

Original Article (Qualitative)

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# presenting a model for company 's financial strategies with environmental approach and accountability

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**Abstract**

in the current era, the increasing process of environmental degradation has become a crisis which increases day by day deterioration and its impact. although, sustainable economic development is a common responsibility between the organization, government and consumers, but organizations can play a dynamic role in reducing environmental degradation .in the other hand, managers have an important role in reducing the pollution and the governments tend to have environmental accountability .in this regard, the purpose of this study is to model the environmental accounting strategies and accountability of managers with data approach .in this regard, 11 interviews with experts in the field of environmental accounting and managers in the field of environmental accounting were conducted .interviews were continued until the theoretical saturation and then after primary coding in five categories of ali, outcomes, intervention, and background and action strategy were classified .it is hoped that the results of this study have taken a step toward environmental accounting and accountability.

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## Extended Abstract

### Introduction

Undoubtedly, in the competitive market of today's world and the emphasis on environmental protection, companies must pay more and more attention to environmental problems in order to maintain their position and achieve sustainability, which makes the strategic role of environmental accounting stand out. An environmentally friendly organization often relies on the management's accountability so that it ultimately causes organizations to gain a competitive advantage. These processes with the direction of environmental accountability at the global level require the participation of corporate people, which includes managers' accountability that a planning process can adapt the corporate strategy to environmental problems and lead to the use of environmental accounting (Ringle et al., 2015). The appropriate environmental management of an organization is in the evaluation of the environmental performance of that organization so that the results of the managers from the activities of the organization's products and services that interact with the surrounding environment can be understood. Of course, this goal can be achieved through managers, the desired results of those activities, products and services that have a clear effect on the environment, which can lead to managers' accountability. With the expansion of attention to the protection and improvement of the environment at the international level, the attention of all organizations has undeniably been directed to the harmful effects of the environment caused by its activities, products and services (Arman, 2020 & Muslimah).

According to the stated contents, this study tries to answer the question: what is the pattern of environmental accounting strategies based on managers' accountability with the data-based approach?

### Theoretical Framework

#### Environmental accounting

Environmental accounting is based on integrating the environment as a source of capital and considering environmental costs as one of the acceptable costs in economic and computational processes. The purpose of environmental accounting is to provide information that can help managers for performance evaluation, decision making, control and reporting. Environmental accounting is based on economic and environmental concepts, and its application, considering not using market-based values, requires a change in culture (Afshari, 2021).

#### Accountability of managers

The requirement of democracy is to have an optimal accountability system, and government organizations are created by society and for society, and they must be accountable to them; the lack of accountability will cause distrust and the system of democracy and citizenship will have no meaning (Udeh & Ezejiofor, 2018). Accountability is the principle of any society that claims to be a democracy. For the time being, the government agencies are facing a kind of tension and duality that on one hand, they feel an obligation to their society and government organizations and must be responsible for their needs, and on the other hand, global requirements and International forces make them to apply ways and methods that are basically contrary to the wishes and needs of their citizens (Outtes et al, 2018).

Agyemang et al, (2023) performed a research titled accounting and environmental performance. They showed a different conclusion between board characteristics and environmental accounting. In addition, the findings show that both environmental accounting and environmental performance index have a positive slope relationship with the profitability of mining companies. Our findings provide stakeholders with a detailed understanding and

beneficial impact on how environmental accounting impacts ecological and financial performance in the mining industry.

Namazi & Khorramdel Masule (2022) discussed the impact of green innovation and environmental management accounting on the company's financial, environmental and economic performance in their research. The findings of the research show that green product innovation has a significant impact on the company's financial, environmental and economic performance, either directly or through the mediating variable of environmental management accounting. Green product innovation has an impact on the environmental performance in the oil and gas, petrochemical, metal and food industries, as well as on the economic performance only in the metal industry.

### **Research methodology**

According to its purpose, the research method is applicable, and in terms of its implementation, it is qualitative using the paradigmatic data-based theory research method, and in terms of its nature, it is a descriptive-survey type of research. The statistical population of the research includes 11 academic staff members in the field of environmental accounting and managers of government organizations that are proficient in this field, and need to have expertise qualities; in this research, in order to discover in-depth information in order to identify the indicators of the present components, a semi-structured interview was used. Sampling was done in the form of snowball and the interviews continued until reaching theoretical saturation.

### **Research findings**

According to the purpose of the research, the coding method of Strauss and Corbin was used, and the information obtained from the interview with the target people was analyzed in the data-based theory in three stages of open, central and selective coding using the 2020 MAXQDA software. The results showed that the research model after the open, central and selective coding stage is paradigmatic in 5 dimensions of causal conditions, contextual conditions, strategies, intervening conditions, consequences; and including 10 components of regulatory and technical structures in the organization (laws and environmental regulations, organizational technologies), healthy human societies (public trust, building culture in society, healthy society), government laws (government incentives, government supervision, macro policies), reduction of environmental costs of products (control of product quality, reduction of production costs, optimal production, cost management), growing organizations (organizational growth, healthy organizational environment), training and awareness of managers and employees (training and awareness in the organization, lack of skills of employees), efficient organizations (organizational systems, efficiency of managers, optimal management, management ability), efficient accounting reports (developments of social reports, developments in accounting reports), stakeholder trust (performance evaluation, transparency, shareholder trust), business strategies (product quality, competitiveness, organizational sustainability).

### **Conclusion**

The current research was conducted with the aim of investigating the presentation of environmental accounting strategies model based on managers' accountability with the data-based approach. The results of this research are in agreement with the results of Agyemang et al, (2023), Namazi & Khorramdel Masule (2022), Talebniya et al, (2021), Yusuf et al, (2021), Yermolenko et al, (2020), and Maslo et al. al, (2019). Maslo et al, (2019) showed that the priority of stakeholders and their participation with each other positively affects the

relationship between environmental and financial performance. Talebniya et al, (2021) showed that the optimal management of environmental costs causes a better implementation of the environmental management system and has important benefits for society and the success of the business unit.

According to the results, the following suggestion was made:

The key to the success of any organization is its managers and employees, so every organization needs capable, expert, knowledgeable and committed managers and employees to achieve this success. The presence of responsive managers allows organizations to have more committed employees. In this regard, it is suggested to the organizations to organize training courses for all employees so that while recognizing the threats and responding to them, they will be trained as a group, so that in this regard, we have more knowledgeable people in the organization. And it is also suggested that the accountants of organizations get to know the methods and techniques of environmental accounting by participating in group classes so that they can explain the necessity of using environmental accounting to other marketers; thus, not only managers, but also other employees should be familiar with and responsible for environmental issues.