

DEPARTMENT OF ACCOUNTING AND FINANCE

AG 409 Sustainability Accounting: Theory and Practice

2023/24 SEMESTER I

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CLASS DESCRIPTION

Our Accounting Honours programme includes a commitment to respond to new developments arising from research and practice and to cover emerging issues, including social and environmental issues as responsible business practice. This class is dealing with the impact on accounting of the emerging topic of sustainability. Sustainable development has been accepted as the goal of society as demonstrated in the United Nations Sustainable Development Goals (SDGs) to 2030. Sustainable development will require a major restructuring of almost all of our human activities including accounting. The accountancy profession will be faced with the challenge of accounting for sustainability. Professional accounting bodies, academics and practitioners alike are reviewing the implications of sustainability for business and accountancy. This class will deal with this emerging and highly relevant topic.

CLASS AIMS

This class aims to prepare students to take an active part in the development of accounting's response to the sustainability agenda. It introduces students to the key elements of sustainable development and then explores the potential impacts on accounting from changing social and environmental pressures. Students will develop a theoretical and conceptual framework to evaluate the effectiveness of sustainable accounting. In turn, students will practice reporting on sustainability.

LEARNING OUTCOMES

The following learning outcomes will contribute to your self-analysis and reflection in your Student's Personal Development Planning (SPDP). These learning outcomes will be assessed using the methods explained in the "Assessment" section in this Outline.

Alternative formats of teaching materials are available on request. Please contact Jillian D'Agostino in the departmental office of Accounting and Finance.

Subject-specific knowledge and skills

On completing this class the student will have the ability to:

A1 be familiar with the main sustainable accounting literature

- A2 be aware of the history and literature of social and environmental accounting
- A3 know the different theoretical and philosophical roots of accounting for sustainability
- A4 understand the contested nature of the sustainability accounting debate
- A5 Be aware of 'new' techniques and developments related to sustainability accounting
- A6 recognise the possibility that accounting for social and environmental issues may cause more harm than good.
- A7 evaluate critically the effectiveness of different sustainable accounting models and techniques

Cognitive abilities and non-subject specific skills

During the class you will:

- B1 Develop the skill of critically evaluating sources of public 'accounts' of corporate performance
- B2 Develop the skill of critically evaluating published research papers including method and methodology.
- B3 Develop the skills required to identify the theoretical contribution of published research papers
- B4 Develop communication skills – explaining, listening, discussion, questioning, presenting and defending a position, giving feedback, writing.
- B5 Develop intellectual understandings, clarifying concepts and theories by thinking, discussion, doing, observing and constructing connections.
- B6 Develop a mature learning stance by accepting personal responsibility for progress and direction of learning, questioning authority, using feedback from mistakes
- B7 Grow as a person, clarifying your values, changing your attitude towards prior received wisdom, developing self-esteem, self-confidence.

ASSESSMENT

The modes of assessment are listed below

Assessment Element	% Weighting	Word count	Date Due
Journal Article Review	15	1000	week 4
Essay	25	2,000	week 8
Individual 'shadow' Account	30	3,500	Fri 01/12
Group Report	15	1,500	Fri 01/12
Group Presentation (in class)	10		week 3,7,8
Poster (in class)	5		week 11

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Journal Article Review

Students are required to submit a 1,000 word review of an article listed at the end of this outline on the topic of sustainability. The submission date for the review is noon Monday, week 4.

You can choose any article you wish to review (except for Tregidga, H. (2017)). It is important that prior to reviewing the article, the title should be confirmed as acceptable by the lecturer in class in week 2.

Your review should include the following:

- Summary of the main themes/messages of the article
- Analysis of the main implications of the article to accounting
- Evaluation of the practicalities of the main ideas / conclusions of the article
- Your reaction to the article, did you like it, did you dislike it, what bits you liked.
- How (if at all) has your understanding of sustainability changed as a result of reading this article?

Essay

Students are required to submit a 2,000 word critique of the shadow accounting process. The submission date for the essay is noon Monday week 8.

Through carrying out a shadow account project students will be familiar with the practice of developing such accounts. As part of this critique, students are required to integrate their experience with insights from empirical research and theories associated with shadow accounting. The essay requires students to reflect on what they have learnt from this practice and consider arguments for and against the project as a means of accounting for sustainability.

Your critique should include the following:

- Analysis of the benefits of producing the account
- Evaluation of the practicalities of the shadow account process
- Reflect on the main lessons you have learned by producing a shadow account
- Your reaction to the project, do you like it, do you dislike it, what bits you liked.
- How (if at all) has your understanding of preparing an account changed as a result of conducting the project?

Individual 'Shadow' Account/ Group Report/ Presentation

As part of this class, you are required to complete an account of a case organisation. Case details will be provided in the class in week 1. Previous case organisations have included – LUSH, Disney, Boohoo, Volvo group, Tesco plc, IKEA, H&M, Scottish Power and University of Strathclyde. Examples of previous projects will be shown in class to have a better understanding on what the project is about.

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Each student shall submit an Individual 'Shadow' Account (30%) on an agreed aspect of the social, economic and environmental impact of the case organisation and contribute to a themed Group Report (15%) on accounting for sustainability for the case organization. Groups will be decided in the first class. All students will be working on a specific aspect of the case and contributing towards their group's theme. The submission date for these two pieces of coursework is the noon Friday 01/12/2023. During the course of the class, series groups will be required to present their progress to date to the class, including their objectives, methods of research, issues encountered and overcome.

You will be expected to conduct research on your agreed aspect of the case organisation and contribute to the Group Report. This research should include drawing upon personal experiences, prior learning and classes, books, academic and professional journal articles, newspaper articles, the internet, government/ professional bodies reports, annual accounts, 'sustainability' accounts, gathering a limited set of empirical data or any other sources as appropriate.

The Individual Shadow Account should be at least 3,500 words long with no upper limit. It is expected that the actual length will depend on the specific aspect under investigation. Students are encouraged to discuss content and length with the lecturer as the project progresses. The individual shadow report should diagnose and evaluate the sustainability of the case organisation:

- Definition and scope of shadow report.
- Description of research methods and data collection.
- Evaluatory framework used
- Evidence Gathered – strategy, programmes, policies, performance measures, evidence collected, kpis.
- Evaluation of case organization.

The Group report should be around 1,500 words long. It is expected that the actual length will depend on the specific aspect under investigation. Students are encouraged to discuss content and length with the lecturer as the project progresses. The Group Report is to be written jointly by all members of the allocated group.

The content of this group report will contain for the selected theme of the case organisation:

- Vision of Sustainable Future
- Identification of Sustainable Impacts
- Stakeholder Analysis
- Sustainable Performance Framework
- Evaluation of the current sustainability
- Actions required to transform

Students will be given the opportunity throughout the class to develop their Individual Shadow Accounts/ Group Reports through preparation of progress reports, presentations and class discussions. A project workshop will be held to deal with any

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final issues relating to the Group Report, including word length, contents, structure and layout etc.

Poster

In the same groups as for the group shadow account, you are required to produce a poster of maximum size the equivalent of a piece of flip chart paper (sheets of which are available from the lecturer). This poster should attempt to represent what you have learnt about the topic under study and can take any format. Each poster will be displayed in the class and serve as a basis for class discussion. This is your opportunity to provide an alternative medium for reporting. Marking will take into consideration innovative/creative/radical elements as well as use of text/graphics/pictures or wherever your fancy takes you. Poster marks will be allocated as per the Group Report. This poster will be presented to the class in the workshop meeting in week 11.

PENALTIES FOR LATE SUBMISSION

The Business School follows the University's policy for the late submission of assessed work:

https://www.strath.ac.uk/media/ps/cs/gmap/academicaffairs/policies/Policy_and_Procedure_for_Late_Submission_of_Coursework_Final_2018.pdf.pagespeed.ce.Kz4LhBtJRh.pdf

FEEDBACK

The standard turnaround time for all feedback and marking within SBS is 15 working days from assessment submission.

The University policy on Assessment and Feedback is available here:

http://www.strath.ac.uk/media/ps/cs/gmap/academicaffairs/policies/assessment_and_feedback_policy_-_Effective_Sep_14.pdf

RESIT POLICY

As this is an honours level class, there are no opportunities for re-assessment.

PENALTIES FOR LATE SUBMISSION

The Business School follows the University's policy for the late submission of assessed work:

[POLICY and procedure for LATE SUBMISSION OF COURSEWORK \(strath.ac.uk\)](#)

It is a requirement for course completion to submit all parts of the class assessment. Non-submission of any part will result in an overall mark of zero being awarded for the class.

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COMPENSATION SCHEME

[POLICY ON Compensation Scheme \(strath.ac.uk\)](http://strath.ac.uk)

FEEDBACK

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[Assessment and Feedback Policy \(strath.ac.uk\)](http://strath.ac.uk)

TEACHING AND LEARNING

Lectures and workshops will be delivered face-to-face, including group presentations (week 3,7 and 8) and poster presentation on week 11.

This class is designed to encourage a student-centred approach to learning about accounting and sustainability. The main learning processes are student participation through reading, workshop debate, projects and case studies on topics chosen by the student. The class series will take the form a 3 hour workshop made up of a 2 hour lectures and then a 1 hour seminar each lecture week. The 2 hour lectures will cover the emerging research literature on sustainable accounting and accountability. The material from these lectures will then form the basis for the workshops. In the workshops, the lecturer's role will normally be to initiate and maintain the discussion and involve all students in the debates to help them with their project.

Within workshops, a number of learning techniques will be used to help develop your understanding of the different class topics. These will normally involve collaborating in small groups on a series of short tasks and then informally sharing the outcome with other groups, reflecting on materials and discussions in addition to more formal class debates.

As there is no exam for this class, each week students are expected to read and review assigned text and carry out research prior to each class as timetabled. However, this class is not about learning from text, i.e. memorising and regurgitating, but critically engaging with the ideas. It is concerned with your evaluation and process of evaluation of the theoretical and practical implications of your studies, and that may well be an outright rejection of some or all of the issues associated with accounting for sustainability. Discussions within each workshop will encourage you to develop analytical / evaluatory skills and to identify relationships between your studies and prior learning. Workshops will develop an awareness of the skills of listening, explaining, questioning, responding, summarising and effective closure. Underpinning these skills is effective preparation.

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As sustainability is an emerging topic, it may be an area unfamiliar to accounting students. To provide background knowledge on the area, students will have to review a book on sustainability and then conduct a review of accounting for sustainability literature drawn from three papers by a common author. One of the problems claimed in integrating sustainability principles and accounting is the difficulty in operationalising these principles in the real world. To help explore the validity of this claim students have to prepare a group and individual shadow account on a selected corporate case study. Preparation of the account will require the gathering of data, literature reviews, problem solving and integrating findings in a final report. The class achieves the above aims through students reading books, articles and academic papers on sustainability from a number of disciplinary perspectives and publicly available sources on information including the internet. Developing and critiquing their findings through student-led workshop discussions, presentations, case studies and an independent student project. The class has been developed to encourage a dialogical approach; integrating learning activities, delivery mechanisms and assessment strategies.

ACHIEVEMENT OF LEARNING OUTCOMES

The achievement of learning outcomes is necessary to successfully complete the class, both in terms of your learning development and in your class assessment. It is important, therefore, that you are confident about achieving these outcomes as the class progresses. Opportunities will be given for you to reflect upon what you have achieved during this class.

REQUIRED READING

Recommended text book

Bebbington, J., Unerman, J. and O'Dwyer, B. (2014) *Sustainable Accounting and Accountability*, Routledge, UK.

Papers (journal articles)

Gray, R. (2010) Is accounting for sustainability actually accounting for sustainability...and how would we know? An exploration of narratives of organisations and the planet. *Accounting, Organizations and Society*, 35(1), 47-62.

O'Dwyer, B. (2005). The construction of a social account: a case study in an overseas aid agency. *Accounting, Organisations and Society*, 30, 279 – 296.

Russell, S. and Thomson, I. (2009) Analysing the Role of Sustainable Development Indicators in accounting for and constructing a Sustainable Scotland, *Accounting Forum*, 33(3), 225-244.

Tregidga, H. (2017). “Speaking truth to power”: analysing shadow reporting as a form of shadow accounting. *Accounting, Auditing & Accountability Journal*, 30(3), 510-533.

Georgakopoulos, G. & Thomson, I. 2008. Social Reporting, Engagements, Controversies and Conflict in an Arena Context. *Accounting, Auditing and Accountability Journal*, 21, 1116-1143.

Cooper, C., Taylor, P., Smith, N. and Catchpowle, L. (2005) A discussion of the political potential of Social Accounting *Critical Perspectives on Accounting*, 16(7), 951-974.

Islam, M. A., & Van Staden, C. J. (2021). Modern slavery disclosure regulation and global supply chains: Insights from stakeholder narratives on the UK Modern Slavery Act. *Journal of Business Ethics*, 1-25.

Milne MJ., Tregidga H. and Walton S. (2009) Words not Actions! The Ideological Role of Sustainable Development Reporting. *Accounting, Auditing & Accountability Journal* 22(8): 1211-1257. <http://dx.doi.org/10.1108/09513570910999292>.

On-line resources

See MyPlace for On-line video resources and case study links

LECTURE PROGRAMME

Wk	Lecture Topic	Workshop	Submission
1	Introduction to Sustainability Accounting.	Accounting for Sustainability: class overview and allocation of groups	
2	What is Sustainability Accounting Gray, R. (2010) Is accounting for sustainability actually accounting for sustainability...and how would we know? An exploration of narratives of organisations and the planet. <i>Accounting</i> ,	Workshop Explore the sustainability impacts of organisations	

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	Organizations and Society, 35(1), 47-62.		
3	PowerPoint Presentations	Topic: Sustainability reporting of the case organisation is....?	
4	<p>Sustainability & Third Sector Organisations</p> <p>O’Dwyer, B. (2005). The construction of a social account: a case study in an overseas aid agency. Accounting, Organisations and Society, 30, 279 – 296.</p> <p>Stakeholders and Accountability Relationships</p> <p>Georgakopoulos, G. & Thomson, I. 2008. Social Reporting, Engagements, Controversies and Conflict in an Arena Context. Accounting, Auditing and Accountability Journal, 21, 1116-1143.</p>	<p>Workshop</p> <p>Designing sustainability accounting mechanisms</p> <p>Mapping accountability relationships and power dynamics</p>	Article Review due
5	<p>Sustainability Accounting, Shadow Accounting and Power Relations</p> <p>Tregidga, H. (2017). “Speaking truth to power”: analysing shadow reporting as a form of shadow accounting. Accounting, Auditing & Accountability Journal, 30(3), 510-533</p>	<p>Workshop</p> <p>Preparing Shadow Accounts</p> <p>Constructing a framework for measuring the sustainability impacts of an organisation</p>	

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	<p>Sustainable Performance Measurement</p> <p>Russell, S. and Thomson, I. (2009) Analysing the Role of Sustainable Development Indicators in accounting for and constructing a Sustainable Scotland, Accounting Forum, 33(3), 225- 244.</p>		
6	READING WEEK		
7	PowerPoint Presentations	<p>Topic:</p> <p>Problematising Sustainability reporting of case organisation.</p> <p>Case organisation stakeholders are.. ?</p> <p>Revealing power dynamics of the entity.</p>	
8	PowerPoint Presentations	<p>Topic:</p> <p>Problematising Sustainability reporting of case organisation.</p> <p>Case organisation stakeholders are.. ?</p>	Essay due

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		Revealing power dynamics of the entity.	
9	<p>Politics & Social Accounting</p> <p>Cooper, C., Taylor, P., Smith, N. And Catchpowle, L. (2005) A discussion of the political potential of Social Accounting Critical Perspectives on Accounting, 16(7), 951-974.</p>	<p>Workshop</p> <p>Transformation trajectory for a sustainable case organisation</p>	
10	<p>Tackling Modern Slavery: What Role Can Accountants Play?</p> <p>Islam, M. A., & Van Staden, C. J. (2021). Modern slavery disclosure regulation and global supply chains: Insights from stakeholder narratives on the UK Modern Slavery Act. Journal of Business Ethics, 1-25.</p> <p>(Re)presentation and politics of organisational sustainability reporting</p> <p>Milne MJ., Tregidga H. and Walton S. (2009) Words not Actions! The Ideological Role of Sustainable Development Reporting. Accounting, Auditing & Accountability Journal 22(8): 1211-1257. http://dx.doi.org/10.1108/09513570910999292.</p>		Finalising the Group Report and Individual Account
11	Poster Presentation	<p>Topic: Transformation trajectory for a sustainable case organisation</p>	<p>Group Report & Individual Shadow Account due on FRI 01/12/2023</p>

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			Poster Presentation
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