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CULTURE AND ACCOUNTANTS' PERCEPTIONS OF ENVIRONMENTAL FINANCIAL REPORTING PRACTICE

BY

Ahmed Muazu (fcpa)

Department of Accountancy,
Abdu Gusau Polytechnic,
Talata Mafara, Zamfara State Nigeria
EMAIL:furfuri2015@gmail.com

Abstract

This paper seeks to investigate and interpret the possible link between culture and the perceptions of accountants on corporate environmental reporting practices on a two-country basis, i.e. between Nigeria and United Kingdom. Using Hofstede's (1980) and Gray's (1988) cultural value framework, the paper employs a qualitative approach through interviews conducted with corporate accountants in publicly listed companies in Nigeria and United Kingdom. It is revealed that environmental financial practices in both countries are influenced by cultural values, in particular collectivism, high uncertainty avoidance, uniformity, conservatism and secrecy. Despite the fact that types of cultural and sub-cultural dimension pertaining to reporting practice in Nigeria and United Kingdom are similar, mixed findings are found when compared with national cultural values (Hofstede, 1980) and sub-cultural values (Gray, 1988). The consistencies of cultural dimensions found in these two countries and the orientation of the practice across nations indicate a promising move towards standardization and harmonization of successful implementation of environmental accounting and financial reporting.

Keywords: *Environmental Financial Reporting, Culture and Accountant.*

INTRODUCTION

The increasing local and global environmental concerns have put pressure on business accounting and reporting systems to support the corporate environmental accountability agenda. Relatively, environmental financial reporting practice supports the discharge of corporate accountability through a practice of transparency and completeness (see, e.g. Williams, 1987; Lehman, 1995) and the communication of actual and potential environmental performance (Burnt and Welch, 1997).

Although the development of ENRP not new, it is still in its infancy in Nigeria (see. e.g. ACCA, 2004. Yusoff et al, 2005: Yusoff and Lehman, 2008: Buniamin et al, 2011). For instance, Buniamin et al. (2011) discovered that only 28% of the public listed companies studied had reported some form of environmental information.

Despite the various motivation for ENRP (see, e.g. Fita, 2013, Hassan and Ibrahim, 2012; De Viliers and van Staden, 2011), Yusoff and Lehman (2008) found that the motivation for ENRP among business corporations in Nigeria was unclear. They further discovered that common and global influencing factors for ENRP such as financial performance and industry factors have insignificant links with the level of environmental disclosures of publicly listed companies in the country.

With Nigeria focusing on progressive environmental planning, management and practices as enshrined in its Five-Year Development Plans, the (Development) Perspective Plan and Vision 2020, it is essential to explore what motivates Nigerian companies in embarking on ENRP. In particular, this paper seeks to investigate the potential influence of culture by focusing on both the organizational and national perspectives. The investigation pertaining to the influence of culture on motivation for greater organizational engagement in ENRP has led to the hope for this paper to offer new insights into culture in the ENRP literature. A study of culture and ENRP is pertinent to the understanding of local organizational practices and, most importantly, the potential development of ENRP (Perera and Mathews, 1990, Gallhofer et al. 1990). Furthermore, the need to consider cultural effects is important as culture represents the shared values of members in a community, which produces patterns of behavior (Hofstede, 1983).

An examination of culture and its impact on corporate ENRP could add knowledge about the potential success of environmental accounting and reporting systems as a whole. It should be noted that there is a tension between the possible impacts of the globalization and harmonization agenda on local/national development, as there is a risk in imposing a global framework into a local business system. Furthermore, if the framework is market orientated and in tandem with utilitarian reasoning, there could be a tendency for it to lead to a loss of appreciation of the intrinsic value and the meaning of 'environment'. Being insensitive to the local cultures could lead to a situation where, in the face of an imminent environmental problem, economic welfare increases while environmental welfare worsens. The worst case scenario would be one where environmental initiatives do not bring about any change in efforts and initiative to preserve the natural environment. Within these constraints, it is crucial for top management to strategically prioritize their business practices and optimize overall economic return on environmental investments, and subsequently transform these investments into sources of competitive advantage (Orsato, 2006).

This paper is based on the premise that failure to address culture may create more tensions between the local accounting system and the ability to accommodate environmental issues (Gray and Kouhy, 1993; Neu, 2006).

This paper offers perspectives from two countries (i.e. Nigeria and UK), however selection of Nigeria and UK as the focus of the paper was based on the fact that they have distinct economic, social and political settings, hence offering diversity in socio-economic, political and cultural factors (Craig and Diga, 1996).

The following section provides a brief review of literature on culture and accounting and reporting practices. It is followed by a discussion of the research methodology involved. The next section provides the findings of the paper, and the paper ends with conclusions highlighting the key findings and their contributions.

A REVIEW OF LITERATURE

The issue of culture and its relationship with business practices has had academia's attention for the past two decades. While the prevailing literature focuses on culture and its influence on accounting and reporting practice. In this paper contends that it is essential to understand the cultural influences on business practice, in particular reporting practice. In this section, we provide a brief review of the related literature and highlight the potential research area for this study to pursue.

Hofstede (1980 1983) argues that a lack of consensus in accounting practices is due to cultural rather than technical factors To a certain degree, accounting structure is shaped by cultural influences (see Hamid et al., 1993; Haniffa and Cooke, 2002; Chanhani and Willett, 2004), and that cultural is an influencing factor for the development of accounting standards (Gray, 1988; Parera, 1989; Doupnik and Salter, 1995). Accounting literature also confirms the significant influence of culture on practices of cooperate financial disclosure (see, e.g., Salter and Niswander, 1995; Sudarwan and Fogarty, 1996; Zarzeski, 1996; Roberts and Salter, 1999; Jaggi and Low, 2000; Archambault and Archambault, 2003; Hope, 2003). A study on the financial disclosure practices of companies in 33 countries, Archambault and Archambault (2003) found that disclosure is influenced by an interaction between culture national systems and corporate systems. Additionally, accounting disclosure practices were found to be culture driven through market forces (see, eg. Zarzesh. 1996: Santema et al., 2005).

The influence of culture on social and environmental reporting practices is also evidenced in a number of research studies. Sudarwan and Fogarty (1996) had adopted a longitudinal approach to ENRP in Indonesia.

They investigated the relationships among the cultural characteristics of society, reporting practices of companies, and accounting standards promulgated by the Association of Indonesian Accountants, and found some evidence of cultural influences, in particular the dimensions of individualism and uncertainty avoidance (base on Hotstede. t983), and professionalism, uniformity and conservatism (based on Gray, 1985). Similarly, Perera and Mathews ((990) found that differences in the disclosure practices of Anglo-American and European countries are mainly due to cultural factors. Belal (2001) highlighted that social (and environmental) disclosures are influenced by social, cultural, legal economic, political and technological factors.

The prevailing literature has also focused on the link between culture and ENRP among business corporations in some African countries. For example, Perry and Sheng (1999) found that country-specific factors were responsible for the low level of environmental disclosures of the Singaporean companies. Similarly, Kuasirikun and Sherer (2004) found that a country-specific factor was hindering Thai annual reports from becoming the key communication medium for social and environmental issues. It was however a different case for a number of Nigerian studies Teoh and Thong (984) had resulted n the nationality of the company being the factor for disclosure practice. Foo and Tan (1955) and Andrew et al (1989) also found that country specific factors are the underpinnings for greater responsibility reporting but none of these studies have actually examined the issues of culture as determinants. A later study by Haniff and Cooke (2002) explored the cultural effects on corporate social reporting practices in Nigeria, they used the ethnic background of directors and shareholders as a proxy for culture, and regression analysis (between actual social disclosures and culture) resulted in culture being shown to have some influence on reporting practice. In particular, their study indicated that a cultural factor (proportion of Nigerian directors on the board) is significantly associated with the extent of voluntary disclosure.

The common thread pertaining to the link between culture and business practice that binds the literature together put forward an idea on the potential cultural influences on ENRP. In fact, as indicated by Packalen2010), culture is a vital medium in communicating sustainability practices. As indicated earlier, the principal objective of this paper is to investigate whether cultural value orientation affects environmental reporting practice amongst companies in Nigeria and UK the exploration of culture and ENRP in this paper, contrasting with Nigerian and UK scenarios, provides in-depth knowledge about the cultural differences between two countries, from both organizational as well as national perspectives.

Social perspective recognizes the word culture as a whole or nations and 'sub-culture' as cultural situations at an organization profession or family unit level (Hofstede, 1983). Hofstede and Hofstede (2005, p.4) define culture as the collective programming of the mind that distinguishes the members of one group or category of people from others. Culture, in this sense, represents a system of collectively held values-and values are defined as a broad tendency to prefer certain states of affairs over others (Hofstede. 1980,p19). Hofstede (1983) further claims that societies within a nation often share a similar framework of meanings, values and symbols, and these elements are manifested in people's behavior. Hence, it is interesting to investigate whether cultural values have effect on the perception and behavior of corporate officers in a country on reporting practices of their company.

The wide recognition and use of Hofstede's cultural dimension in the prevailing literature, especially the accounting and management field, has led to the use of Hofstede's work as a main reference in this paper. Furthermore, since Gray (1988) proposed the sub-cultural dimensions, the number of studies utilizing the Hofstede-Gray framework (Perera, 1989; Doupnil and Salter, 1995; Baydoun and Willet, 1995; Sudarwan and Forgarty, 1996; Zarzeski, 1996; Jaggi and Low, 2000; Haniffa and Cooke, 2002; Arhambault and Arhambault, 2003; Chanchani and Willet, 2004; Santema et al., 2005; Mir et al., 2009) continues to grow at a rate that justifies its relevancy as the theoretical underpinnings of this paper. Following this, an overview of Hofstede's and Gray's work is presented below.

Hofstede's Cultural Dimensions

Hofstede's research project on national differences among a number of countries in 1980 has resulted in five key cultural dimensions, namely (1) power distance, (2) individualism versus collectivism, (3) masculinity versus femininity, (4) uncertainty avoidance and (5) long-term versus short-term orientation.

Power Distance

The extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally (Hofstede and Hofstede, 2005. p. 46). Within an organizational workplace environment, a high power distance culture recognizes hierarchical roles between management levels where systems are under a centralized structure. Following this, power distance cultures are evidenced in family-social customs in relationships between students and teachers, the young and the elderly, language systems, social status and organizational practices.

Individualism versus Collectivism

Hofstede (1980) suggests that the cultural dimension of individualism versus collectivism relates to the degree to which a culture relies on and has allegiance to the self or the group:

Individualism pertains to societies in which the ties between individuals are loose everyone is expected to look after himself or herself and his or her immediate family, Collectivism as its opposite pertains to societies in which people from birth onward are integrated into strong, cohesive in-groups, which throughout peoples lifetimes continue to protect them in exchange for unquestioning loyalty (Hofstede and Hofstede, 2005, p. 76).

This cultural dimension focuses on the degree to which the society reinforces individual or collective achievement and interpersonal relationships. Under a working environment, a collectivist is anticipated to act according to the interest of the working group. Management decision makers from his dimension's perspective see that it is management of groups (and for groups) for collectivist society and "management of individuals for individualist society (Hofstede and Hofstede, 2005, p. 104).

Masculinity versus Femininity

A society is called masculine when emotional gender roles are clearly distinct: men are supposed to be assertive, tough and focused on material success; whereas women are supposed to be modest, tender, and concerned with the quality of life. A society is called feminine when emotional gender roles overlap: both men and women are supposed to be modest, tender, and concerned with the quality of life (Hofstede and Hofstede, 2005, p. 120). Masculinity versus its opposite, femininity (alternatively labeled as achievement-nurturance), refers to the expected gender roles in a culture. In organizational management, a feminine society tends to relate to management that is based on intuition and consensus while a masculine society is decisive and aggressive.

Uncertainty Avoidance

Hofstede (1980) suggests that uncertainty avoidance relates to a cultural value that refers to society's tolerance of ambiguous, uncertain situations, favoring a structured and rule-based system. Accordingly, a weak uncertainty avoidance society is therefore less favorable to rules and formal law, and a strong uncertainty avoidance society seeks the need for rules guidance in controlling social behaviors.

Long-Term Versus Short-term Orientation

Long-term orientation means the fostering of virtues oriented toward future rewards- in particular, perseverance and thrift. Short- term orientation stands for the fostering of virtues related to the past and present-in particular, respect for tradition, preservation of 'face', and fulfilling social obligations (Hofstede and Hofstede, 2005, P. 210).

Originally known as Confucian dynamism, this dimension is based on the selective set of ethics in the teachings of the legendary Confucius Hofstede and Rond (1988) indicate that this dimension has a link with the rapid economic development and growth of many Asian countries. In business, the main work values for long-term orientation include learning, honesty, adaptiveness, accountability and self-discipline, while the short-tem orientation values may include freedom, rights, achievement and thinking for oneself.

Gray's Sub cultural Dimension

The value systems or attitudes of accountants may be expected to be related to and derived from societal values. Accounting 'values' will, in turn, impact on accounting systems (Gray 1986, p. 5). Gray (1988) hypothesizes that the influence of culture on accounting structures relates to Hofstedes societal values.... Accordingly, culture originates from the ecological influences, i.e. factors that affect ecological or physical environment. Relating to this, the societal-cultural values develop and nurture the well-being of institutions within the society. Institutional consequences in this case may include legal systems, financial and corporate structures education and religion, while the external consequences to an institution include international trade, investment ,multi-national types of company, and colonization. Gray (1988) further argues that there are links between accounting systems and practices and culture or societal values. Gray extended Hofstede's framework by theorizing the association between accounting sub-cultural values and Hofstede's societal values, which ultimately affect accounting systems and accounting systems then affect accounting practices. The four proposed accounting cultural value of Gray (988) are as the following deceptions.

Professionalism versus statutory control: Professionalism represents a preference for the exercise of individual professional judgment and the maintenance of professional self regulation as opposed to compliance with prescriptive legal requirements and statutory control.

Uniformity versus flexibility: Uniformity represents the 'preference for the enforcement of uniform accounting practices between companies and that over time these practices can be consistently applied.

Conservatism versus optimism: Conservatism relates to the preference for a cautious approach to measurement and treatment. This behavior is an outcome of uncertainty about future conditions. Alternatively, optimism represents an optimistic laissez-faire and risk taking behavior

Secrecy versus transparency: Secrecy represents preference for confidentiality that may restrict disclosure of information amongst business organizations. Information is restricted to a selected audience and in most cases it is prepared only for internal use. Conversely, the cultural value that relates to transparency indicates openness, where information is readily and widely provided to the public.

Gray (1988) suggests that the attitudes and values of accountants are related to and derived from societal values of Hofstede. Therefore, accounting values affect accounting systems and

Groups of sub-cultural accounting values are identified, leading to two types of accounting practice:

(1) Authority and enforcement and

(2) Measurement and disclosure. Gray posits that the values of professionalism and uniformity are directly related to the first type of practice, while values of conservatism and secrecy are relevant to the latter practice. The ideas gathered from the review of literature and the foundations laid by the Hofstede-Gray framework suggest the following research questions.

1. Does culture influence corporate environmental financial reporting practices.
2. Which cultural and sub cultural dimensions of Hofstede (1980) and Gray (1988) have an impact on the understanding and perception of corporate accountants?

Research Methodology

This study applied qualitative techniques to examine and interpret effect of culture on corporate ENRP in Nigeria and UK through semi-structured interviews. Such a technique was deemed most appropriate in obtaining in-depth information, in particular, getting the story behind personal experiences (see Mutchnick and Berg 1996). Culture oriented remarks gathered from the interviewees act as windows into their thoughts and offer information about their attitudes, value and perceptions towards ENRP.

The interview method has also been used in a number of prior investigations of corporate social and environmental disclosure practice.

Lodhia (2003), for instance, performed an interview survey of Fijian accountants and examined their readiness in dealing with environmental accounting matters. O'Dwyer (2002, 2003) I also carried out a semi-structured interview of senior managers in selected UK listed companies, where he studied managerial perceptions of social disclosures in corporate annual reports from the perspective of organizational legitimacy theory.

Overall, of the go top public listed companies (in Nigeria and UK) contacted, 11 Nigerian and twenty UK corporate accountants agreed to participate in the interviews. The respondents signify a balanced spread in terms of their representation from diverse types of industry the data collection involved two main stages: (1) contacting potential participants for the interview and (a) conducting interviews with participants who agreed to be interviewed. Each interview session ranged from 45 minutes to one and a half hours in duration.

The interviews were recorded (where agreed) and written notes were made. In the case of some interviewees, who opted not to be taped during the interview, the researcher undertook extensive note taking throughout the sessions. The interviewees were assured that the study results would be published anonymously, and that the corporate and personal information would remain confidential.

The data collected via interviews was examined through a coding system that helped in structuring and facilitating analysis. The coding of interview feedbacks from the corporate accountants was primarily guided by Hofstede's(1980) cultural dimensions and Grays (1988) sub-cultural accounting dimensions, which functioned as the framework in identifying and interpreting the cultural influences on ENRP. Interview transcripts were thoroughly read on four separate occasions. The first reading was an initial examination to give a general idea of the conversation. However, the transcribed data were then labeled and categorized following the cultural dimensions of Hofstede and Gray. Accordingly, this coding task involved the process of breaking down, examining, comparing, conceptualizing and categorizing data (Strauss and Corbin, 1990. p. 61), which resulted in relevant and representative cultural themes. Next, the core categories (main and sub-categories) among cultural themes in the earlier stage were identified and delineated. This coding task involved the development of connections and links between the main issues and sub-issues relating to the studied cultural dimensions. Finally, the identified categories were integrated into the initial theoretical framework of the study, i.e. the cultural impacts and dimensions involved (see figure 2)

The principal purpose of this paper was to present a narrative reflecting an in-depth examination of the potential influence of culture on ENRP from Nigeria and United Kingdom contexts. Two of Hofstede's cultural dimensions and three of Gray's sub-cultural dimensions had emerged within the narratives, as a result of the perception of interview participants through the semi-structures interviews carried out. The key cultural dimensions discovered were closely related to the individualism versus collectivism and uncertainty avoidance of Hofstede's (1980) cultural dimension (Gray and Vint, 1995).

Individualism versus Collectivism

Environmental reporting from the organizational perspective seems to be highly driven by what other companies are doing; for instance, a Malaysian accountant commended '...we have environmental management system (EMS), and we already have certain (environmental) data. It is a good idea to report but others are not doing it?.'

The Nigeria and United Kingdom accountants view themselves as 'we' – in which they see a need to work in a similar way within a group (Hofstede, 1983). The findings indicate that corporate ENRP in Nigeria and United Kingdom is culturally placed at a low individualism high collectivism value (Buhr and Freedman, 2001).

One Nigerian accountant, however, made a contrary suggestion, implying an attitude of high individualism concerning environmental reporting amongst business corporations. This comment illustrates that a company's proactive action on environmental reporting need not necessarily involve endorsement from the industry or peer pressure.

Uncertainty Avoidance

The uncertainty avoidance cultural dimension was also found to have influenced companies in Malaysia and Australia to publicly report environmental information. This uncertainty issue is specifically related to the type and nature of company operations and the fact that particular companies have implicitly called for guidance in accounting (and reporting) for the environment. Below are two examples.

There is a comment which indicates that uncertainty in handling and managing environmental matters, in particular the subjectivity of environmental information and the unavailability of clear reporting rules, is a key reason for non reporting behavior. Both Nigerian and UK accountants signaled that they welcomed some regulatory intervention that could lead to proper reporting guidelines. They, in particular looked forward to a framework of ENRP with clear and well structured procedures.

What this implies is that the current reporting setting is not stimulus for environmental disclosure practice and that an improved setting for ENRP could be a way of reducing ambiguity problems in order subsequently to assist and promote environmental reporting.

These findings also suggest that, from an organizational perspective, the uncertainty avoidance value for ENRP among Nigerian and UK companies is high in comparison with their national cultural values. There is therefore a conflict in findings, as Nigeria and UK scored low uncertainty avoidance indexes. These, in general, indicate that the cultures of the two countries have high tolerance for uncertainties and ambiguities- more open to challenges and acceptance towards the unknown.

The interview results therefore suggest that Nigerian and UK attitudes toward corporate environmental reporting are dissimilar to their national common cultural behavior. This begs the question of what the possible reason is for this apparent conflict between the cultural influences on ENRP in Nigeria and UK and the prevalent social cultural patterns.

Gray's (1985) framework is used in this study to benchmark and assist our understanding of ENRP in Nigeria and UK. From the interview feedback gathered that the influence of three accounting values – uniformity, conservatism and secrecy can be interpreted.

Uniformity versus Flexibility

Comments from the accountants signify that uniformity has some influence on ENRP. When a company follows what others are reporting especially within the same industry it seeks to be consistent (at par) with others in the public eye, this form of behavior could eventually lead to uniformity in business reporting practice.

Apart from the effects of peer pressure, the preference for mandatory reporting suggests that both Nigeria and United Kingdom companies would prefer a standardized and uniform system to account and report for the environment. This reporting generally suggests that the uniformity value is in place – high uniformity, low flexibility.

Conservatism versus Optimism

Corporate resistance to ENRP can also be interpreted, from a cultural perspective, as an element indicating conservatism. The resistance is specifically linked to the practices of non-reporting companies in Nigeria and UK. For instance, a United Kingdom accountant implied that they are cautious when it comes to reporting environmental information: "...we need to be careful on what people see what we report and cover on those (environmental) issues..." (AES). The accountant's subsequent comment refers to the fear of a negative impact of disclosures made:

The following excerpt explains how the fear of a negative perception by others is the rationale behind the cautious approach to accounting and reporting environmental matters. We don't have a lot of altruistic things, ideals and people cannot see the benefits. So, why do it (environmental accounting and reporting)? Why? You will just get yourself into trouble for that (M-GP2).

These comments demonstrate corporate concern about the uncertainty of external reactions to ENRP and the potential for creating a bad corporate image. To some companies, the ambiguities of the environmental subject (e.g. what to report and how to measure) itself have led to the adoption of a 'play-safe' approach, resulting in non ENRP. Interestingly, conservatism also exists in reporting companies, which signifies that the reporters also consider the play-safe approach relevant. In this case, minimal reporting is in favour, as expressed by an interviewee as follows:

...we wouldn't want to be too ambitious; we also want to make sure that we don't overwhelm people... So, what we do is let's begin with basic information and not be too ambitious. After all it is our first and second report!.

Generally, these findings suggest that companies in Nigeria and UK have high conservatism sub-cultural accounting values in their environmental reporting practices.

Secrecy versus Transparency

Secrecy is seen to be an appropriate way of disseminating environmental information to reflect the potential dangers of open reporting. The need to be secretive in reporting environmental information was argued as justifiable by accountants, for instance:

Frankly speaking, why do you want to report publicly when your competitors is able to know everything you do – your management accounting stuff? Your competitors could know the internal things (M-TS1). We cannot be telling everything... it should be balanced, how much to tell and how much we keep. Certain things we need to keep (from our competitors) it is very competitive. They don't want to realize everything about themselves even the advertising costs.... If they report, the competitors will start comparing.

However, transparency is considered a good practice in relation to corporate compliance with certain environmental regulations. A statement of assurance could then be presented to the public, and a good image of the corporate citizen be portrayed.

In one case, a personal preference for transparency values in environmental reporting was found to contradict a company's actual reporting practice:

We don't want to be secretive about issues, but I think, it's important that the issues are dealt with internally because we're sort of in this formative stage you know, there s a number of things that present difficulties for that (environmental disclosures) to be done, so, there's no doubt you know, we need to comply, we need to acknowledge the issues that we face, but basically they're being managed internally. A company in Nigeria faces similar dilemmas, and as a result, it has taken a balanced approach in reporting environmental information. Again, playing safe will help to justify the 'it's better than not doing anything at all' corporate behavior.

Interpretation of the Link between Cultural Values and Accountants Perceptions on Environmental Reporting Practice

The interviews also identify observable accountants' attitudes that indicate that corporate reporting in both Nigeria and UK is influenced by some form of cultural factors (see also Perera and MathewS 1990, Buhr and Freedman,2001 Haniffa and Cooke, 2005: Mohamed Zain and Mohammad, 2006). By using the cultural frameworks proposed by Hofstede and Gray. This study discovered similarities in the dimensions of cultural values and sub-cultural accounting values that are applied to corporate environmental reporting practices in these two countries. Such findings indicate that, from international and organizational perspectives, the cultural value influences on corporate ENRP in Nigeria and UK are comparable: this contradicts the findings of studies by Perera and Mathews (1990) and Buhr and Freedman (2001). Their studies showed that cultural values differed among the countries studied between Anglo-American and Continental European, and Canada and US respectively.

In the case of this study, it was found that corporate ENRP of both countries is influenced by similar cultural values, following Hofstede's (1980) and Gray's (1988) frameworks. Nevertheless, when further explored and compared with the common social values established by Hofstede, Malaysian feedback on these cultural factors, from an organizational perspective, was consistent with the national social values, but this was not so for UK corporate environmental reporting cases.

When further compared against Grays (1988) location matrix, corporate ENRP in Nigeria was found to be consistent with the country cluster, but UK reporting behavior indicated contradictory results Gray positioned Nigeria as a country with accounting cultural values of high uniformity high secrecy and high conservatism, while UK is one with low uniformity; low secrecy and low conservatism.

These mixed findings that indicate inconsistent outcomes of environmental reporting when compared with Hofstede and Gray's framework pose questions of whether ENRP in Nigeria and UK is yet to develop, or if there are flaws in the two prevailing Culture related frameworks (McSweeney, 2002, 2009; Jones, 2007). The links shown by this paper matched the patterns of relationships hypothesized by Gray (1988).

These findings, similar in comparison with Gray's findings, also suggest that Nigeria and UK environmental disclosures are similar to financial accounting disclosures. Gray and Vint (1995) found uncertainty avoidance and individualism to be the most relevant cultural values in explaining financial accounting disclosure behavior. They suggested that there is negative correlation between uncertainty avoidance and accounting disclosures while individualism has a positive association with accounting disclosure. On his basis, the findings of this paper that the cultural influences on Nigeria and UK ENRP not only support the propositions of Gray and Vint but are consistent with other studies (e.g. Zarzeski, 1996; Jaggi and Low, 2000; Hope 2003).

The similar cultural values found to have influenced ENRP in Nigeria and United Kingdom suggests that there are no relevant cultural differences between these two countries. Hence this interesting finding raises the following question: why do two countries with different social and economic settings (e.g. Eastern/Western, developing/developed) manage environmental matters using a similar approach? One interpretation relates to the fact that environmental management and reporting is an emerging business practice in Nigeria and United Kingdom; hence business (regardless of their nationality and geographical location) follow a globally practice that is in this case based on a market-driven agenda.

SUMMARY AND CONCLUSION

The interview investigation has offered ideas about corporate EAR based on a qualitative research approach. Despite the heavy reliance on previous empirical research on cultural influence power, this study asserts that a qualitative approach is an appropriate way of exploring ENRP, particularly in Nigeria as environmental reporting is relatively new in this country. The approach has shed light on the issue of culture and its impact on local corporate ENRP.

This interview findings offer ideas about the possible links between culture and accountants attitudes to corporate ENRP. The interview feedbacks gathered in this study suggest that the use of Hofstede's (1980) cultural dimensions and Gray's (1988) sub-cultural accounting dimensions as useful benchmarks to investigate the potential influence of local and national cultural values on business practice are rather questionable.

The findings imply that the cultural dimensions are similar between ENRP of companies in these countries. Nevertheless, when these dimensions are compared with national cultural values (according to Hofstede, 1980), the findings are found to be inconclusive. The organizational cultural values concerning corporate ENRP in Nigeria are found to be consistent with national cultural values; however UK businesses behave differently in their ENRP when compared with their national cultural values. These findings suggest that cultural value is an essential element for successful implementation of future ENRP regulation initiatives.

Overall the similarities in cultural dimensions found in both countries indicate that corporate ENRP is a global organizational business practice with market-driven focus. This focus signifies that the path we choose to engage in for environmental reporting is leading us towards supporting managerialism and utilitarianism, i.e. the managers use environmental disclosures to manage perceptions (De Villiers and Van Staden, 2011b). The consistency of the cultural dimensions found further suggests that current ENRP signals a promising triumph of the accounting mission over the globalization and harmonization of accounting. Nevertheless, the crucial issue here that needs further investigation relates to whether this is appropriate ENRP structure.

The potential future research relating to ENRP may include studies concerning the formulation of strategies for green business management and practice and potential roles of the profession in ENRP to reflect future business sustainability practice. A longitudinal study might also be helpful in providing insight into whether a successful implementation of ENRP is able to support local stakeholder's information needs.

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