

The Role of Accounting Disclosure of Environmental Influences in Rationalizing Strategic Decisions

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Abstract

The problem of the study was that the traditional accounting disclosure focuses on financial aspects and the extent of their effects on decision-making so that it neglects the impact of measuring environmental effects on decisions related to industrial activities. The study problem can be formulated in the following question: What is the relationship between accounting disclosure of environmental effects and the rationalization of strategic decisions? The study aims to analyze the reasons for the limited accounting disclosure of environmental impacts, disclosure and rationalization of strategic decisions, and the most important obstacles that stand in the way of doing so. The study assumed: There is a statistically significant relationship between accounting disclosure of environmental impacts and rationalization of strategic decisions. On the environmental effects in reducing the risks resulting from environmental impacts and improving the company's image in front of external users, the environmental disclosure works to create a sound strategic vision related to environmental protection and pollution reduction and the extent of nature's ability to meet the requirements of sustainable development related to future generations, the study concluded with a set of recommendations including: commitment to accounting disclosure of environmental impacts that greatly affect the sustainability of development, the necessity of issuing laws, regulations and instructions that direct economic units to abide by international standards related to the protection of the environment and society from pollution.

Keywords: accounting disclosure, environmental impacts, strategic decisions

1. First: The Methodological Framework

1.1 Introduction

Accounting is considered one of the renewable sciences and knowledge, due to its close connection with the social, environmental, political and economic variables, so there are constantly renewed accounting problems that need to be solved, and among the contemporary accounting problems are those related to environmental accounting, where the interest of accounting thought no longer looks at the internal environment of the establishments only, but extends This concern includes the external environment that is directly and indirectly related to the financial statements issued by the establishments (companies, organizations, institutions).

The economic and financial performance indicators for projects cannot be read in isolation from environmental and social indicators and variables, which are necessary to describe the links between the environment and accounting information to rationalize strategic decisions.

1.2 The Study Problem

The problem of the study was that the traditional accounting disclosure focuses on the financial aspects and the extent of their effects on decision-making so that it neglects the impact of measuring environmental effects on decisions related to industrial activities. The problem of the study can be formulated in the following questions:

(1) What is the relationship between accounting disclosure of environmental impacts and rationalization of strategic decisions?

1.3 Objectives of the Study

The objectives of the study are the following:

- (1) Ensure the level of the relationship between the accounting disclosure of environmental impacts and the rationalization of strategic decisions.
- (2) Analyzing the reasons for the limited accounting disclosure of environmental impacts, disclosure and rationalization of strategic decisions, and the most important obstacles that stand in the way of doing so.

1.4 The Importance of the Study

The importance of the study comes from the following:

- (A) The necessity of developing and expanding methods of enthusiastic disclosure of environmental impacts and disclosing them in financial reports to rationalize strategic decisions.
- (B) The growing interest of all international bodies and institutions in environmental performance for the purpose of preserving the environment and achieving high quality products through accounting disclosure of environmental impacts to rationalize strategic decisions.

1.5 The Study Hypothesis

The researcher seeks to test the following hypothesis:

- (1) There is a statistically significant relationship between the accounting disclosure of environmental impacts and the rationalization of strategic decisions.

1.6 Study Methodology

The researcher relied on a set of the following methodology:

The analytical descriptive approach: by following the case study method, defining the nature of the study problem, formulating and testing the study hypothesis.

1.7 Sources and Tools for Data Collection

- (1) Primary sources: represented in the survey of the respondents through the questionnaire or the published financial statements
- (2) Secondary sources: These are books, references, specialized international magazines and periodicals, and possible sources through the sites available on the Internet, by focusing on international periodicals sites and university sites in particular, in order to explore the latest developments.

2. Second: Previous Studies

The researcher reviews a group of studies that have been conducted around the axes of the study, where the researcher reviews each of the problem of the study, its objective, the hypotheses and the results it reached in order to find out the academic gap in dealing with the study, and the following the researcher presents some of them:

2.1 Study (2008) Hanri and Joutneault

The study aimed to test the relationship between some of the characteristics of the establishment, the initial strategy of the company, the size of the establishment, and the disclosure of the environmental performance of the companies through a set of indicators regarding environmental performance such as (supervision, follow-up of complaints, continuous improvement in the company's strategy, support for decision-making and provision of external information on environmental performance) in industrial companies. The study concluded that the environmental strategy of the facility must be supported and communicated throughout the facility, and it must also be ensured that the activities and decisions taken by the company regarding its environmental activities work to support the optimal strategy for the company (Hanri & Joutneault, 2008).

2.2 Dessy Angelia & Rosita (2015) Study

The study aims to study the impact of environmental performance and disclosure of the social responsibility of the Indonesian financial companies, and the study was conducted on a number of (17) companies listed on the Indonesia Stock Exchange for companies that take care of environmental requirements. The study reached several results, including that environmental performance has a significant impact on both return on assets and return on equity. The researcher's study differs in that it deals with the study of the impact of environmental performance and the disclosure of social responsibility for Indonesian financial companies, while this study deals with the study of the

impact of accounting measurement and disclosure on the environmental impacts of sustainable development and rationalization of strategic decisions (Dessy Angelia & Rosita, 2015).

2.3 Study: La Soa Nguyen & Manh Dung (2017)

The study dealt with the factors affecting the levels of accounting disclosure in environmental accounting, and this study aims to evaluate the factors affecting the levels of disclosure of environmental accounting information in Vietnamese construction companies. -2016) Based on the quantitative research method, and the levels of accounting disclosure about accounting, and the information and factors influencing this level were examined, and the study reached several results, including that the levels of disclosure of environmental accounting information for construction companies tend to increase, especially in 2016, as well The level of disclosure is affected by the factors of the size of the company and its profitability. The study recommended improving the levels of disclosure of environmental accounting information to meet the demand for information from stakeholders. As evidenced by the sufficient and detailed disclosure of information related to the environment, the disclosure of environmental accounting information is a way for companies to enhance their image and reputation with stakeholders, especially in the direction of integration with developed countries (La soa nguyen & manh dung, 2017).

3. Third: Accounting Disclosure's Idea, Significance, and Goals

3.1 Definition of Disclosure

In its broadest definition, the phrase "disclosure" refers to the provision of information. The phrase has a more specific meaning in accounting and refers only to the presentation of financial information about the company in financial or annual reports. The disclosure may be even more constrained in some circumstances, and it refers to the display of financial data that is not included in the financial statements. Descriptive comments attached to financial statements, complementary financial statements, and management analysis and discussion are all included in disclosure, according to the most basic definition (Hejazi, R., Rahmani, A., & Mozafari, Z, 2010, pag, 10-23-36). Any information that could influence investors' decisions should be disclosed by corporations as information disclosure is the cornerstone of the capital market's resource efficiency (Fakhari, H., & Hedayat, T. S., 2011, p34) z. There are numerous definitions of disclosure, some of which include the ones below: A. Timely and accurate financial data on a company's operations (Malekian, E., Adili, M., & Emrahimian, S.J., 2011, p232). The dissemination and display of economic data, including quantitative or other closely linked measures of a company's financial success, whether financial or non-financial (Karbasizaydi, 2007, p243). Both required and optional information is provided, and it comprises financial statements and any related notes, the board of directors' report, management analysis, management prospects, and more (Hasas Yeganeh. D., 2006). The method used to prepare the information for a company's financial reporting Transmission of information in a timely manner for public release in accordance with the instruction is one definition of disclosure that is specified in operating instructions of firms recorded with the Stock Exchange of Tehran. Disclosure refers to the inclusion of any economic information relating to accounting individuals who are sufficiently significant to influence thoughtful and informed user decisions in published financial statements and related notes.

3.2 Accounting Disclosure: Its Importance

When we discuss the significance of accounting disclosure, it is necessary to make clear the significance of disclosing the financial and accounting information offered by financial statements and additional explanations. It is challenging to include in financial statements the significance of disclosing non-financial information. The significance of the ensuing factors stems from the significance of financial and accounting disclosure (Mohammed & Nadia Mohamed Hamad, 2016, p78). Financial lists must be generated and presented in a way that is acceptable to all parties connected with the facility in order for them to be relevant, have users' trust, and meet their needs. Financial lists and reports are a key source for many users to learn crucial information about the facility. - A unbiased external auditor's evaluation of the financial accounts will boost investors' confidence. - Accounting transparency has become more significant as joint stock businesses increasingly rely on financial institutions for funding. Accounting disclosure has evolved into a requirement and is now required to guarantee the effective financial performance of the business. - Reduce financial risks, spot mistakes, and follow established practices In recent years, the importance of disclosure and openness has grown in relation to the disclosure of non-financial information. Companies are disclosing their composition in greater detail than just the data included in financial reports and further explanations. These are in Response to stakeholders' requests for additional information that enhances the quality of financial reports, expands them beyond financial statements and supplementary explanations to include all of the enterprise's financial and non-financial information. According to the researcher, the significance of accounting disclosure stems from the fact that the financial statements' users have access to information of great

value that could have a significant impact on their investment choices in terms of both increased investment in the business and decreased investment (Res Militaris, 2023). or conversion to other businesses or investment vehicles. Therefore, if some users of the financial statements have unfair access to this information, it could lead to decisions or unjust gains that will damage the other users. In order to get financial and non-financial information, it is vital to achieve fairness among the users of the financial statements.

3.3 Measures for Accounting Disclosure

There are numerous approaches to evaluate the quality of accounting disclosures (International Conference of Accounting, Cairo University, 2017, p.13). (International Conference of Accounting, Cairo University, 2017, p.13). Method 1: Determine the level of accounting disclosure based on the requirements of those who will use the financial statements. However, because there are many users and each has a different preference, it is challenging to determine the level of disclosure. - Method 2: Evaluate the standard of dependent on how some things in the financial reports are disclosed, accounting disclosures. This approach relied on examining specific aspects of financial reports and their influence on investor choices to assess the quality of accounting disclosures, such as fair value accounting, the auditor's report, the adoption of corporate governance practices by the company, or the efficiency of its internal control system (Res Militaris, 2023). Using the conceptual framework of the characteristics of primary and secondary accounting information, which are appropriate, genuine, verifiable, understandable, comparable, and timely, method 3 measures the quality of accounting disclosures based on the qualitative characteristics of accounting information. According to the researcher, each of the earlier ways adds something significant to the discussion of how to gauge the quality of accounting. disclosure, however this is insufficient to understand and assess the level of accounting disclosure.

3.4 Problems with Environmental Accounting Information Disclosure

Most of the environmental accounting information disclosure of highly polluting businesses has distortion issues given the state of the economy today. The majority of businesses will conceal or whitewash their data in order to meet specific financial objectives because the disclosure of environmental accounting information is governed by subjective variables. Additionally, you can mislead the public, postpone the reporting of information, and hurt investors' and the general public's interests. Heavy polluting businesses typically choose to make their information public as part of a campaign to promote the company's commitment to environmental protection. company, and there are little, if any, adverse consequences on administrative sanctions or legal action brought about by the occurrence of environmental issues brought on by unlawful actions. content is made available. Companies are more likely to reveal 110 environmental performance data that is directly related to production than environmental protection management and enforcement. Although the majority of businesses reveal the environmental accounting information that the state has expressly mandated and specify the details of the disposal of pollutants, the level of monitoring information disclosure is not very high. The pertinent details regarding the The development of environmental protection infrastructure and innovations in environmental protection technologies are not specifically covered. The majority of environmental protection investment projects are solely declared off-balance sheet, however some are split from the financial statements and environmental assets are not listed separately (Jianfei Shen & Yidan Chen, 2020).

3.4.1 Disclosure Methods Cannot be Harmonized

In comparison to other western developed nations, my country is only now becoming aware of the study and development of environmental accounting information disclosure, and there is no single legislation on the process of such disclosure. Furthermore, the accounting regulations in my country do not define the specific neither do they establish goals for the information given by environmental accounting in corporate environmental accounting disclosure behaviors. Disclosure of environmental accounting data by highly polluting businesses typically takes the form of forced disclosure. However, due to the fact that my nation's corporate environmental accounting information disclosure system lacks generally consistent accounting legal restrictions, the information provided by different companies is generally contradictory, the information transparency is low, and the majority of the information disclosed is It is text-based, the related data information is sparse, and the information is dispersed, which makes it more difficult for information users to compare information. For the purpose of profit, businesses may steer clear of bad information.

3.4.2 Low Awareness of Corporate Environmental Protection

The public's knowledge of environmental protection is not high enough, and the majority of environmental accounting information disclosure by Chinese firms currently does not involve voluntary disclosure. Only a few businesses have the idea of forsaking the environment in order to get economic advantages, and there isn't a strong

sense of social responsibility among most people. While the economy is growing quickly, businesses are also under a great deal of financial stress, therefore it is inevitable that production and operating costs will need to be consistently reduced. The cost will definitely rise as a result of the disclosure process for environmental accounting information, which requires expert accountants to handle.

3.4.3 Inadequate Government Regulation

Early on, my nation energetically expanded its economy while ignoring the need to protect the environment. The government has progressively come to understand the significance of the ideas of economic recyclability and sustainable development in recent years. Inadequate oversight of the corporate pollution management processes. When it comes to the implementation of particular disclosures, there are legal gaps. The majority of corporate material simply adheres to government standards requirements. Companies won't fully disclose all of them for their own safety. The corporation will conceal essential information that is detrimental to itself in its environmental accounting information. Therefore, the company's environmental accounting information's legitimacy and authenticity may be impacted by the lack of information supplied. At the same time, public supervision is more challenging.

3.4.4 A Shortage of Pertinent Accounting Experts

Although there are many accountants in our country right now, their professional experience varies, and there aren't many senior accountants. The majority of accountants are competent at managing an organization's everyday financial operations. However, because environmental accounting research is not as extensive in my country as it is in western industrialized nations and because environmental accounting information disclosure is a broad and applied discipline, Given the variety of disciplines involved, it necessitates that accountants possess both greater academic understanding and greater practical understanding. In addition to accounting knowledge, operational ability also requires an understanding of resource management, waste management, ecological sustainable development, and other environmental protection knowledge, as well as the ability to timely update the various national regulations issued. policies, and effectively learn, understand, and use them. Such accountants are now lacking in my nation.

4. The Idea, Significance, and many Kinds of Strategic Decisions

A company's strategy consists of a sequence of critical choices and subsequent activities that set the company apart from competitors (Mintzberg & Waters, 1985). The most significant choices pertaining to a company's strategy are strategic ones, which are typically made by upper management. The two types of research that are commonly used in strategic decision-making are content research and process research. Strategy-related topics including business portfolio management, new product development, and strategic positioning are the focus of content study development, product or geographic diversity, and acquisitions and mergers. Process study focuses on questions including how strategies are developed and carried out, as well as how various internal and external factors influence these processes. One of the most crucial procedures that top management actively participates in to obtain a competitive edge over rival companies is the strategic decision-making process (SDMP) (Huff & Reger, 1987).

The impact that emotions have on CEOs' strategic decision-making process has been downplayed or disregarded by traditional models of the process (Eisenhardt & Zbaracki, 1992/1991; Judge & Miller, 1991; Schwenk, 1988, p212). But there have been challenges to this tendency in recent years. To better understand the biological basis of emotion, Naqvi, Shiv, and Bechare (2006), for instance, performed neurological brain scans and found neurological evidence suggesting emotions are significant and actively involved in human decision-making. Prior to this, Velasquez (1998) described a computational method for controlling robots with artificial intelligence to simulate emotions. Emotions are generally thought to impair the ability to make logical decisions (O'Donoghue & Rabin, 2000; Rottenstreich & Hsee, 2001, p56). Emotions typically taint a decision maker's impartiality and sway logical choices. Therefore, the standard recommendation is that decision makers avoid the emotional repercussions in order to help them become more "objective" and rational (Frank, 1988; Mellers, Schwartz, & Ritov, 1999, p83). This conventional wisdom has been called into question by an increasing number of scholarly works in recent years.

4.1 The Process of Making Strategic Decisions

The word "strategos," which means "the art of the general" in Greek, is where the word "strategic" comes from (Snow & Hambrick, 1980). The creation and execution of a strategy are the two components of the strategic decisions. There are certain characteristics that distinguish strategic decision-making from traditional decision-making. As noted by (Mintzberg, Raisinghani, & Theoret, 1976, p96), strategic .Making decisions is new, difficult, and undefined. Strategic decisions are made in a constant state of ambiguity, where very little is known or can be determined with certainty, rather than in the face of uncertainty. According to (Schwenk, 1988, p45), there are

three main qualities that set strategic decision-making apart from other kinds of decisions. The first feature of strategic decisions is that they are not routine or well-structured. Every strategic choice is distinct and devoid of boundaries.

Strategic decisions hold great significance for an organization due to their considerable resource commitment and potential impact on the organization's existence or demise. This is the second characteristic of strategic decisions. Thirdly, strategic choices are exceedingly intricate. These decision-making features imply that in order to handle such non-routine, significant, and extremely complicated judgments, the decision-making process needs to be sufficiently resilient. (Wilson, 2003, pag30) talked about a few characteristics of strategic choices. Wilson claims that it can be challenging to describe or evaluate strategic decisions by They come with a variety of trade-offs and significant hazards, including performance measurement. According to him, tactical judgments that are made later on are influenced by strategic decisions. Additionally, he contended that political judgments are fraught with uncertainty and have multiple optimum solutions. Moreover, once a decision is taken, it is difficult to change. Academics have distinguished between two categories of strategic.

4.2 Strategic Problem Definition

Informal methods are typically used to detect these unexpected events (Ansoff, 1984; Cowan, 1986; Lyles & Mitroff, 1980; Mintzberg, 1973; Quinn, 1980, p232). When managers learn about these occurrences, they give them context and significance. Approximately 80% of the managers in the Lyles and Mitroff (1980) study stated that they learned of the existence of a problem through informal indications Upper level management has a major responsibility when it comes to solving strategic difficulties. Certain cognitive and sensory abilities are needed to make sense of complex situations. Inferring connections between unexpected events and other significant events, as well as the environment and context of the organization, requires managers to give meaning to these occurrences (Lyles, 1987a; Lyles & Mitroff, 1985, pag 53). (Hambrick & Mason, 1983, p51) point out that the cognitive frames have an impact on strategic decisions and executive maps for the organization's senior management. Accordingly, senior managers use their own frameworks to characterize the nature of strategic problems and solutions (Ramaprasad & Mitroff, 1984, p76). The range of solutions deemed relevant is restricted by the way problems are defined. Thus, a firm's decision over which strategic alternatives to choose depends on how it recognizes and addresses strategic difficulties. Lately, a number of theories about the formulation process of strategic problems and the variables influencing it have surfaced First of all, companies fail to clearly characterize unforeseen issues (Ansoff, 1984; Lyles & Mitroff, 1980; Volkema, 1983, p33). Senior executives frequently use solution development as a problem-sensing tool in applied contexts; this practice seems more common than taking into account various problem viewpoints (Hertz & Thomas, 1983a; Mitroff & Betz, 1972; Starbucks, 1983, p85). Second, different people have different opinions about the nature of strategic dilemmas due to their complexity. As a result, different points of view are supported by stakeholders (Freeman, 1984; Mitroff & Emshoff, 1979, p65). Thus, the focus of study on individual differences in issue formulation has led to limited understanding of the socio-political and social psychological elements influencing the formulation of strategic challenges (Cowan, 1986; Volkema, 1986). Businesses are spending less time clearly explaining these complex issues, The significance of the socio-political dynamics increases (Pfeffer, Salancik, & Leblebici, 1976, p14). Third, various people will interpret environmental cues or the same event in different ways (Cowan, 1986; Volkema, 1983, p33). As a result, in addition to the variety of cues regarding strategic difficulties, there will be interpretations based on these cues (Ramaprasad & Mitroff, 1984, p32). A person's history and past experiences will influence how they understand things (Herden & Lyles, 1981; MacCrimmon & Taylor, 1976; Morgan & Ramirez, 1984; Taylor, 1975 p23-65). Furthermore, a variety of circumstances, such as professional judgment, stress, timing, frequency of signals, extra cues, etc., might affect how an individual interprets the cues. These elements may cause cognitive biases during the issue formulation process (Hogarth & Makridakis, 1981; Schwenk, 1984/1986; Schwenk & Thomas, 1983, p123). Fourth, identifying clues is the first step in the intricate process of formulating a strategic problem. As a result of the process, biases are frequently introduced into the organizational structure (Lyles, 1981, 45) The factors involved, their interactions, and the debiasing mechanisms that are in place remain unclear despite the suggestion of several 134 MARJORIE A. LYLES AND HOWARD THOMAS normative techniques (Mitroff & Mason, 1980; Schwenk & Thomas, 1983, p113).

5. Analyzing the Study Data and Discussing the Hypotheses

This part of the study includes analyzing the basic data and discussing the hypotheses of the study, by following the following steps:

(1) The frequency distribution of the answers of the study sample to the phrases of the study axes, by summarizing the data in tables that show the frequencies and percentages of the phrases.

(2) Statistical analysis of the expressions of the axes of the hypotheses of the study, where both the arithmetic mean and the standard deviation are calculated, and the arithmetic mean of the expression is compared to the hypothetical mean of the study whose value is (3), which was estimated (the sum of the scores of the scale weights) I strongly agree, I agree, I agree, to some extent, I do not agree, I strongly disagree) with the components of the scale $(5 + 4 + 3 + 2 + 1) / 5 = (15/5) = 3$. Where the approval of the statements is achieved if the arithmetic mean of the statement is greater than the hypothetical mean (3), and the disagreement is achieved if the arithmetic mean is less than the hypothetical mean.

(3) T-test for the significance of differences

This test was used to test the statistical significance of the differences at a significant level of 5%, which means that if the value of (T) calculated at a significant level of less than 5% means that there are significant differences and the expression is positive. But if the value of (T) is at a significant level greater than (5%), this means that there are no statistically significant differences, and the expression is negative.

5.1 Data Analysis of the Focus of the Study Hypothesis

There is a statistically significant relationship between accounting disclosure of environmental impacts and the rationalization of strategic decisions To find out the opinions of the study sample about the existence of a relationship between the accounting disclosure of environmental impacts and the rationalization of strategic decisions, the following steps were followed.

First, the frequency distribution of the hypothesis axis phrases:

A table showing the frequency distribution of the expressions that measure the relationship between accounting disclosure of environmental impacts and the rationalization of strategic decisions can be presented in Table 1.

Table 1. Frequency distribution of the phrases of the fourth hypothesis of the study

Expressions	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree	
	number	rate	number	rate	number	rate	number	rate	number	rate
1/ Accounting disclosure of environmental impacts helps reduce risks arising from environmental impacts and improve the company's image in front of external users.	99	52.1	66	34.7	21	11.1	2	1.1	2	1.1
2/ Accounting disclosure of environmental impacts helps achieve community satisfaction by providing environmentally friendly projects	57	30	90	47.4	23	12.1	8	4.2	12	6.3
3/ Accounting disclosure of environmental impacts helps in presenting important information to the relevant parties, enabling them to make strategic decisions.	69	36.8	81	42.6	31	16.3	6	2/3	2	1.1
4/ Accounting disclosure of environmental impacts helps in rationalizing strategic decisions related to reducing the causes that lead to negative emissions.	52	27.4	87	45.8	34	17.9	10	5.3	7	3.7

5/ For accounting disclosure of environmental impacts in the financial statements and reports, it helps investors in rationalizing their investments	64	33.7	86	45.3	28	14.7	8	4.2	4	1/2
6/ Accounting disclosure contributes to improving the company's reputation in the long term	61	32.1	85	44.7	31	16.3	8	4.2	5	2.6
7/ The application of accounting disclosure of environmental impacts helps in setting development strategies and reducing risks	64	33.7	78	41.1	35	18.4	9	4.7	4	2.1
8/ Accounting disclosure of environmental impacts helps decision makers in product pricing	58	30.5	81	42.6	29	15.3	14	7.4	8	4.2
9/ Accounting disclosure of environmental impacts contributes to improving environmental performance by taking new decisions such as closing an existing or new production line.	65	34.2	74	38.9	32	16.8	14	7.4	5	2.6
10/ Accounting disclosure of environmental impacts contributes to increasing the company's ability to meet its current obligations	66	34.7	82	43.2	32	16.8	4	2.1	6	3.2
Total phrases	655	34.5	810	42.6	296	15.6	83	4.4	55	2.9

Source: prepared by the researcher from the data of the field study 2023

It is noted from Table 1 that the percentage of (77.1)% of the study sample members agree with the total statements that measure the axis (the relationship between accounting disclosure of environmental impacts and the rationalization of strategic decisions), while the percentage of those who disagree is (7.3)%. As for the respondents who did not provide specific answers, their percentage was (15.6%). The following is the frequency distribution at the level of the phrases:

(1) It appears from statement No. (1) that the percentage of (86.8)% of the study sample respondents agree that the accounting disclosure of environmental effects helps reduce the risks arising from environmental effects and improve the company's image in front of external users, while the percentage of those who do not agree is (2.2). As for the individuals of the sample who did not provide specific answers, their percentage was (11.1) %.

(2) It appears from statement No. (2) that the percentage of (77.4)% of the study sample members agree that the accounting disclosure of environmental impacts helps in achieving community satisfaction by presenting environmentally friendly projects, while the percentage of those who do not agree to that is (10.4)% of either the sample And those who did not provide specific answers, their percentage was (12.1)%.

(3) It appears from statement No. (3) that the percentage of (79.4)% of the study sample respondents agree that the accounting disclosure of environmental impacts helps in presenting important information to the relevant parties, enabling them to make strategic decisions, while the percentage of those who do not agree is (4.3). As for the individuals of the sample who did not provide specific answers, their percentage was (16.3)%.

(4) It appears from statement No. (4) that the percentage of (73.2)% of the study sample agrees that the accounting disclosure of environmental impacts helps in rationalizing the strategic decisions related to reducing the causes that lead to negative emissions, while the percentage of those who do not agree is (9). As for the sample individuals who did not provide specific answers, their percentage was (17.9)%.

(5) It appears from phrase No. (5) that (79)% of the study sample agree that the accountant's disclosure of environmental impacts in the financial statements and reports helps investors in rationalizing their investments, while the percentage of those who do not agree to that is (6.3)%, either of the sample Those who did not provide specific answers, their percentage was (14.7)%.

(6) It appears from phrase No. (6) that the percentage of (76.8)% of the study sample individuals agree that the accounting disclosure contributed to improving the company's reputation in the long run, while the percentage of those who disagree with that was (6.8%). Specifically, their percentage reached (16.3)%.

(7) It appears from statement No. (7) that the percentage of (74.8)% of the study sample agrees that the application of accounting disclosure of environmental impacts helps in setting development strategies and reducing risks, while the percentage of those who do not agree to this is (6.8%). They did not provide specific answers, as their percentage reached (18.4)%.

(8) It appears from statement No. (8) that the percentage of (73.1)% of the study sample members agree that the accounting disclosure of environmental impacts helps decision makers in pricing products, while the percentage of those who do not agree to that is (11.6%). Specifically, their percentage reached (15.3)%.

(9) It appears from phrase No. (9) that (73.1)% of the study sample agree that the accounting disclosure of environmental impacts contributes to improving environmental performance by taking new decisions such as closing an existing or new production line, while the percentage of those who do not agree with that is (10)% of the sample, and those who did not provide specific answers, their percentage was (16.8)%.

(10) It appears from phrase No. (10) that the percentage of (77.9)% of the study sample members agree that the accounting disclosure of environmental impacts contributes to increasing the company's ability to meet its current obligations, while the percentage of those who disagree with that is (5.3)% of either the sample Those who did not provide specific answers, their percentage was (16.8)%.

Secondly, the descriptive statistics of the hypothesis axis phrase.

This part of the statistical analysis includes the expressions of the fourth hypothesis axis, where both the arithmetic mean and the standard deviation are calculated, and the arithmetic mean of the phrase is compared to the hypothetical mean of the study. The significance level value of the T-test is less than (0.05). On the other hand, the expression is negative in the sense that the sample members do not agree with its content if the arithmetic mean of the phrase is less than the hypothetical mean of the study (3) and the value of the level of significance is greater than (0.05).

The following are the results of the statistical analysis of the fourth hypothesis of the study, through the Table.

Table 2. Descriptive statistical analysis of the fourth hypothesis axis expressions

No	Expressions	arithmetic mean	standard deviation	response level	t .value	significance level	order
1	Accounting disclosure of environmental impacts helps reduce risks arising from environmental impacts and improve the company's image in front of external users.	4.36	0.802	Too high	23.33	0.000	2
2	Accounting disclosure of environmental impacts helps achieve community satisfaction by providing environmentally friendly projects	3.91	1.075	high	11.61	0.000	8
3	Accounting disclosure of environmental impacts helps in presenting important information to the relevant parties, enabling them to make strategic decisions	4.12	0.871	Too high	17.65	0.000	3
4	Accounting disclosure of environmental impacts helps rationalize strategic decisions to reduce the causes that lead to negative emissions	3.88	0.993	high	12.21	0.000	10
5	Accounting disclosure of environmental impacts in financial statements and reports helps investors rationalize their investments	4.04	0.919	Too high	15.63	0.000	5
6	Accounting disclosure contributes to improving the company's reputation in the long term	4.44	0.946	Too high	14.50	0.000	1
7	The application of accounting disclosure of environmental impacts helps in setting development strategies and reducing risks	3.99	.9510	Too high	14.42	0.000	6
8	Accounting disclosure of environmental impacts helps decision makers in product pricing	3.88	1.060	high	11.43	0.000	10
9	Accounting disclosure of environmental impacts contributes to improving environmental performance by making new decisions such as closing an existing or new production line.	3.95	1.022	high	12.78	0.000	7
10	Accounting disclosure of environmental impacts contributes to increasing the company's ability to meet its current obligations	4.04	0.942	Too high	15.25	0.000	5
	Total phrases	4.06	0.958		14.88	0.000	

Source: prepared by the researcher from the data of the field study 2023

It is noted from Table 2 that:

(1) The arithmetic mean of all the statements is greater than the hypothetical mean of the study (3), and this result indicates the agreement of the study sample on the total statements that measure the fourth hypothesis axis with a very high level of response, as all statements achieved a general average of (4.06) and a standard deviation of (0.958), which It indicates the agreement of the respondents on the relationship between the accounting disclosure of environmental influences and the rationalization of strategic decisions.

(21) It is noted from the table that the phrase (accounting disclosure contributes to improving the company's reputation in the long term) came in the first place in terms of relative importance, as the average response of the study sample to the phrase was (4.44) with a standard deviation of (0.946) and a very high level of response.

Followed by the phrase (accounting disclosure of environmental influences helps in reducing the risks resulting from environmental influences and improving the company's image in front of external users) with an arithmetic mean of (4.36) and a standard deviation of (0.802), with a very high level of importance and response.

(3) As for the last place, the phrase (accounting disclosure of environmental effects helps decision makers in pricing products) came, with an average of (3.88) and a standard deviation of (1.060) with a high level of response.

(4) The table also shows the low dispersion in the responses of the study sample about all the statements, and it reflects the convergence in the views of the study sample about the statements of the fourth hypothesis, where the standard deviation values for the statements ranged between (1.075, 0.802)

(5) The value of (T) for all expressions was (14.88) with a significant level of (0.000), which is a value less than (0.05). Therefore, this indicates that there are statistically significant differences between the average of the total expressions (4.06) and the hypothetical mean of the study (3) in favor of those who agree. On the fourth hypothesis axis phrases, which shows a very high level of response.

5.2 Hypothesis Discussion

It is clear from Table (4/3/25) that most of the study sample agree with all the statements that express the axis of the fourth study hypothesis, as it is noted that their answers in all statements are moving in the positive direction, as the total approval rate from the frequency distribution of all statements was (77.1)% This percentage indicates approval of the content and content of the phrases that measure the focus of the fourth study hypothesis.

It is also noted from the table (3/4/26) that the arithmetic mean of all the statements of the fourth hypothesis axis is greater than the hypothetical arithmetic mean of the study estimated according to the five-point Likert scale number (3), and this indicates that the attitude of the study sample towards these statements is moving in the positive direction, i.e. It means the agreement of the study sample with the statements of the fourth hypothesis, as the general mean for all statements was (4.06) with a standard deviation of (0.958).

It is also noted in Table (3/4/26) that there are statistically significant differences for all the expressions, through the (T) test for the significance of the differences, as the value of (T) for the significance of the differences for the total expressions of the fourth hypothesis axis was (14.88) with a significance level of (0.000), and this value Less than the level of significance (0.05), and therefore, this indicates that there are statistically significant differences in the answers of the sample members and in favor of those who agree with the statements that measure the hypothesis of the fourth study with a very high level of response.

Based on the results of the statistical analysis shown in the previous statements, the hypothesis of the fourth study is accepted, which stated (there is a statistically significant relationship between the accounting disclosure of environmental impacts and the rationalization of strategic decisions) in all statements with a very high response level.

6. The Conclusion Contains Findings and Recommendations

6.1 Results

After presenting the conceptual framework for the variables of the study and conducting the field study, the researcher reached the following results:

(1) Accounting disclosure of environmental impacts helps reduce risks resulting from environmental impacts and improve the company's image in front of external users.

(2) Accounting disclosure of environmental impacts helps in presenting important information to the relevant parties, enabling them to take strategic decisions.

(3) Accounting disclosure of environmental impacts in financial statements and reports helps investors rationalize their investments.

(4) Accounting disclosure of environmental impacts contributes to improving environmental performance by taking new decisions such as closing an existing or new production line.

(5) Environmental disclosure works to create a sound strategic vision related to environmental protection, pollution reduction, and nature's ability to meet the requirements of sustainable development related to future generations.

(6) Environmental disclosure has an effective role in the process of sustainable development by notifying the company's management and the relevant parties of the size of the depletion of natural resources due to financial activities and its reflection on the future ability of nature to meet environmental requirements.

6.2 Recommendations

In light of the findings, the study recommends the following:

- (1) Accounting disclosure of environmental impacts in the treatment of production waste and its reuse in production processes.
- (2) Accounting disclosure of environmental impacts contributes to improving environmental performance by making new decisions.
- (3) Commitment to accounting disclosure of environmental impacts greatly affects the sustainability of development.
- (4) Commitment to accounting disclosure of environmental impacts, which contributes to achieving potential liabilities as a result of violating environmental legislation.
- (5) Issuing laws, regulations and instructions that direct economic units to adhere to international standards related to the protection of the environment and society from pollution.

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