



FIRM SPECIFIC DETERMINANTS OF CORPORATE SUSTAINABILITY REPORTING: SYSTEMATIC REVIEW AND META-ANALYSIS

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Abstract

Corporate sustainability reporting (CSR) can be considered an important indicator to identify the link between global Sustainable Development Goals (SDG) and Corporate sustainable performance. Firms have a major responsibility towards achieving these goals and CSR is a mechanism used by them, to make aware of the type of activity firms engage into their stakeholders and monitor the effect of their activities have on the environment. Many researchers have focused their attention on determining firm specific characteristics on sustainability reporting. The objective of this study is to explore the commonly identified determinants of CSR in prior studies and their general effect, through the systematic review and meta-analysis technique. The systematic review conducted for the 20-year period from year 2000, included a final sample of 27 empirical journal articles. Random Effect model was employed for the meta-analysis with considering the effect size as correlation coefficients between CSR score and the firm characteristics and for more accurate results subgroup analysis according to country setting was used. The results exhibited that, the most frequently identified determinants in prior research were firm size, profitability and leverage. Firm size reported to have a significant positive overall effect (0.434 with p-value of 0.0) with SR, irrespective of the country setting, which indicates that, there is more tendency for that company to engage in CSR, when the corporate size increases which in line with previous research findings. Profitability and firm leverage had shown an insignificant relationship with SR. The analysis concluded that, the utmost influential firm specific factor on SR, is firm size, while other firm characteristics do not significantly affect SR. The effect of firm size is higher for developed countries compared with developing countries.

Keywords: Systematic Review, Meta- Analysis, firm attributes, correlation, sub-group analysis