

Contributions to Finance and Accounting

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Information Processing and Accounting Standards

The COVID-19 Pandemic and Its Impact
on Accounting Information Systems

 Springer

Contributions to Finance and Accounting

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Preface

In the wake of the global upheaval caused by the COVID-19 pandemic, the world of accounting and information processing has experienced unprecedented challenges and transformations. This book is a seminal work that critically examines these transformations, offering a comprehensive analysis of the pandemic's far-reaching implications for accounting practices, corporate cash holdings, investment strategies, and the overarching financial services sector.

The chapters within this book are meticulously crafted to address a broad spectrum of topics, starting from the foundational motives of holding cash by corporations to the intricate dynamics of corporate cash holdings theories and extending to the macroeconomic determinants that shape these processes. The inclusion of dedicated exploration into the impact of COVID-19 on corporate investment and cash holdings illuminates the specific challenges and strategic shifts necessitated by the pandemic.

This volume stands out for its holistic approach, integrating insights from various theoretical frameworks such as strategic alignment theory, dynamic capabilities theory, resource-based view, contingency theory, and agency theory. It delves into accounting information system development and scrutinizes the strategic alignment between business strategies and system development within a volatile pandemic environment.

One of the book's distinctive features is its in-depth analysis of integrated reporting as a mechanism for fostering corporate transparency, accountability, fairness, and, ultimately, the sustainability of financial services. The chapters navigate the complex financial services landscape, emphasizing the need for integrated reporting to bridge the information gap between corporations and investors, a necessity further underscored by the pandemic's disruption.

Moreover, the book presents a robust discussion on the role of financial infrastructure in supporting economic growth and development, especially in the context of emerging economies. It critically evaluates the resilience and adaptability of the financial services sector in response to the pandemic, highlighting the challenges and opportunities for sustainable financial services.

This volume is a beacon for academics, practitioners, policymakers, and students navigating post-pandemic accounting information and the financial landscape. It synthesizes the lessons learned during the pandemic and projects a path forward, advocating for enhanced transparency, risk management, and stakeholder engagement to achieve more sustainable and inclusive accounting information and financial reporting.

As we stand at the crossroads of recovery and transformation, this book invites readers to reflect on the pandemic's lessons and to contribute to the evolving discourse on the future of accounting standards and information systems in a post-COVID-19 world.

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The COVID-19 Pandemic and Its Impact on Accounting Information Systems: An Introduction

About the Book

The volume critically examines the challenges and adaptations required by the accounting profession in response to a pandemic. Through comprehensive analyses, it explores how COVID-19 disrupted accounting information systems (AISs) and prompted the re-evaluation of accounting standards. Key areas addressed include the shift to remote work, technological advancements, and regulatory changes. The book aims to provide actionable insights for enhancing the resilience and adaptability of AISs, contributing to the preparation of accounting standards and systems for future global crises. It serves as a pivotal resource for professionals and scholars, offering strategies to navigate and fortify accounting practices in an uncertain global environment.

Background

The COVID-19 pandemic has precipitated an unparalleled global crisis, affected all sectors of the economy, and fundamentally altered the landscape of the accounting profession. This crisis has highlighted the critical importance of robust accounting information systems (AISs) and the need for adaptable accounting standards to navigate through unprecedented challenges. The rapid shift towards digitalization, propelled by pandemic-induced constraints, has underscored the significance of efficient information processing within AISs to ensure the reliability and transparency of financial reporting.

Information processing and accounting are two sides of the same coin. The primary role of accounting is to provide financial information for the use of various firms' stakeholders as applicable. Processing financial information in accounting is guided by various accounting standards initially domesticated by countries and is now globally consolidated into what is now known as the international financial reporting standards widely adopted across the globe. The quality of financial information processed precedes the robustness of the standards set following rigorous

processes. The standards are imperfect despite the care and due diligence observed in these processes. They are impacted by various factors that cannot be captured, quantified, or envisaged in the setting processes, affecting the quality of processed financial information. One of those factors is the recent health pandemic. COVID-19 came without warning and destabilized every known aspect of human existence. Accounting consideration and financial information quality came to the fore in the COVID-19 environment (Maria Markova & Georgi Hristov, 2021). The processing of financial information was challenged as the shortcomings of various accounting standards became apparent, as practitioners, regulators, and academics alike grappled with adapting existing standards to suit the prevailing circumstances (Gurău et al., 2021). Pandemics are a part of human existence, and it is unclear when the next major one will hit and how it will manifest (Donthu & Gustafsson, 2020). The lessons learned within accounting and information processing are clear. It is essential to synthesize and document the challenges, the adaptations, and, more importantly, the impact of the pandemic on information processing and accounting standards to inform responses and the flexibility of the standard-setting process and the quality of the information in readiness for future pandemics.

This book addresses the challenges of financial reporting and information management systems caused by the COVID-19 crisis. Information access, transmission, and rapid changes in the business financial reporting environment during the COVID-19 pandemic revealed some shortcomings of international financial reporting standards. Nearly all aspects of financial information processing were affected by the quality of the information accessed. Even at the public sector level, there are concerns that COVID-19 has made it difficult to manage risks and uncertainties (Bastida et al., 2021). The situation was perhaps worse for corporate reporting, as issues of fair value measurement, value relevance, and going concern were challenging, as in a typical operating environment. For instance, the pandemic environment resulted in the suspension of certain provisions about how lessees account for leases to cope with the exigences that unfolded (Teixeira, 2021). Several accounting policies within IFRS were modified to account for financial risks associated with expected credit losses, fair value measurements, contract revenue, adjustment in equity, and debt reporting mechanisms, among others, to suit the pandemic reporting environment (Almayyahi et al., 2021; Markova and Hristov, 2021). In addition to packaging small businesses for tax incentives and stimulus packages, Wahyuni (2022) reported that IFRS played an insignificant role in small businesses' survival during the pandemic.

Despite the challenges posed by the pandemic, some opportunities were presented. According to Sidaway et al. (2022), the pandemic provided a unique chance to position decision usefulness information qualitative characteristics of reporting beyond the financial context to socio- and moral dimensions that could ensure flexibility in responding to reporting environments in similar situations. Information communication technology is pivotal in financial statement preparation and business practices. Working from home, orchestrated by the pandemic, increased the need for relevant information on social media and other similar platforms to ensure that businesses remained managed on a going-concern basis (Lesi, 2020). Industry

4.0 is a great advantage for information processing and financial reporting, ensuring that businesses can explore the potential impacts of features such as big data, artificial intelligence, and augmented reality, among others, on accounting practices for sustainability during the pandemic (Saeudy et al., 2022).

Accounting information is critical for business success (Siagian & Muda). While accounting processes financial information that is more often guided by standards, information sciences rely on having access to the right information. Hao and Pham (2022) posit that although COVID-19 information disclosure assisted in reducing investors' uncertainty, the gains were eroded due to variations in industry-wide disclosure, highlighting information comparability among firms and access to reliable information in a volatile environment. Tibiletti et al. (2021) lamented the inconsistencies in IFRS application during COVID-19 with negative consequences for future business performance.

Over time, crises have exposed the weaknesses and/or limitations of these vital business ingredients. The recent pandemic has created different challenges and revealed the inadequacies of accounting and information systems processes. The dynamics of planned business restructuring activities introduced many considerations and culminated in additional disclosure for business tax purposes. We propose combining perspectives and research from academics, practitioners, and the industry on modifying accounting systems and processes to be resilient in and out of a crisis. Therefore, empirical and theoretical submissions addressing the underlisted themes or related issues are invited for publication in this proposed book. The book will highlight recommendations for standards and information system improvement. We are inviting chapters covering the following themes and related aspects not listed.

Objectives of the Book

In confronting the extraordinary challenges presented by the COVID-19 pandemic, the accounting profession has found itself at a crossroads, necessitating a re-evaluation of accounting information systems (AISs) and the standards that govern accounting practices. This book aims to meticulously examine and elucidate the multifaceted impacts of the pandemic on these critical components of financial reporting and information management. The detailed objectives set forth aim to guide both the scholarly exploration and practical application of findings within the realms of AIS and accounting standards, ensuring relevance and applicability in the face of ongoing global challenges.

Exploring the Impact of COVID-19 on Accounting Information Systems

The onset of the COVID-19 pandemic has precipitated unprecedented disruptions across all sectors, with the accounting domain being no exception. A principal objective of this book is to delve into how these disruptions have affected the operational efficacy, resilience, and adaptability of AIS. This exploration involves analysing the shift towards remote working arrangements, the increased reliance on digital technologies, and the challenges these shifts pose to the integrity and reliability of accounting information. The book aims to uncover the strategies that have been employed to mitigate these challenges, exploring the role of innovation in sustaining the continuity and resilience of AIS in such tumultuous times.

Examining Changes in Accounting Standards in Response to the Pandemic

The economic upheaval caused by the pandemic has led to significant financial uncertainties, which, in turn, have implications for accounting standards and practices. This book seeks to scrutinize the modifications and adaptations in accounting standards prompted by the challenges of the pandemic. It will evaluate how these changes aim to address issues of financial reporting, valuation, impairment, and the fair presentation of the economic reality of businesses during the pandemic. Furthermore, the book will assess the implications of these adaptations for transparency, investor trust, and the overall integrity of financial markets.

Identifying Strategies for Resilient and Adaptive Information Systems

In light of the disruptions caused by the pandemic, it has become imperative for businesses to enhance the resilience and adaptability of their AIS. Thus, another pivotal objective of this book is to identify and propose forward-thinking strategies that can be adopted to fortify AIS against future global crises. This entails a comprehensive analysis of technological advancements, cybersecurity measures, regulatory frameworks, and best practices in data management and processing. The book aims to provide actionable insights and recommendations that organizations can implement to ensure the robustness and agility of their AIS, thereby safeguarding against potential disruptions and ensuring continuity in accounting practices.

The detailed objectives outlined in this book serve as a roadmap for navigating the complex landscape sculpted by the COVID-19 pandemic within the accounting profession. By exploring the impact of the pandemic on AIS, examining changes in

accounting standards, and identifying strategies for enhancing system resilience, this book aims to equip professionals, scholars, and policymakers with the knowledge and tools necessary to adapt to and thrive in the changing dynamics of financial reporting and management. As the world continues to grapple with the pandemic's aftermath, the insights and analyses presented in this book endeavour to contribute to a more resilient, transparent, and adaptive accounting practice, poised to meet the challenges of the future.

Overview of Contributed Chapters

In an era defined by uncertainty and rapid change, particularly accentuated by the COVID-19 pandemic, *Information Processing and Accounting Standards* emerged as a beacon for professionals and scholars in the accounting domain. This book, through its meticulously curated chapters, delves into the nuanced impacts of the pandemic on accounting practices and information systems, exploring theoretical underpinnings, empirical findings, and forward-looking strategies. Each contributed chapter represents a testament to the resilience and adaptability of the accounting profession in the face of adversity, offering insights, analyses, and recommendations that are both profound and actionable.

The synthesis of the contributed chapters in *Information Processing and Accounting Standards: The COVID-19 Pandemic and Its Impact on Accounting Information Systems* encapsulates a comprehensive examination of how the pandemic has reshaped the landscape of accounting, with a pivotal focus on accounting information systems (AISs) and the evolving nature of accounting standards. Through a series of meticulously curated contributions, the book delves into the nuanced impacts of the pandemic, exploring themes of corporate cash holdings, the theoretical underpinnings of these phenomena, and the broader implications for corporate governance and macroeconomic stability.

A central theme emerging from the chapters is the evolution of corporate cash holdings in response to the COVID-19 pandemic. These discussions provide insights into the motives behind holding cash, emphasizing the transactional, precautionary, and speculative motives that have become increasingly pronounced in the uncertain economic climate engendered by the pandemic. Through a detailed analysis, the chapters highlight how corporations have adapted their cash management strategies, weighing the imperatives of liquidity against the backdrop of unprecedented economic disruptions.

The book offers a deep dive into the theoretical frameworks that govern our understanding of corporate cash holdings and financial decision-making. By revisiting established theories such as trade-off theory, pecking order theory, and agency theory, these contributions provide a fresh perspective on how these theoretical models apply in the context of a global pandemic. The chapters argue for a re-evaluation of these frameworks, suggesting that the unique challenges posed by the pandemic necessitate a nuanced understanding of corporate finance dynamics.

A noteworthy aspect of the book is its examination of the institutional and macroeconomic determinants of corporate cash holdings. The chapters elucidate the role of institutional theory in shaping corporate behaviours and decisions, particularly in times of crisis. Furthermore, the analysis extends to the macroeconomic factors influencing corporate cash reserves, offering insights into how external economic environments impact corporate financial strategies. This comprehensive approach underscores the interconnectedness of corporate finance, institutional frameworks, and macroeconomic policies.

A critical examination of the impact of COVID-19 on corporate investment and cash holdings reveals the profound effects of the pandemic on corporate financial decision-making. The contributions delve into the immediate and enduring impacts of the pandemic, shedding light on how corporations have navigated investment strategies amidst fluctuating market conditions and economic uncertainties. This analysis is instrumental in understanding the broader implications of the pandemic for corporate governance and financial stability.

This book synthesizes these insights to outline strategies for enhancing the resilience and adaptability of accounting information systems in the face of future crises. By integrating the lessons learned from the pandemic with theoretical and empirical research, the contributions offer valuable recommendations for practitioners, policymakers, and scholars. The emphasis on forward-looking strategies underscores the imperative of preparedness and adaptability in the evolving landscape of accounting and finance.

In conclusion, *Information Processing and Accounting Standards: The COVID-19 Pandemic and Its Impact on Accounting Information Systems* provides a rich tapestry of analysis and insights into the ramifications of the pandemic for the accounting profession. Through a multidimensional exploration of corporate cash management, theoretical frameworks, institutional influences, and macroeconomic determinants, the book offers a nuanced understanding of the challenges and opportunities that have emerged. This synthesis not only contributes to academic discourse but also serves as a guide for navigating the complexities of accounting and finance in the post-pandemic world, emphasizing the critical role of resilience, transparency, and strategic foresight.

Each chapter of this book contributes to a cohesive exploration of the interplay between the COVID-19 pandemic, information processing, and accounting standards. From discussing the motives behind cash holdings in times of uncertainty to examining corporate cash holding theories and the influence of institutional theories on corporate behaviours, the book offers a comprehensive analysis. Additionally, this study provides insights into the macroeconomic determinants of corporate cash holdings and investigates the direct impact of COVID-19 on corporate investments and cash holdings.

Methodological Approaches

The book *Information Processing and Accounting Standards: The COVID-19 Pandemic and Its Impact on Accounting Information Systems* provides a diverse and comprehensive examination of the impact of the COVID-19 pandemic on the accounting field, employing various methodological approaches across its chapters to explore the nuanced changes and challenges faced by the profession. This synthesis aims to encapsulate the methodological richness that underpins the research contributions within the book, highlighting how these approaches facilitate a deeper understanding of the pandemic's effects on accounting standards and information systems.

The book's strength lies in its methodological diversity, which encompasses theoretical analyses, empirical investigations, and case studies. This multiplicity of approaches enables a holistic examination of the pandemic's impacts, ranging from changes in corporate cash management practices to shifts in accounting information systems. Theoretical frameworks provide the foundation for exploring the underpinnings of financial decision-making and the evolution of accounting standards in response to the pandemic. Simultaneously, empirical investigations offer data-driven insights into the real-world implications of these theoretical concepts, grounding the analysis of tangible outcomes and observable trends.

Several chapters employ analytical research strategies, focusing on the interpretation of existing data to draw conclusions about the pandemic's impact on accounting practices. This approach is particularly effective in examining the macroeconomic determinants of corporate cash holdings and the institutional factors influencing financial decision-making during the pandemic. By analysing secondary data from various sources, these chapters offer a comprehensive view of the economic landscape, elucidating the complex interactions between corporate finance strategies and external economic pressures.

The use of case studies and qualitative analysis in some chapters provides a detailed examination of specific instances of pandemic-induced challenges and adaptations within the accounting profession. These methodological approaches allow for an in-depth exploration of the practical applications of accounting standards and the operational realities of accounting information systems in a crisis context. Through interviews, document analysis, and observational studies, these chapters offer nuanced insights into the strategies employed by firms to navigate the uncertainties brought about by the pandemic, highlighting the importance of flexibility and innovation in accounting practices.

A key methodological theme across the chapters is the integration of theoretical insights with practical implications. This bridging of theory and practice is crucial for understanding the dynamic nature of accounting standards and information systems in the face of unprecedented global challenges. By synthesizing theoretical frameworks with empirical findings and case study analyses, this book provides a robust platform for discussing future directions in accounting research and practice, emphasizing the need for resilience and adaptability in the profession.

The methodological approaches employed in *Information Processing and Accounting Standards: The COVID-19 Pandemic and Its Impact on Accounting Information Systems* collectively offer a comprehensive and multifaceted examination of the pandemic's impact on the accounting field. Through a blend of theoretical analysis, empirical investigation, and qualitative research, the book sheds light on the myriad ways in which the pandemic has reshaped accounting practices and standards. This methodological richness not only enriches the academic discourse surrounding accounting and finance but also provides valuable insights for practitioners navigating the complexities of a post-pandemic world. The synthesis of these methodological perspectives underscores the importance of interdisciplinary approaches in addressing the challenges and opportunities that lie ahead for the accounting profession.

Conceptual Framework

The book *Information Processing and Accounting Standards: The COVID-19 Pandemic and Its Impact on Accounting Information Systems* intricately weaves through a series of conceptual frameworks that underscore the multifaceted impact of the COVID-19 pandemic on accounting practices and systems. This synthesis essay encapsulates the conceptual underpinnings that form the backbone of the research presented across the various chapters, highlighting the collective insights and forward-looking implications for the accounting profession.

At the core of the book's discourse is a set of conceptual frameworks that serve to illuminate the intricate dynamics between the COVID-19 pandemic, corporate financial management, accounting standards, and information systems. These frameworks draw upon a rich variety of theories, including strategic alignment theory, dynamic capabilities theory, the resource-based view, contingency theory, agency theory, and strategic management theories. Together, they offer a robust scaffold for examining the challenges and opportunities that have emerged in the wake of the pandemic.

A recurring theme across the chapters is the emphasis on strategic alignment and the dynamic capabilities of firms in adapting their accounting practices to the rapidly changing economic landscape. The conceptual framework posits that the alignment between business strategy and accounting information systems is crucial for navigating the uncertainties brought about by the pandemic. This alignment enables firms to leverage their dynamic capabilities, allowing them to swiftly adapt their financial management strategies and accounting practices in response to external shocks and stresses.

The resource-based view (RBV) and contingency theory further enrich the book's conceptual discourse, highlighting the importance of internal resources and the situational context in shaping firms' responses to the pandemic. According to the RBV, firms that effectively utilize their unique resources and capabilities can better withstand the economic fallout of the pandemic. Concurrently, contingency theory

suggests that optimal accounting practices and systems are contingent upon the specific challenges and opportunities presented by the pandemic, underscoring the need for flexibility and context-specific strategies.

Agency theory's insights into the relationships between principals (owners) and agents (managers) are particularly salient in the context of pandemic-induced economic uncertainties. The conceptual framework explores how the pandemic has exacerbated information asymmetries and agency conflicts, necessitating enhanced transparency and accountability in financial reporting. Moreover, the strategic management theories applied within the book advocate for a proactive and strategic approach to financial management and accounting system development, emphasizing the strategic value of information in decision-making processes.

The book integrates these conceptual frameworks, synthesizing their insights to construct a comprehensive understanding of the impact of the COVID-19 pandemic on accounting practices and systems. This integration highlights the interconnectedness of strategic alignment, dynamic capabilities, resource optimization, contextual adaptability, and the critical role of accounting information in navigating the complex economic and financial challenges posed by the pandemic.

The conceptual frameworks delineated in *Information Processing and Accounting Standards: The COVID-19 Pandemic and Its Impact on Accounting Information Systems* provide a multidimensional lens through which the pandemic's implications for the accounting profession can be examined. By drawing on a diverse array of theoretical perspectives, the book offers a nuanced understanding of the strategic, operational, and informational challenges facing the accounting field. These frameworks not only contribute to the academic discourse but also offer practical insights for practitioners striving to adapt their accounting standards and systems in a post-pandemic world, underscoring the enduring relevance and adaptability of the accounting profession amidst global crises.

Theoretical Framework

The conceptual framework underpinning this book centres on the critical interconnections between business strategies, AIS development, and the overarching influence of the COVID-19 pandemic. It examines how strategic alignment, dynamic capabilities, and resource-based considerations shape the development and effectiveness of AIS in turbulent times.

The book *Information Processing and Accounting Standards: The COVID-19 Pandemic and Its Impact on Accounting Information Systems* extensively explores the theoretical underpinnings that inform the study of the pandemic's impact on accounting practices, standards, and systems. Drawing from a diverse set of theories, the submitted chapters collectively construct a multifaceted theoretical framework that provides deep insights into how the accounting field has responded to and evolved in the wake of COVID-19. This synthesis essay aims to distil the essence of

these theoretical contributions, highlighting their interconnectedness and their implications for the future of accounting.

A significant theoretical anchor in the book is strategic alignment theory, which posits that the effectiveness of accounting information systems (AISs) is fundamentally linked to their alignment with an organization's business strategy and objectives. In the context of COVID-19, this theory underscores the necessity for AISs to rapidly adapt to changing strategic priorities, such as crisis management and remote operations, to maintain their relevance and utility.

Closely related to strategic alignment theory, dynamic capabilities theory is invoked to explain organizations' ability to respond to pandemic challenges. This theory emphasizes the role of AIS in facilitating an organization's agility and resilience, allowing for the swift reconfiguration of resources and processes in response to external shocks. Dynamic capabilities theory thus provides a lens through which the adaptational responses of organizations to the pandemic can be understood.

The resource-based view (RBV) offers another vital theoretical perspective, focusing on how organizations can leverage their unique resources and competencies to navigate the pandemic's impacts. This theory highlights the strategic value of AIS as a key organizational resource that can provide competitive advantages, such as enhanced decision-making capabilities and improved operational efficiency, during crises.

Contingency theory is applied across the chapters to explore the situational factors that influence the design and effectiveness of AIS during the pandemic. This theory suggests that there is no one-size-fits-all solution; instead, the optimal configuration of AIS is contingent upon various factors, including the nature of the pandemic's impact, regulatory changes, and the organization's specific circumstances.

Agency theory is particularly relevant in the context of pandemic-induced economic uncertainties. It examines the relationship between principals (shareholders) and agents (managers) and how AIS can mitigate information asymmetries and potential conflicts of interest. This theory underscores the importance of transparency and accountability in financial reporting during times of crisis.

Finally, strategic management theories are woven throughout the book to provide insights into how organizations can strategically navigate the challenges posed by the pandemic. These theories emphasize the importance of strategic planning, risk management, and innovation in accounting practices and systems to sustain organizational performance and resilience.

The theoretical frameworks presented in the book offer a comprehensive and nuanced understanding of the myriad ways in which the COVID-19 pandemic has reshaped the accounting landscape. By integrating these theories, the book highlights the critical role of AIS in supporting strategic decision-making, fostering organizational resilience, and ensuring transparency and accountability during unprecedented times.

The synthesis of theoretical frameworks in *Information Processing and Accounting Standards: The COVID-19 Pandemic and Its Impact on Accounting Information Systems* illuminates the complex interplay between AIS, accounting

standards, and organizational strategies in the face of a global crisis. These theoretical insights not only enrich our understanding of the pandemic's impact on the accounting field but also provide valuable guidance for practitioners and scholars navigating the evolving challenges and opportunities within the profession.

Significance of the Study

This book makes a significant contribution to the literature on AIS and accounting standards by providing an in-depth analysis of the pandemic's impacts and the resulting shifts in accounting practices. It offers practical insights for accounting professionals, guiding them through the challenges posed by the pandemic and outlining strategies for future resilience.

This volume provides an invaluable examination of the profound shifts within the accounting domain induced by the global crisis. Through a series of rigorously researched chapters, the book navigates the reader through the myriad ways in which the pandemic has altered the landscape for accounting standards, information systems, and corporate financial management. This synthesis essay aims to encapsulate the significance of the contributions made by the submitted chapters, elucidating their collective impact on both the academic and practical aspects of accounting in the context of COVID-19.

One of the book's primary contributions is its detailed exploration of the challenges and adaptations within accounting information systems (AISs) prompted by the pandemic. The chapters collectively underscore the critical role of AIS in maintaining operational continuity, supporting remote work environments, and ensuring the reliability and timeliness of financial reporting under crisis conditions. This focus illuminates the indispensability of robust and adaptable AIS in navigating unforeseen global challenges, significantly advancing our understanding of AIS's strategic value.

Another significant contribution of the book is its analysis of the pandemic's impact on accounting standards. The chapters delve into the rapid regulatory changes and adjustments within accounting practices necessitated by economic disruptions. This exploration provides critical insights into the flexibility and resilience required of accounting standards in the face of global crises, offering valuable lessons for future standard-setting processes and regulatory adaptations.

The book also offers profound insights into the strategic financial management practices adopted by corporations in response to the pandemic. Through theoretical and empirical analyses, the chapters detail the shifts in corporate cash holdings, investment strategies, and risk management practices, highlighting the strategic imperatives of liquidity management, operational resilience, and financial planning during times of crisis. These insights significantly contribute to the broader discourse on corporate finance management in volatile economic environments.

By combining diverse theoretical frameworks and practical case studies, the book bridges the gap between academic research and real-world application. This

study not only enriches the academic literature on accounting and financial management during crises but also serves as a practical guide for professionals navigating the accounting challenges posed by the pandemic. The book's comprehensive examination of AIS, accounting standards, and financial management strategies in the context of COVID-19 provides a blueprint for future resilience and adaptability in the accounting profession.

Importantly, the book also identifies gaps in the current knowledge and outlines potential avenues for future research. By highlighting the evolving nature of the challenges faced by the accounting profession and the ongoing implications of the pandemic, the chapters underscore the need for continued exploration of adaptive strategies, technological innovations, and regulatory reforms. This forward-looking perspective is crucial for preparing the accounting profession to effectively address future global disruptions.

This book makes a significant contribution to the field of accounting by providing a comprehensive analysis of the pandemic's impacts and subsequent responses within the profession. The book's exploration of AIS, accounting standards, and strategic financial management in the face of COVID-19 offers invaluable insights for academics, practitioners, and policymakers alike. Its contributions not only advance our understanding of the accounting profession's current challenges but also lay the groundwork for future resilience and innovation.

Structure of the Book

The book is structured to guide readers through a logical progression of themes and analyses, ensuring a comprehensive understanding of the complex dynamics between the COVID-19 pandemic and the accounting profession.

The book is meticulously structured to offer a holistic examination of the profound impacts of the COVID-19 pandemic on the domain of accounting. This synthesis essay aims to highlight the coherent structure across the submitted chapters, elucidating how they collectively navigate the reader through the intricate interplay between the pandemic, accounting standards, information processing, and strategic responses by organizations.

The book begins with this introductory chapter that sets the stage for the ensuing discourse, outlining the unprecedented challenges posed by the COVID-19 pandemic to the accounting profession. It seamlessly transitions into a theoretical grounding, where fundamental frameworks such as strategic alignment theory, dynamic capabilities theory, and the resource-based view are discussed. This chapter lays a robust foundation for understanding subsequent empirical explorations and case studies, emphasizing the necessity of aligning accounting information systems with broader strategic objectives in the face of crisis.

Following the theoretical framework, the book delves into the specific impacts of the pandemic on accounting information systems (AISs). This section provides an in-depth exploration of the operational challenges, technological adaptations, and

strategic innovations that organizations have implemented to ensure the continuity and reliability of accounting practices. The chapters here are structured to progressively unpack the complexities of AIS adjustments, highlighting the role of digital transformation and remote working capabilities.

The reader goes through the evolution of accounting standards amidst the pandemic. The chapters critically examine regulatory responses, the flexibility of accounting standards, and the implications for transparency and financial reporting. The focus of chapters on both the immediate adjustments and the long-term implications for accounting standards offers a comprehensive view of the shifts within the regulatory landscape and their impact on practice and theory.

In addressing corporate financial management strategies, the book adopts a focused approach to explore how organizations have navigated financial uncertainties. They provide insights into corporate cash management, investment decision-making, and risk management practices during the pandemic. Through empirical analyses and case studies, the chapters elucidate the strategic financial responses of firms, contributing to a deeper understanding of the financial implications of the pandemic.

The concluding chapter of the book synthesizes the insights garnered from the preceding chapters, drawing connections between the theoretical discussions, empirical findings, and practical implications. We integrate the diverse perspectives presented throughout the book, by offering a cohesive summary of the key takeaways. Furthermore, we outline future research directions, emphasizing the enduring questions and challenges that the accounting profession faces in the post-pandemic world.

The structure of the book and the order of chapters is thoughtfully designed to offer a progressive exploration of the pandemic's impact on the accounting field. From establishing a theoretical foundation to delving into practical adaptations and strategic responses, the book's structure facilitates a comprehensive understanding of the dynamic changes within accounting practices and standards. By combining theory, empirical evidence, and practical insights, the book not only contributes to academic discourse but also serves as a valuable resource for practitioners navigating the complexities of accounting in a transformed global landscape.

Conclusion

The materials in this book serve as essential resource for understanding the challenges and opportunities presented by the pandemic within the accounting field. It encourages readers to engage with the detailed discussions in subsequent chapters, fostering a deeper understanding of how to navigate the evolving landscape of accounting information systems and standards in the face of global crises.

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Integrated Reporting for Sustainable Financial Service Sector in Emerging Economies Post-COVID-19 Pandemic



Isaac Okoth Randa

Abstract The soundness and implied public trust in the financial system and the economy are built on notions of fair dealings, responsibility, and transparency among dealers and institutions. Arguably, existing gaps between the information currently reported by corporations and information investors need can be bridged by embracing integrated reporting. This chapter descriptively analyses the influence of integrated reporting as a mechanism for imbedding corporate transparency, accountability, fairness, and responsibility and hence sustainable financial services. Hence, adopting a realist research perspective, this chapter employs documentary data to explore the influence of integrated reporting on sustainable financial service delivery for emerging economies. Through a number of mechanisms, including improving transparency, enhancing risk management, aligning investment strategies, incentivising sustainability performance, and facilitating stakeholder engagement, integrated reporting contributes to sustainable financial services.

Keywords Integrated reporting · Financial services · Emerging economies · Accountability · Financial Innovation · Responsibility · Sustainability and corporate transparency

1 Introduction

A well-functioning financial infrastructure is indispensable for the smooth functioning of financial markets and the efficient allocation of resources in any economy (Krishnan, 2011; Morgan & Lamberte, 2012). Underpinned by robust policies and regulatory systems, financial systems, through effective financial intermediation, work diligently in the background, underlining economic growth and poverty reduction (World Bank, 2012). However, impaired by poor sectorial policies, unsound

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