

THE FUTURE OF CORPORATE REPORTING AND THE ROLE OF THE INTEGRATED THINKING



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The future of Corporate Reporting and the role of integrated thinking

Trieste, November 24 2017

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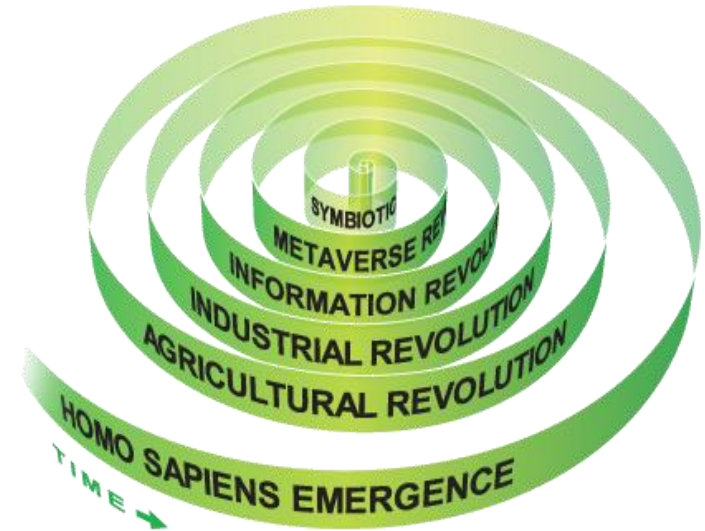
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WHAT IS LONG TERM?



Unrestrainable acceleration

Homo Habilis Age	2.000.000	years ago
Homo Sapiens Age	100.000	years
Tribal/Cro-Magnon Age	40.000	years
Agricultural Age	7.000	years
Empires Age	2.500	years
Scientific Age	380	years (1390-1770)
Industrial Age	180	years (1770-1950)
Information Age	70	years (1950-2020)
Symbiotic Age	30	years (2020-2050)
Autonomy Age	10	years (2050-2060)
Tech Singularity		≈ 2060



Both sharing economy and fourth industrial revolution enable steadily evolving business and profit model

UNRESTRAINABLE ACCELERATION OBLIGES IN A FULL DISRUPTIVE WAY TO STOP AND THINK ABOUT FORESIGHTING NEW VALUE CREATION MODELS

WHAT IS LONG TERM?

Unrestrainable acceleration



FROM CHARITY TO LONG TERM VALUE CREATION



Fonte: Porter e Kramer, The big idea: creating shared value, Harvard Business Review, 2011

Porter e Kramer, «Shared Value» (HBR, 2011)

Crane et al., «Contesting the Value of Creating Shared Value» (CMR, 2014)

Critics:

Originality

Ignores Tensions in Market and Business

Simplicity

Naive about the Companys' Social Role





The Economic Consequences Associated with Integrated Report Quality: Capital Market and Real Effects

Accounting, Organizations and Society, Forthcoming

Barth et al, 2017 argue that IR may have two beneficial effects:

- 1) capital market** (better *disclosure* and lower cost of capital)
- 2) real effects** (better decision making)

They find support for both effects, in a sample of South African firms

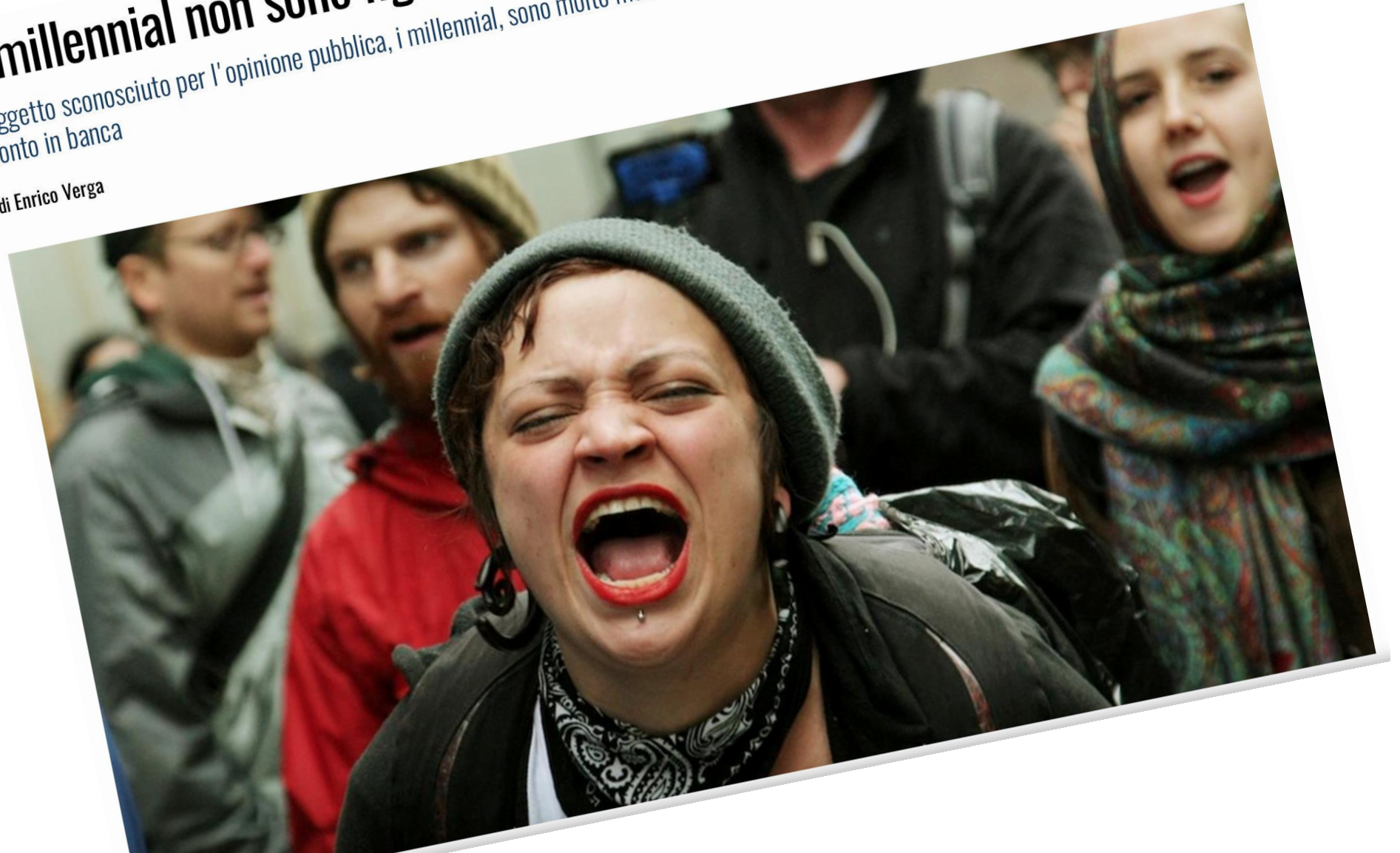
WHY SHARING ECONOMY?

Millenials context

I millennial non sono figli, sono semplicemente poveri

Oggetto sconosciuto per l'opinione pubblica, i millennial, sono molto meno misteriosi di quello che sembra. Basta guardare al loro conto in banca

di Enrico Verga





Challenges 1/2

- Paradygm //
- Role of culture; education; multidisciplinary approach
- Long Term horizon
- Corporate governance
- materiality assessments in SR, AR, IR. Material to whom? Material: when?
- Stakeholder engagement
- Expectation gap (to be transparent is not to be good performer, but...)



Challenges 2/2

- Firm size and adoption of consistent practices
- Measures- metrics (Impact, long term, ..)
- CFO/accountancy profession: evolve or disappear
- Risk management
- Audit/assurance/verification/ check (limited//full)
- Suitable criteria //appropriate skills of auditor//