulting on social aspects

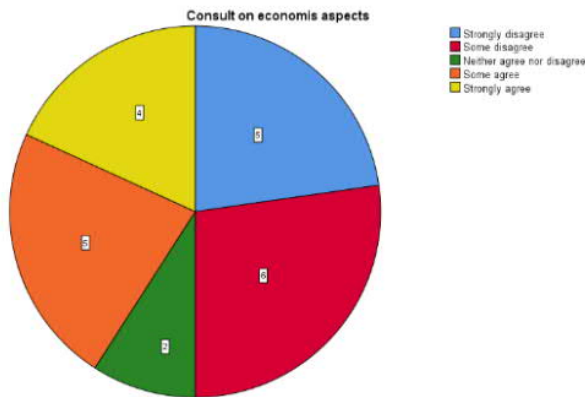


Figure 5-11 Consulting on economic aspects

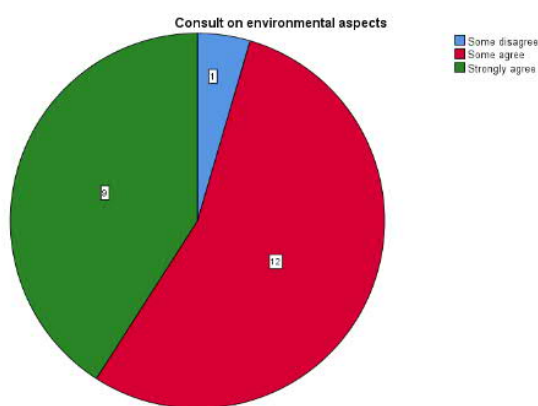


Figure 5-10 Consulting on environmental aspects

In relation to the economic aspects of sustainability around 40 per cent of the accounting firms in Kristiansand answered that they consult on economic aspects of sustainability while around 50 per cent answered that they do not consult on sustainability. There were around 9 per cent of the respondents that answered that they neither agree nor disagree with the statement. At last, the results we have on environmental aspects of sustainability show that only around 5 per cent of the accounting firms in Kristiansand that responded answered that they do not consult on environmental aspects of sustainability and around 95 per cent of the accounting firms that already consult on sustainability does consult

on environmental aspects. As we can see from this there tends to be knowledge on environmental aspects of sustainability, while knowledge on social- and economic aspects are lower.

Furthermore, we can see from our results that mixed firms do not more frequently consult on sustainability issues than accounting firms that consist of only an accounting department. This suggests that there does not tend to be access to more knowledge through the auditing department. But as mentioned in chapter 4 *Test of hypothesis and presentation of results* there is a slight tendency that mixed firms, compared to accounting firms with only an accounting department, tend to answer that they consult on sustainability for their clients. As we have seen in chapter 5.2 *Size and Age* size of the accounting firm is positively linked to consulting on sustainability. Therefore, the graphic results might be explained by the size of the accounting firm since we suggest there is a correlation between size of the accounting firm and whether they have both an auditing- and accounting department or not.

5.7 STAKEHOLDERS' EXPECTATIONS

As we have looked at different variables that can have an effect on whether accounting firms in Kristiansand are consulting on sustainability, such as their awareness, attitude, knowledge etc., we can see from previous research that stakeholders' expectations tend to influence the intention to engage with sustainability. As already mentioned in chapter 2.6 *Stakeholder' expectations* the concept sustainability was developed because of stakeholder demands. We wanted to see if accounting firms in Kristiansand are consulting on sustainability due to stakeholders' expectations.

Stakeholders of the accounting firms are their investors, shareholders, employees, clients, public authorities etc as we mentioned in chapter 2 *Theory and literature review*. As sustainability is evolving the expectations towards the organizations are evolving as well. The clients will face expectations from their stakeholders which will affect the need for services from the accountant. Investors and shareholders require greater accountability inclusiveness and transparency which affects the need for implementing sustainability into the business model. Furthermore, regulators are increasingly requiring organizations to report on sustainability issues. As we can see from previous research reputation of the organization is affected by their sustainability activities (Oyewo, 2021). According to our findings 63 per cent accounting firms in Kristiansand answered that stakeholders do not expect them to consult on sustainability and around 30 per cent answered that they are expected to provide consulting services on sustainability. Around 7 per cent answered that they neither agree nor disagree. Our findings suggest most accounting firms in Kristiansand do not experience expectations from stakeholders. But as we look at the results on whether stakeholder expectation influences if the accounting firms in Kristiansand are consulting on sustainability, we can see that our findings show a positive correlation between stakeholders' expectation and consulting on sustainability issues. We can therefore assume that if stakeholders' expectation towards including sustainability consulting are increasing then the number of accounting firms in Kristiansand that are consulting on sustainability will indeed increase as well.

5.8 SUSTAINABILITY AS A MARKETING TOOL

As mentioned in the chapter above reputation of organizations is affected by their sustainability activities. Accounting firms that consult on sustainability issues would therefore gain on showing stakeholders that they indeed provide sustainability consulting services. Based on previous research we wanted to see if accounting firms in Kristiansand use their consulting services on sustainability as part of their marketing plan in order to attract stakeholders. Furthermore, we wanted to see if there is a correlation between stakeholders' expectation and using sustainability consulting as part of their own marketing plan.

As mentioned in chapter 2 *Theory and literature review* accountants do not have a history of marketing their services (Blackburn & Jarvis, 2010) and Street et al. (2016) concludes that SMP's generally are passive marketers. According to our findings 77 per cent of the accounting firms in Kristiansand responded that they do not include consulting services as part of their marketing plan. An interesting finding in our study is that the correlation between consulting on sustainability for clients and consulting on sustainability in the marketing plan is positively correlated, but there is no significant evidence that the accountants use consulting on sustainability as part of their marketing plan.

As mentioned in the chapter above stakeholders consists of their clients, employees, investors, and shareholder etc. It would therefore be natural to assume that accounting firms that have answered that they are affected by stakeholders' expectations would influence their need for using sustainability consulting services as part of their marketing plan. According to our findings 30 per cent of the respondents answered that stakeholders' expectation towards sustainability consulting is present and nearly 40 per cent of the respondents agrees that sustainability consulting attracts stakeholders, and because of this think that it will be positive for the firm to promote sustainability consulting. Furthermore, our results show that there is a positive correlation between stakeholders' expectation and whether they use sustainability consulting as part of their marketing plan. The accounting firms that experience stakeholders' expectation in relation to providing consulting services therefore tend to include these as part of their marketing plan. But based on the low number of accounting firms in Kristiansand that responded that they include consulting services on sustainability as part of their marketing plan, we cannot draw any conclusions of our findings. This corresponds to the findings in the literature that the accountants rarely promote their work (Blackburn & Jarvis, 2010).

6 CONCLUSION

The aim of this thesis was to create an understanding of the current situation on sustainability consulting for clients among accountants in Kristiansand. As a result of previous research, we have directed extra attention towards the accountant's awareness and attitude towards sustainability consulting services and we find it especially interesting to see if accounting firms in Kristiansand find consulting services on sustainability issues as part of their profession as it is suggested by NAF.

The background for our research is the development of NSRS, and the report, *NSRS Theoretical Annex* conducted by NAF. We have furthermore been exploring previous research to substantiate our research on the topic. According to the *NSRS Theoretical Annex* report the conclusion is that the Nordic accountant will play a major role in consulting on sustainability reporting for their SME clients in the future as the accountant is seen as the most trusted advisor to them. But the report from NAF also show that the Nordic accountants are not ready for taking on this role at this stage.

The conclusion to our findings is consistent with the findings of NAF as most accounting firms in Kristiansand that participated in our study do not consult on sustainability issues for their clients. Our results show that there is a predominance of accounting firms in Kristiansand that are aware of the 17 UN SDG, but the results show that only 38 per cent of the accounting firms in Kristiansand are aware of NSRS.

We then wanted to see what is influencing if they consult on sustainability issues or not. Our results show that size of the accounting firms has a positive effect on whether the accounting firm are consulting on sustainability for their clients, but that age did not have any influence. The same goes for the gender distribution of the accounting firm. Our result show that there is no connection between the gender distribution and whether they provide consulting services even though the findings of NAF show that different types of accountants with the characteristics as "middle-aged men" and "middle-aged woman" in relation to attitude towards including sustainability consulting services.

Our result furthermore shows that awareness on the 17 UN SDG did not influence whether the accounting firms in Kristiansand are providing sustainability services. What is interesting is that the results on the awareness of NSRS influences whether the accounting firm is consulting on sustainability issues for their clients. As previous research has suggested the attitude is an

influential factor. Our results show that most of the respondents answered that they do not think consulting on sustainability is a part of their profession. But the accounting firms that are aware of NSRS tend to have a positive attitude towards having consulting services as part of their profession. We furthermore wanted to look at the effect of knowledge on sustainability and our findings show that accounting firms that consult on sustainability tend to consult on environmental aspect and not as much on social- and economic aspects.

The overall conclusion of our study is that accounting firms in Kristiansand are not ready to take on the role as sustainability consultants for their clients at this point and the answer to RQ1 is that most of the accountant firms in Kristiansand do not consult on sustainability for their client. To answering RQ2, what influences the sustainability consulting, our findings conclude that knowledge and awareness of NSRS, the size of the firm and stakeholders' expectation are the main reasons for the accountant firms to include sustainability consulting in their services.

6.1 LIMITATIONS

This study is conducted in the spring which is the busiest period for the accountant (NAF, 2021). The response rate could possibly have been higher if the survey was conducted in the fall, still the response rate is 68,7 per cent. Time was the issue for the accountants that did not participate in the study. The results are based on a 5–7-minute interview, and the answers could have been different if the questions were asked in more depth.

The sample of accountant firms is located in Kristiansand and the conclusions are based on the respondents in this survey and on related theory in the topic.

The main number of the accountants participating in the survey is from small accountant firm, only 3 of the accountants come from large accountant firms with more than 250 employees, 16 come from firms with the number employees between 10 and 250 and 38 come from firms with less than 10 employees. The result of the survey may have been different with a more equal distribution of the sizes. Furthermore, the interviews were performed on limited time. The accountants were asked if they were advising their clients on sustainability reporting, the knowledge on NSRS and UN's SDGs, the stakeholders' expectation to sustainability consulting and if sustainability consulting was included in their marketing plan. There was no elaboration on the topics, and possible there would have been more nuanced information if the interviews had been more qualitative. Some on the questions in the questionnaire may have been elaborated better in the interviews, but to follow the template the same information was given to all the respondents.

6.2 FUTURE RESEARCH

NAF (2021) has identified three categories of accountants as we already mentioned in chapter 2 *Theory and literature review*. As we have worked on our study, we have identified that the main groups of accountants in our study consists of the group “mix” and “old school”, but since our research have been limited to mainly SMPs the category “front-runner” have not been covered. Front-runners are categorized as the age of 30, located in large cities and are open to change. It would be interesting to see how the front-runners would make a difference in changing the role of the accountants towards including consulting services as part of their profession. Furthermore, we believe that the role of the accountant can be studied in relation to a “new generation of sustainable accountants” as the accounting and auditing education increases the focus on sustainability issues. Lastly, we think it would be interesting to do a qualitative study to explore the role of the accountant in relation to what it takes for the accounting firms in Kristiansand to take on the role as sustainability consultant for their clients.

7 GLOSSARY

NSRS	Nordic Sustainability Reporting Standard
GRI	Global Reporting Initiative
NAF	Nordic Accountant Federation
SMEs	Small and medium-sized enterprises
SMP	Small and medium accounting practices
SDG	Sustainability development
SAR	Sustainability accounting and reporting
17 UN SDG	17 United nations sustainability development goals
IFAC	International Federation of Accountants

8 REFERENCES

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9 APPENDIX

9.1 ETHICS CONSIDERATIONS

Fra: [Johanne Warberg Lavold](mailto:Johanne.Warberg.Lavold@uia.no)
Til: karin@furuborg.no
Kopi: [Linn Camilla Aandalen Kiil](mailto:Linn.Camilla.Aandalen.Kiil@student.uia.no)
Emne: SV: Søknad NSD?
Dato: 10. februar 2022 12:11:35

Hei,

Såfremt dere ikke gjør noen opptak, eller lager en koblingsnøkkel for å huske hvem som har svart hva, så er jeg enig i at dette ser ut til å være anonymt, og altså ikke meldepliktig.

Johanne

Fra: karin@furuborg.no <karin@furuborg.no>
Sendt: torsdag 10. februar 2022 12:03
Til: Johanne Warberg Lavold <johanne.lavold@uia.no>
Kopi: Linn Camilla Aandalen Kiil <lckii17@student.uia.no>
Emne: Søknad NSD?

Hei,

Vi fikk beskjed av vår veileder Victoria Edgar å spørre deg om vi trengte å søke NSD for vår masteroppgave.

Vi skal ringe til regnskapskontorer i Kristiansand.

Ingen data om firma skal lagres, ingen personopplysninger skal lagres (dvs navn, personalia). Ingen mailadresser skal lagres – da heller ikke ip.nummer.

Vi har kun behov for å vite hvor mange ansatte det er i firma, hvor gammelt firmaet er, og kjønnsfordeling av ansatte.

Spørsmålene vil være knyttet til bærekraftsrapportering i firmaet.

Ingen personsensitive opplysninger lagres.

Vi har lest oss til at vi ikke trenger å søke NSD.

Sender ved spørreskjema – så du kan vurdere.

Håper på snarlig svar

Mvh

Linn Camilla Kiil
Karin furuborg

9.2 TEMPLATE FOR QUESTIONNAIRE

Mal for telefonintervjuer “Accountant firms in Kristiansand – consult on sustainability for clients”

1. Introdusere oss med navn og fortelle at vi er studenter ved UIA, MRR
2. Vi vet at det er en travel tid, men kan du avse 5 minutter av tiden din?
3. Det gjelder en Master-oppgave som omhandler bærekraft og regnskapsførere
4. Alle svar inkludert firma blir anonymisert
5. Kan jeg snakke med deg eller er det en annen i firmaet jeg skal snakke med. Det har ikke betydning for undersøkelsen så lenge du er kjent med firmaet.
6. Er det i orden at vi tar undersøkelsen?
7. Ja – fortsette med spørsmålene
8. Nei- si det er ok, og gå videre til neste
9. Introduksjon til spørsmålene:
 - a. Først noen generelle spørsmål om firmaet
 - b. Så noen spørsmål som omhandler bærekraft
 - c. Noen av spørsmålene er ja/nei og noen graderingss spørsmål
10. Spørsmålene stilles uten ytterligere forklaring og svarene noteres fortløpende i regneark.
11. Navn på firmaet og telefonnummer slettes når datene overføres til SPSS

Kristiansand 01.03.2022

9.3 CALL LIST, QUESTIONNAIRE AND DATA COLLECTION

Firm	Phone	Call	Dato
1	Agder Regnskapsjenester AS	1 ok	01.03.2022
2	Eminent Regnskap AS	2 ok	02.03.2022
3	Forvaltningspartner AS	3 ok	02.03.2022
5	Søgne Økonomiservice as	4 ok	02.03.2022
6	Regnskapservice	14 Ok	08.03.2022
7	Profil Økonomi og Regnskapservice	22 ok	09.03.2022
9	Ek Regnskap AS	15 ok	09.03.2022
10	Merkantil Service AS	5 ok	04.03.2022
11	New Ledger AS	16 OK	09.03.2022
12	Wego Regnskap AS	6 ok	04.03.2022
13	Agderregnskap.com as	17 ok	09.03.2022
14	Value Kristiansand AS	18 OK	09.03.2022
15	FP Services AS	19 ok	09.03.2022
17	RM regnskap	21 ok	09.03.2022
18	T Regnskap as	12 ok	07.03.2022
19	Ø Regnskap as	7 ok	04.03.2022
20	Athens Accounting Kristiansand as	53 ok	29.03.2022
21	Moment Regnskap	52 ok	29.03.2022
22	Multi Regnskap AS	8 ok	15.03.2022
24	Vorlandsparken Regnskap AS	9 ok	04.03.2022
26	SDO Kristiansand	12 ok	16.03.2022
29	Respire Accounting AS	23 ok	09.03.2022
30	Gjekk Regnskapet AS	54 ok	29.03.2022
32	Russ-Økonomi AS	10 ok	07.03.2022
35	Zeus Insight AS avd Kristiansand	11 ok	07.03.2022
36	Ran Regnskapskontor Marit Meland	24 ok	09.03.2022
38	Gjekk Regnskapservice AS	55 ok	29.03.2022
39	Regnskapssjavelingen as	27 OK	10.03.2022
41	Pricewaterhousecoopers Accounting / null2316	36 ok	16.03.2022
42	Memo Regnskap AS	26 OK	07.03.2022
43	Roland Regnskap AS	28 ok	10.03.2022
46	Vital regnskap AS	29 ok	10.03.2022
47	Rebeo AS	30 ok	10.03.2022
49	Regman AS	37 ok	16.03.2022
50	Vakstra Ser AS	32 ok	15.03.2022
51	Remo Regnskap AS	33 ok	15.03.2022
52	Snif Regnskap AS	35 ok	15.03.2022
53	Safe Regnskap AS avd Kristiansand	38 ok	16.03.2022
60	Ekstakt Regnskapservice AS	34 ok	07.03.2022
64	Uder Ser as avd Kristiansand	51 ok	29.03.2022
71	AS2 Regnskap AS	50 ok	29.03.2022
85	W Regnskap AS	48 ok	29.03.2022
87	Ø Regnskap AS	49 ok	29.03.2022
88	Accountor Kristiansand	56 pk	29.03.2022
91	Tan Kjelie Regnskap	47 ok	29.03.2022
93	Trine Haaversen Konsulent tjenester	46 OK	29.03.2022
95	Taurus Solvi løftesnes	45 ok	29.03.2022
101	Holtes Regnskapservice	35 OK	15.03.2022
104	Eminent Holding AS	44 Ok	29.03.2022
105	Ts Regnskap AS	42 OK	29.03.2022
108	Rekonro AS	41 OK	28.03.2022
110	Konsulenten AS	40 OK	28.03.2022
111	Økonomi & Ledelse AS	39 OK	29.03.2022
114	Monstro Økonomi AS	43 OK	29.03.2022
115	Sala Regnskap AS	57 pk	29.03.2022
117	Haugesundstein Bedr Rådgiver	20 ok	09.03.2022
124	Ø Regnskap AS	13 ok	07.03.2022

Sustainability, consulting, expectations, attitude, awareness, marketing						
Questionnaire						
	General					
G1a	Gen_size	How many people are currently working in the company?	People	<10	10-250	>250
				1	2	3
G1b	Gen_role	What is your role in the company?	0 Other			
			1 Manager			
G2	Gen_gender	What is the distribution of gender in your company?	1 50 % male/female			
			2 >50 % male			
			3 > 50 % female			
G3	Gen_AGE	For how long have your company been in business?	Years	<5	5-10	>10
				1	2	3
G4	Gen_mix	Do your company provide both audit and accounting services?	0 No			
			1 Yes			
Awareness	G4a	Gen_NsRS	Are you aware of the Nordic Sustainability Reporting Standards (NSRS) for SMB?	0 No		
				1 Yes		
Awareness	G4b	Gen_SDG	Are you aware of the 17 United Nations Sustainability Goals?	0 No		
				1 Yes		
		Sustainability		Strongly agree	Some agree	Neither agree nor
					Some disagree	Strongly disagree
Attitude	SUS1a	SUS_BUS	Do you think sustainability is an important part of running a business in general	5	4	3
					2	1
Attitude	SUS1b	SUS_CONA	Do you think sustainability consulting is a natural part of your role as an accounting consultant	5	4	3
					2	1
Consulting	SUS2	SUS_CON	Does your company consult on sustainability for your clients?	0 No		
				1 Yes		
			If yes SUS2a, SUS2b, SUS2c, SUS2d and SUS4b			
Competence	SUS2a	SUS_SOC	When consulting on sustainability, you consult on social aspects such as how your clients actions is affecting their employees, customers, workers in their value chain and so on.	5	4	3
					2	1
Competence	SUS2b	SUS_ENV	When consulting on sustainability, you consult on environmental aspects such as renewable energy, cutting down on usage of plastics or paper, pollution, garbage collection etc.	5	4	3
					2	1
Competence	SUS2c	SUS_ECON	When consulting on sustainability, you consult on economic aspects such as strengthen and maintain jobs, create incentives for sustainable practices and promote environmental health	5	4	3
					2	1
Competence	SUS2d	SUS_REPORT	Do you advise your clients to disclose on sustainability	0 No		
				1 Yes		
		Expectation /Marketing				
Expectation	SUS3a	SUS_STHLD	The stakeholders, such as customers, owners, government, banks, suppliers expects that your company is consulting on	5	4	3
					2	1
Expectation	SUS3b	SUS_STHLDATT	Having competence on sustainability attracts stakeholders	5	4	3
					2	1
Marketing	SUS4a	SUS_MARKET	Does your company include consulting services on sustainability in your marketing plan	0 No		
				1 Yes		
			if yes, SUS4b			
Marketing	SUS4b	SUS_MARKST	Including consulting services on sustainability in your marketing plan adds value in form of media coverage, recruitment, investors, customers etc.	5	4	3
					2	1

Firm	Gen_size	Gen_role	Gen_gender	Gen_mix	Gen_NSRS	Gen_SDG	Gen_age	SUS_BUS	SUS_CONA	SUS_CON	SUS_SOC	SUS_ENV	SUS_ECON	SUS_Report	SUS_STHLEX	SUS_STHLAT	SUS_MARK	SUS_MARKST
1	1	1	1	1	0	1	1	3	3	1	0					1	1	0
2	1	1	3	0	0	1	3	4	3	0					1	1	0	
3	2	0	1	0	1	1	3	5	5	1	5	5	5	1	5	5	1	5
4	1	0	3	1	0	1	3	5	3	0					3	3	0	
5	2	1	3	0	0	0	2	3	3	1	1	4	2	0	4	4	1	3
6	1	0	2	0	0	0	3	3	3	0					1	1	0	
7	1	1	3	1	0	0	1	5	5	1	2	4	2	0	2	4	0	
8	1	0	3	0	0	0	3	5	3	1	2	5	2	0	3	5	0	
9	1	1	2	0	0	0	2	1	1	0					1	1	0	
10	2	1	3	0	1	1	2	5	4	1	1	5	2	0	4	4	0	
11	3	0	1	1	1	1	3	5	5	1	4	4	4	1	5	5	1	5
12	2	1	2	0	0	1	3	4	2	0					2	2	0	
13	1	0	3	1	1	1	3	5	5	1	5	5	5	1	5	5	0	
14	2	0	3	0	0	1	3	4	2	0					4	4	0	
15	1	1	2	0	0	1	3	5	1	0					1	1	0	
16	1	1	3	0	0	1	3	5	4	1	4	4	2	1	3	4	1	4
17	2	0	2	0	0	1	3	3	2	0					2	2	0	
18	2	0	2	0	0	1	2	5	4	1	5	4	1	1	2	4	1	4
19	2	0	1	1	1	1	3	4	4	1	5	4	2	1	5	4	0	
20	1	1	2	0	0	0	3	2	1	0					1	1	0	
21	3	1	3	1	1	0	2	5	2	1	1	4	1	0	2	2	0	
22	1	1	2	0	0	0	3	1	1	0					1	1	0	
23	3	1	3	1	1	1	1	5	2	0					2	3	0	
24	1	1	1	1	0	1	3	5	3	1	1	4	1	1	4	2	0	
25	1	1	2	1	1	1	2	4	1	0					2	2	0	
26	1	1	2	0	1	0	1	5	1	0					2	2	0	
27	1	1	3	1	1	0	2	4	1	1	1	5	1	0	2	2	1	5
28	1	1	2	1	0	0	3	4	4	0					2	2	0	
29	1	0	2	0	0	0	2	5	4	1	1	2	1	1	4	4	0	
30	1	1	2	0	0	0	3	3	1	0					1	1	0	
31	2	0	2	1	1	1	3	5	5	1	5	5	5	1	4	4	1	3
32	2	0	1	1	1	1	3	5	4	1	3	5	4	1	3	5	1	4
33	1	1	1	1	1	0	3	3	1	0					2	3	0	
34	1	1	1	0	1	0	3	4	3	0					4	4	0	
35	1	1	2	0	0	0	3	3	1	0					1	1	0	
36	2	0	1	1	1	1	3	5	4	1	4	5	3	1	4	4	1	4
37	1	1	2	0	0	0	3	2	1	0					1	1	0	
38	1	1	2	0	0	1	2	3	2	0					2	2	0	
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40	1	0	1	0	0	0	3	3	1	0					1	2	0	
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42	1	1	2	0	0	0	3	3	1	0					1	1	0	
43	1	1	3	0	0	1	3	4	1	0					1	2	0	
44	2	1	3	0	1	1	3	5	4	0					2	2	0	
45	1	1	3	0	0	0	3	4	2	0					2	1	0	
46	1	1	3	0	0	0	3	4	3	0					2	2	0	
47	1	1	3	0	0	0	3	4	1	0					1	2	0	
48	1	1	2	0	0	1	2	3	1	0					1	1	0	
49	1	1	3	0	0	0	2	5	2	0					2	2	0	
50	1	1	2	0	0	1	1	5	4	0					4	4	0	
51	2	0	1	0	1	1	1	5	4	1	3	4	4	1	4	4	1	5
52	1	1	3	0	0	0	1	5	4	1	4	4	4	1	4	4	1	4
53	2	0	1	0	1	1	1	5	4	1	3	5	4	1	4	4	1	3
54	1	1	1	0	0	1	2	4	2	0					2	2	0	
55	1	0	2	0	1	1	2	4	2	0					2	3	0	
56	2	0	1	0	1	1	3	5	4	1	4	4	3	1	4	4	1	4
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9.4 STATISTICAL OUTPUT

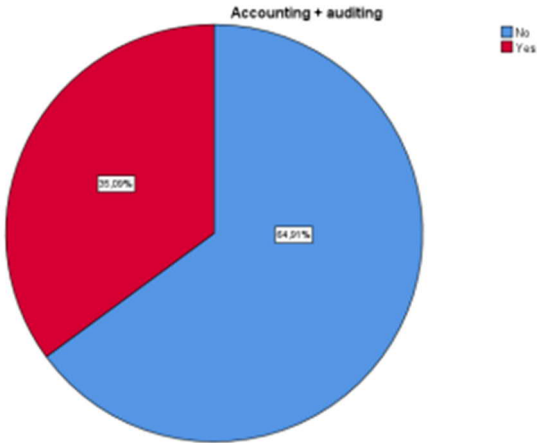
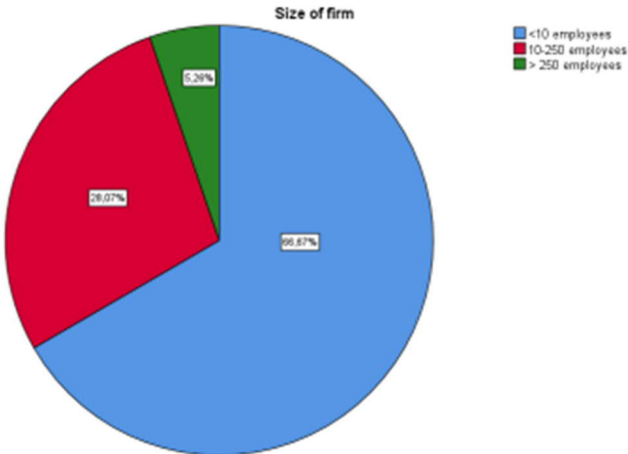
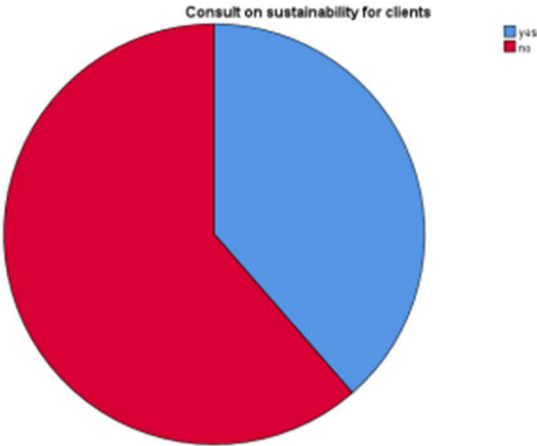
9.4.1 Correlation Matrix all variables

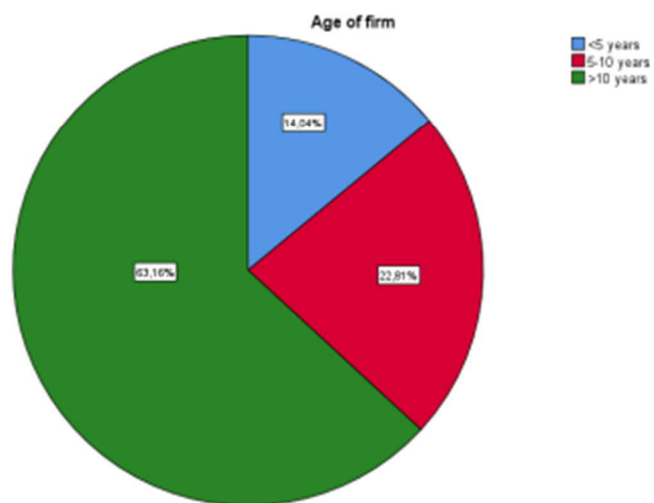
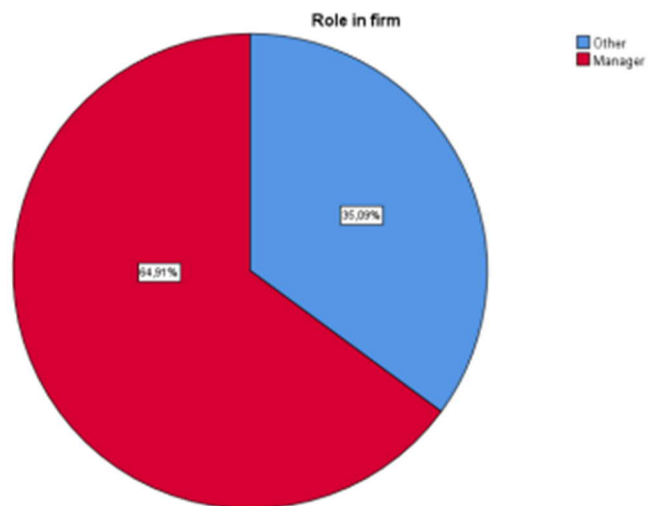
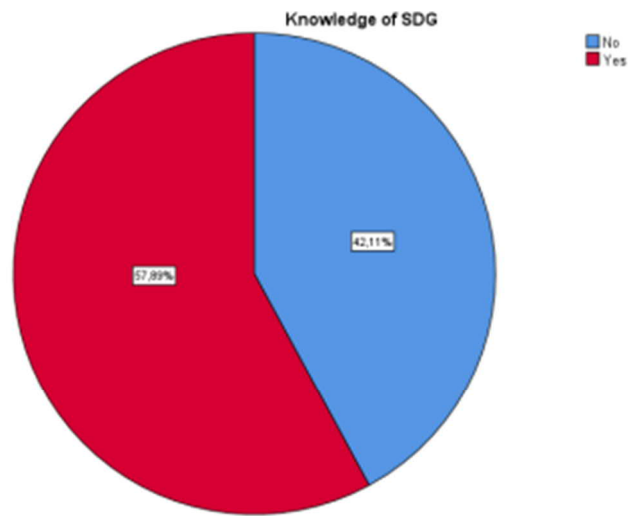
		Correlations						
		Consult on sustainability for clients	Attraction of stakeholders	Knowledge of NSRS	Knowledge of SDG	Expectation of stakeholders	Attitude_towards_sustainability	Stakeholders_expectation
Consult on sustainability for clients	Pearson Correlation	1	,743**	,408**	,165	,693**	,699**	,747**
	Sig. (2-tailed)		<,001	,002	,219	<,001	<,001	<,001
	N	57	57	57	57	57	57	57
Attraction of stakeholders	Pearson Correlation	,743**	1	,446**	,315*	,846**	,795**	,962**
	Sig. (2-tailed)	<,001		<,001	,017	<,001	<,001	<,001
	N	57	57	57	57	57	57	57
Knowledge of NSRS	Pearson Correlation	,408**	,446**	1	,311*	,443**	,373**	,463**
	Sig. (2-tailed)	,002	<,001		,018	<,001	,004	<,001
	N	57	57	57	57	57	57	57
Knowledge of SDG	Pearson Correlation	,165	,315*	,311*	1	,327*	,414**	,334*
	Sig. (2-tailed)	,219	,017	,018		,013	,001	,011
	N	57	57	57	57	57	57	57
Expectation of stakeholders	Pearson Correlation	,693**	,846**	,443**	,327*	1	,740**	,960**
	Sig. (2-tailed)	<,001	<,001	<,001	,013		<,001	<,001
	N	57	57	57	57	57	57	57
Attitude_towards_sustainability	Pearson Correlation	,699**	,795**	,373**	,414**	,740**	1	,799**
	Sig. (2-tailed)	<,001	<,001	,004	,001	<,001		<,001
	N	57	57	57	57	57	57	57
Stakeholders_expectation	Pearson Correlation	,747**	,962**	,463**	,334*	,960**	,799**	1
	Sig. (2-tailed)	<,001	<,001	<,001	,011	<,001	<,001	
	N	57	57	57	57	57	57	57

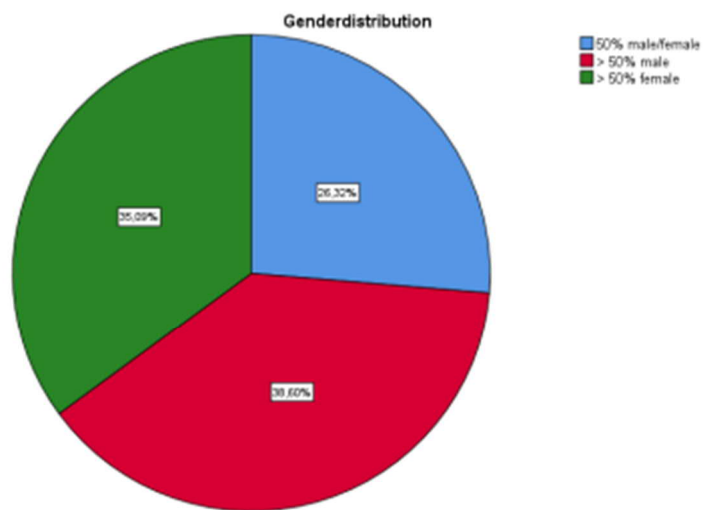
** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

9.4.2 Hypotheses output







Variables Entered/Removed^a

Model	Variables Entered	Variables Removed	Method
1	Knowledge of NSRS ^b	.	Enter

a. Dependent Variable: Consult on sustainability for clients

b. All requested variables entered.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,408 ^a	,166	,151	,453

a. Predictors: (Constant), Knowledge of NSRS

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2,246	1	2,246	10,971	,002 ^b
	Residual	11,262	55	,205		
	Total	13,509	56			

a. Dependent Variable: Consult on sustainability for clients

b. Predictors: (Constant), Knowledge of NSRS

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95,0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	,229	,076		2,988	,004	,075	,382
	Knowledge of NSRS	,408	,123	,408	3,312	,002	,161	,655

a. Dependent Variable: Consult on sustainability for clients

Descriptive Statistics

Correlations

		Stakeholders_ expectation	Consult on sustainability for clients
Stakeholders_ expectation	Pearson Correlation	1	,747**
	Sig. (2-tailed)		<,001
	N	57	57
Consult on sustainability for clients	Pearson Correlation	,747**	1
	Sig. (2-tailed)	<,001	
	N	57	57

** . Correlation is significant at the 0.01 level (2-tailed).

Variables Entered/Removed^a

Model	Variables Entered	Variables Removed	Method
1	Stakeholders_ expectation_ transformed_ transformed ^b	.	Enter

a. Dependent Variable: Consult on sustainability for clients

b. All requested variables entered.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,747 ^a	,559	,551	,329

a. Predictors: (Constant), Stakeholders_expectation_transformed_transformed

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7,547	1	7,547	69,624	<,001 ^b
	Residual	5,962	55	,108		
	Total	13,509	56			

a. Dependent Variable: Consult on sustainability for clients

b. Predictors: (Constant), Stakeholders_expectation_transformed_transformed

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95,0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	,386	,044		8,851	<,001	,299	,473
	Stakeholders_expectation_transformed_transformed	,303	,036	,747	8,344	<,001	,231	,376

a. Dependent Variable: Consult on sustainability for clients

Descriptive Statistics

	Mean	Std. Deviation	N
Stakeholders_expectation	2,5789	1,27752	57
Consulting on sustainability in marketingplan	,23	,423	57

Correlations

		Stakeholders_ expectation	Consulting on sustainability in marketingplan
Stakeholders_expectation	Pearson Correlation	1	,560**
	Sig. (2-tailed)		<,001
	N	57	57
Consulting on sustainability in marketingplan	Pearson Correlation	,560**	1
	Sig. (2-tailed)	<,001	
	N	57	57

** . Correlation is significant at the 0.01 level (2-tailed).

Variables Entered/Removed^a

Model	Variables Entered	Variables Removed	Method
1	Stakeholders_ expectation_tra nsformed_tran sformed ^b	.	Enter

a. Dependent Variable: Consulting on sustainability in marketingplan

b. All requested variables entered.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,560 ^a	,314	,302	,354

a. Predictors: (Constant), Stakeholders_expectation_transformed_transformed

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3,152	1	3,152	25,190	<,001 ^b
	Residual	6,883	55	,125		
	Total	10,035	56			

a. Dependent Variable: Consulting on sustainability in marketingplan

b. Predictors: (Constant), Stakeholders_expectation_transformed_transformed

Coefficients^a

Model		Unstandardized Coefficients		Standardized	t	Sig.	95,0% Confidence Interval for B	
		B	Std. Error	Coefficients Beta			Lower Bound	Upper Bound
1	(Constant)	,228	,047		4,867	<,001	,134	,322
	Stakeholders_expectation_ transformed_transformed	,196	,039	,560	5,019	<,001	,118	,274

a. Dependent Variable: Consulting on sustainability in marketingplan

Refleksjonsnotat - Karin Furuborg

Ansvarlighet

Nøkkelord: Regnskapsfører/revisor – Rådgivning på bærekraftsrapportering – Ansvarlighet – Etikk - Moral

Bærekraft har et stort fokus verden over, og de aller fleste er enige i at man må være mer bærekraftige og tenke på miljøet. Parisavtalen som ble opprettet i 2015 satte som mål av landene i vestlige Europa skulle kommet langt innen 2030 i å følge FNs bærekraftsmål (Commission, 2020).

Med økende fokus på bærekraft blir det også viktig at firmaer følger opp sitt samfunnsansvar. I denne anledning er det behov for en synlighet rundt hva og hvordan bedrifter er bærekraftige. Ifølge en rapport fra Nordic Accountant Federation (NAF) haster det med å få laget et rammeverk rundt rapporteringen av bærekraft. NAF har kommet med en første del av det som skal bli nordiske standarder på bærekraftsrapportering. Denne rapporten slår fast at regnskapsførere er den naturlige samarbeidspartner for små og mellomstore bedrifter på bærekraftsrapportering (NAF, 2021). NSRS rapporten er utkastet til det som skal bli nordiske standarder for bærekraftsrapportering (NAF, 2021).

De nye standardene er planlagt å tre i kraft i 2023, og både Regnskap Norge og Den Norske Revisorforeningen har stort fokus på bærekraft og bærekraftsrapportering. Det er også nedfelt i Revisor loven § 9.4 med henvisning til Regnskapsloven § 3-3 c at det skal en redegjørelse om samfunnsansvar for store bedrifter. I følge NSRS vil dette gjelde flere bedrifter etter hvert. I denne masteroppgaven var vi interessert i å se hvordan regnskapsførere i Kristiansand arbeidet med bærekraftsrapportering, og hvilken kjennskap de hadde til FNs bærekraftsmål (FN,2020) og NSRS. I tillegg ønsket vi å undersøke hvor naturlig regnskapsførerne synes det er å rådgi kunder på bærekraftsrapportering.

Vi har intervjuet 57 regnskapskontorer i Kristiansand via telefon, og konklusjonen er at flesteparten rådgir ikke om bærekraft eller bærekraft rapportering. Flere av de spurte regnskapsførerne som ikke rådga sine kunder, mente at de burde gjøre det, og at de sikkert ville gjøre det på sikt. Noen mente også at regnskapsførere var den naturlige samarbeidspartner på å rapportere vedrørende samfunnsansvar.

Mange av regnskapsførerne rådgir allerede sine kunder på noen av bærekraftsmålene som for eksempel å bruke mindre papir, og unngå sløsing med ressurser både med hensyn til økonomi og til personale. Noen ganger gjelder det å sette det man allerede gjør i system, å rapportere det man gjør og også kunne hjelpe kundene med å lage et system som passer inn i de rapporter man allerede produserer og leverer som offisielt dokument for bedriften.

Respondentene i undersøkelsen til vår master oppgave oppga hyppigst at det var mangel på tid som var årsaken til at de ikke rådgja sine kunder om bærekraftsrapportering. Noen svarte også at de hadde dårlig samvittighet for de mente at de burde gjøre det.

Vi undersøkte også om det var hyppigere frekvens i rådgivning om bærekraft i de firmaene som også drev med revisjon. Det var noe høyere frekvens i kombinerte firmaer en rene regnskapskontor.

Det var også forventet i og med at revisor er lovpålagt å være myndighetenes forlengede arm, med det ansvaret som ligger i det utsagnet.

Når det gjelder ansvarlighet, så vil de aller fleste mene at det å tenke bærekraftig er en ansvarlig handling. Det å definere ansvarlighet er vanskelig. Det er forskjellige definisjoner på begrepet ansvarlighet, men den mest vanlige oppfatningen er å ta ansvar for det man er pålagt, eller den som må stå til rette hvis for eksempel lovpålagte krav ikke følges.

Selv om det er forskjeller mellom hva en revisor og en regnskapsfører er pålagt, og hvilke rettslige følger det vil få om man ikke opptrer som forventet, har de fleste brukerne av rapporter og regnskaper tillit til at de er utarbeidet av en kompetent person.

I oppgaven fremkommer det at ca 60% av regnskapsførerne hadde kjennskap til Fns bærekraftsmål, mens ca 40% hadde hørt om NSRS. Det var totalt i underkant av 40% av de spurte som oppgav at de rådgja kundene om bærekraftsrapportering.

30% av de som svarte at de ikke rådgja på bærekraft, mente at de burde gjøre det og at de ville gjøre det på sikt. De mente også at brukerne av regnskapene og interessere ville forvente det i fremtiden.

Denne gruppen er interessant med tanke på ansvarlighet og hva som gjør at de tenker at de kan vente. De vet de burde, men gjør det ikke. Tar de da ansvar for sine kunder, for samfunnet, for seg selv? Opptrer de ansvarlig, med det ansvaret de har med å være en betrodd samarbeidspartner for offentlige dokumenter for firmaet. Burde de ikke hjelpe firmaet å fremstå som ansvarlige med samfunnsansvar?

I denne situasjonen oppstår det et etisk dilemma. Samfunnsmoralen er helt klart at man skal ta vare på miljøet. For at samfunnet skal vite om en bedrift opptrer bærekraftig, må det tydeliggjøres i form av en rapport, hjemmeside, sosiale medier eller lignende. Det er sannsynligvis samfunnsmoralen som gjør at regnskapsførerne kjenner at de burde rådgja klientene sine til å rapportere på bærekraft.

For å se på det etiske dilemmaet som de regnskapsførerne som ikke rådgir sine kunder på bærekraftsrapportering, men som kjenner til de nye nordiske standardene, kan vi bruke en

konsekvensialitisk analyse- og beslutningsmodell hentet fra læreboken Etikk, Moral og Revisjon av Bror Petter Gulden fra 2014 (Gulden, 2014).

Klargjøring av forholdet: det første regnskapsføreren må gjøre er å klargjøre om det er en nødvendighet at de rådgir klientene sine eller ikke.

Identifisere det etiske aspektet: vil det få konsekvenser for kunden, vil det få konsekvenser for regnskapskontoret. Det er ikke lovpålagt for små bedrifter, men forventningen er tilstede i samfunnet at man opptrer ansvarlig, og kanskje det vil kunne gi klienten flere kunder, bedre betingelser i bank, innkjøp blant annet.

Identifisere mulige handlinger: Regnskapsføreren må bestemme om de skal ta den tiden det tar å rådgir kundene på bærekraft eller vente til det blir lovpålagt.

Identifisere mulig hendelsesforløp: regnskapsføreren må vurdere om det er forretningsmessig gevinst for regnskapskontoret og også på hvilken gevinst det vil ha for klienten. Den økte gevinsten vil ikke komme øyeblikkelig, men i form av godt rykte og bevissthet og ansvar for samfunnet.

Avgjøre hvilke parter det skal tas hensyn til: Hvem skal regnskapsføreren ta hensyn til?

Dersom han uten videre setter i gang med rådgivning på bærekraft selv om han ikke har tid, vil han tenke som en utilitarist. Dersom han tenker på regnskapskontoret ikke har tid til dette tenker han som en partikularist på sin egen gruppe og motsatt hvis han tenker på kundene så setter han kanskje i gang noe som vil gå ut over sine arbeidskollegaer.

Estimere konsekvenser for partene: Egoistisk sett er det lett å tenke at jeg har ikke tid til rådgivning på bærekraft, eller til å sette meg inn i det – og kunden har ikke bedt om det, så da lar vi være. Hvis en tenker på kunden så kan nettopp rådgivningen gi økte fordeler i form av goodwill og en bevisstgjøring om hva som blir forventet på bærekraftsrapportering.

Utilitaristen vil få vanskeligheter her fordi man kan ikke gjøre alle fornøyd.

Regnskapskontoret får tidsnød, kunden er kanskje ikke klar for det men samfunnet vil ønske det, og i ytterste konsekvens vil kanskje kunden velge en annen regnskapsfører.

Estimere sannsynligheten for konsekvensene: Før standardene trer i kraft vil det sannsynligvis ikke være de helt store konsekvensene for noen av partene på kort sikt. Det som sannsynligvis regnskapsføreren vet er at det kommer, og at både regnskapskontoret og kunde burde være forberedt. Det mest moralske riktige er å sette av tid til rådgivning, slik at kunden får så god markedseffekt som mulig av å være bærekraftig.

Beregne sum forventet nytte og velge det beste: For samfunnet er det klart at det å handle bærekraftig er det beste for alle. Kunden har, kanskje ikke bevisst, et behov for å rapportere

på bærekraft hvis han skal være konkurransedyktig i fremtiden. For regnskapsføreren vil det være et konkurransefortrinn å kunne tilby rapportering på bærekraft.

Et annet aspekt som kan spille inn for at regnskapsfører ikke rådgir på bærekraft er at kunden ikke ønsker å betale for tjenesten. Det er mye reklame i sosiale medier og dagspresse på stadig billigere regnskapssystem, billigere regnskapstjenester og pris er mange ganger et kriterie for valg av regnskapsfører. Det setter regnskapsfører i en vanskelig konkurransesituasjon å skulle ta betalt for en tjeneste før det er absolutt nødvendig. Det at årsberetningen forsvant fra årsregnskapet for små og mellomstore bedrifter gjør ikke situasjonen lettere.

Etter mitt syn har bransjeorganisasjonene, Norsk Regnskap og Revisorforeningen, et stort informasjonsansvar ikke bare for sine medlemmer, men også for allmennheten. Det vil være veldig viktig for å få en aksept for at det er en tjeneste som det er forventet at regnskapsførere og revisorer skal tilby. Det vil da være naturlig at det er en tjeneste man betaler for.

Det kan også være en mulighet at bransjeorganisasjonene taler for at årsberetningen bør tilbake sammen med årsregnskap for alle selskaper som er regnskapspliktige.

I vårt litteratursøk i forbindelse med masteroppgaven finner vi at interessenter til bedrifter ønsker at det skal utarbeides rapporter på bærekraft (Ballou, Casey, Grenier, & Heitger, 2012). Det viser seg at det meste av rådgivningen som regnskapsførerne gjør på bærekraftsrapportering er ad hoc og er preget av den enkelte regnskapsførers personlige interesser (Spence, Agyemang, & Rinaldi, 2012). I følge NSRS-rapporten er det regnskapsføreren bedriftene spør om råd vedrørende økonomiske forhold (NAF, 2021), videre hevdes det at det er naturlig at regnskapsføreren legger til bærekraftsrapportering sammen med annen økonomisk rapportering, i og med at de kjenner kunden sin godt.

Som det nevnes innledningsvis er det økende fokus på bærekraft i samfunnet generelt, og man kan ta henføre dette videre til at samfunnets oppfatning er at man skal opptre bærekraftig. Hva som er god og dårlig moral endres over tid (Gulden, 2014), og det er klart at bare for noen ti år tilbake var ikke fokuset like stort i samfunnet. Folk er stor sett mer bevisst på bærekraft.

Man sorterer søppel, kjører el-bi og velger miljøbevisst. Dette kan trekkes paralleller til at det er moralsk riktig å handle bærekraftig. Det vil igjen si at det er etisk riktig å være bærekraftig. For regnskapsføreren vil det da kunne sies at det er etisk riktig å rådgi sine kunder på bærekraft. I masteroppgaven sier mer enn 50% at de mener at rådgivning på bærekraft er en naturlig del for en regnskapsfører, likevel er det flertallet som ikke gjør det.

Det å være en ansvarlig regnskapsfører og revisor er etter mitt skjønn å ta det ansvaret som ligger i den kunnskapen man allerede har om lovverket og om kunden og skape en god plattform for bærekraftsrapportering for kunden.

Det vil gi bedriftene et godt grunnlag for å ta det samfunnsansvaret som det er en økende forventning i samfunnet at man tar. I regnskapsloven §3-3 står det følgende: «Store foretak skal utarbeide en redegjørelse om samfunnsansvar som minst omhandler miljø, sosiale forhold, arbeidsmiljø, likestilling og ikke-diskriminering, overholdelse av menneskerettigheter og bekjempelse av korrupsjon og bestikkelser. Opplysningene skal gis i det omfang som er nødvendig for å forstå foretakets utvikling, resultat, stilling og konsekvenser av foretakets virksomhet»

NSRS vil etter planen gjøres gjeldene for små og mellomstore bedrifter fra 2023 (NAF, 2021). Det vil da være en standard som skal følges av regnskapsførere, og indirekte vil det være lovpålagt siden regnskapsfører skal etter lov følge God Regnskapsskikk som igjen vil si å følge standarden. Da vil man som regnskapsfører være ansvarlig også juridisk, og ikke ansvarlig for egen og samfunnets moralske oppfatning.

Når det blir lovpålagt for små og mellomstore bedrifter, vil det igjen få ringvirkninger for andre mindre bedrifter fordi de små og mellomstore kan være leverandører eller kunder til mindre bedrifter.

Ansvaret ligger da hos regnskapsfører eller revisor å følge de retningslinjer og føringer som er gitt, og ansvarlighet ligger i å oppfylle lovkravene og forventningene.

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DISCUSSION PAPER: INTERNATIONAL

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PRESENTATION OF THESIS

Our Master thesis is inspired by the newly developed standard, the Nordic Sustainability Reporting Standard (NSRS), that aims to make a simplified sustainability standard for small- and medium-sized enterprises (SMEs) (Federation, 2021). Furthermore, we think SMEs are able to make a huge impact on the 17 United Nations Sustainability goals (17 UN SDG), as they according to the Commission (2020) is the backbone of the European economy and accounts for more than half the Europe's GDP as well as they provide to out of three jobs. They therefore have a significant impact worldwide in terms of economic, environmental and social matters (Inyang, 2013).

In our thesis we have explored the accountant's role, in accounting firms in Kristiansand, as a sustainability consultant for their clients. We have looked at variables that influences whether the accounting firms are consulting on sustainability such as the firms age and size, gender distribution in the firm as well as awareness, attitude, and knowledge of sustainability issues. As sustainability has emerged from stakeholders' expectation (Herremans, Nazari, & Mahmoudian, 2016) we have also tested to see if stakeholders' expectation have influenced whether they consult on sustainability issues or not and at last if the accounting firms that are consulting on sustainability uses it as part of their marketing plan. Our results show that, despite that Federation (2021) points out the accountant as the helping hand of SMEs in the transition towards providing sustainability disclosures, the accounting firms in Kristiansand does not seem to be ready for including sustainability consulting as a part of their profession at this time. What we did see is that accounting firms in Kristiansand that are aware of the NSRS tend to consult on sustainability issues and seem to be more optimistic in relation to including sustainability consulting as part of their profession.

Furthermore, we have identified several future research areas such as exploring the role of the "front-runners" and how they would make a difference in changing the role of the accountants towards including sustainability consulting as part of their profession. Furthermore, we have we have suggested that the role of the accountant can be studied in relation to a "new generation of sustainability accountants" as there is an increasing focus on sustainability issues in

accounting and audition educations. As our study has been a quantitative study to explore whether accountants in Kristiansand are consulting on sustainability, exploring the role of the accountant in relation to what it takes for accounting firms in Kristiansand to take on the role as a sustainability consultant in a qualitative study would give additional relevant information that would be beneficial for the accounting firms themselves, the education plan, and stakeholders in general.

DISCUSSION

As mentioned in the previous section SMEs have the possibility to make a huge difference in reaching the 17 UN SDGs. The 17 UN SDGs are built on decades of work done by countries all over the world and the United Nations (Jiménez, De La Cuesta-González, & Boronat-Navarro). The goal is to end poverty and other deprivations by improving health and education, deduce inequality, spur economic growth as well as persevere oceans, forest and handle the climate change (DESA, 2022). This is not just the responsibility of one country or by one organization or one person. This is a common goal, and we all must contribute to reach these goals as this is an international crisis that affects all of us.

As sustainability issues are getting more and more attention worldwide, organizations need to take responsibility and do their part. According to ACCA (2021) regulators and other stakeholders are increasingly requiring organizations to report on non-financial matters as a result of increased pressure towards accountability and transparency in regards of sustainability. There are hundreds of sustainability frameworks that covers different aspects of sustainability (Federation, 2021) and both professional auditors and accountants are receiving increased expectations regarding being the helping hands to organizations in disclosing on sustainability issues.

As we discovered in our master thesis accounting firms in Kristiansand are not ready to take on the role as sustainability consultants for their clients t this point. As Federation (2021) expresses in their report *NSRS theoretical annex* there are three categories of accountants; “mix”, “old school” and “front-runners”. The “old-school” accountants are the group that are mostly negative in regards of changing their profession, whereas the “mix” accountants are more positive. As for the “front-runners” this is the group that are in general positive towards the change. Some of the characteristics of this group is that the accountant is around the age of 30, they are employed in large cities. They have less work experience and have worked around 19

months after they graduated (Federation, 2021). As we can see the future accountant can make a difference with their positive attitude regarding the change towards including sustainability consulting into their profession.

Since the accountants, that are a part of the “front-runners”, have recently finished their education, we can see the importance of including sustainability issues as part of the master’s program. According to Salcedo and Salcedo (2021) raising awareness amongst students is of great importance. The results of their study show that the level of interest amongst the students increases when they are introduced to the concepts of sustainability, sustainability accounting and sustainability reporting (Salcedo & Salcedo, 2021). Ng, Leung, and Lo (2017) studies the concept of developing sustainable competence for future accountants and what role the Undergraduate Program has.

According to Ng et al. (2017) accountants are expected to be up to date with the latest knowledge about international practices regarding areas such as internal control and corporate governance as well as corporate social responsibilities. Furthermore, the International Federation of Accountants (IFAC) has conducted a sustainability framework suggesting that the professional accountants are to be the integrators (IFAC, 2011).

To take on the role as the integrators, professional accountants need to have the right skills and competencies and according to Blackburn and Jarvis (2010) there seem to be a lack of these in relation to sustainability issues. As Krasodomska, Michalak, and Świetła (2020) states, lack of competence of the accountant is the mainly reason for them to be less motivated to engage in sustainability accounting.

As there is a need for awareness and knowledge on sustainability aspects in relation to the professional accountant the education plays an important part as introducing the concepts of sustainability increases the motivations of the students in engaging in sustainability aspects as they enter their professional accounting carriers.

Because sustainability reporting, sustainability accounting and sustainability aspects in general are an international concept. International standards will have an impact on what is expected of the professional accountant. As the NSRS has been developed it derives from other international sources, and from the report it seems like they have been inspired from for example the European Commission. As new guidelines and regulations emerges internationally, due to

stakeholders demands, professional accountants will need to follow, which also will affect the education for accountants and auditors. As the professional accountants and auditors in Norway must be licensed through Finanstilsynet and is expected to follow international accounting and auditing standards, international trends and forces in relation to guidelines and requirements have a huge impact on the license provided by Finanstilsynet as there are strict requirements for education and work experience (Finanstilsynet, 2022).

As we see an increasing demand towards including sustainability disclosures, we will presumably see a change in the professional accounting and auditors' roles. As international trends are going in that direction the development of more requirements relative to guidelines seem to be a possible development as announcements of mandatory disclosures has a positive effect on sustainability performance in accordance to the results of the study conducted by Li and Jia (2022).

SUMMARY AND CONCLUSION

The role of the accountant in relation to including sustainability consulting into their profession are getting more attention. This is due to new guidelines and the development of new standards. As SMEs are getting the attention in relation to disclosing on sustainability aspects, the accountant is seen as the integrator and as the helping hand for SMEs. International regulations and guidelines are affecting the role of the accountants and auditors as they are to comply with these guidelines and regulations.

There have been studies on the role of education in relation to getting awareness and knowledge of sustainability issues. And how this need to be incorporated into the education program. Research show that introducing sustainability issues has a positive effect on the motivations of students and as (Federation) points out the "front-runners" are the group of accountants that are most positive towards including sustainability consulting into their profession. Creating the "future sustainability accountant" by using sustainability issues as part of the education makes this study highly relevant as the results of our study show that accountants in Kristiansand are not ready for the role as a sustainability consultant for their clients.

Our master thesis raises the awareness on the future role of the accountants as sustainability consultants for their clients as international trends and forces in relation to standards and

regulations are going in that direction and accounting firms in Kristiansand need to be ready for that transition.

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