



A mixed model of social and ethical components of corporate citizen financial reporting for the information needs of stakeholders: Grounded theory

Ruhallah Abedi

PhD Student in Accounting, qom Branch, Islamic Azad University, qom, Iran
Ruhallahabedi58@yahoo.com

Reza Gholami-Jamkarani

Associate Professor of Accounting Department, Qom Branch, Islamic Azad University, Qom, Iran
reza.gholami@iau.ac.ir

Mojgan Safa

Assistant Professor of Department of Accounting, qom Branch, Islamic Azad University, qom, Iran
(Corresponding Author)
mojgansafa@gmail.com

Zahra Dianati Deilami

Associate Professor of Accounting, faculty of financial sciences, kharazmi University, tehran, Iran
dianati@khu.ac.ir

Submit: 14/05/2024 Accept: 31/07/2024

ABSTRACT

With the change of traditional procedures towards modern management procedures, the reporting style of companies has also changed towards corporate citizen. This we increase commitment and responsibility towards stakeholders beyond the standards. This research, based on exploratory evaluation and qualitative analysis, tries to determine new components and propositions of corporate citizen in order to explore its role on the development of theoretical and practical frameworks of the desirability of persuading stakeholders after theoretical screening through factor analysis. The research method is of a mixed type and has been carried out in two parts, quantitative and qualitative. The statistical population of this research in the qualitative part is 18 audit and accounting experts and 11 people were selected using the snowball sampling method and the theoretical saturation point. The tool for collecting the qualitative part of semi-structured interview data is derived from theoretical foundations. The analysis method of this part is using the data theory of the foundation. The results of this part of the research were explained in the form of six main categories and subcategories. In the quantitative part of the research, the model was validated by using the researcher-made questionnaire tool taken from the qualitative model of the research after confirming the validity and reliability. The statistical population, which included 460 experts and managers of listed companies, was estimated to be 213 based on Morgan's table. Paths and causal relationships between external and internal constructs in the structural model were confirmed by confirmatory factor analysis.

Keywords: social responsibility, corporate governance, corporate citizen reporting, information needs of stakeholders



1. Introduction

Financial reporting, as one of the pillars of accountability, has undergone tangible changes over time and the nature of expectations and standards compared to the past. The emergence of these approaches, which were borrowed from business management, has strengthened the development of stakeholder rights management principles in financial management in the last decade and has changed traditional financial management to modern financial management. Reporting as a part of this social approach, tasks beyond they are only responsible for the quantitative nature of information disclosure. Therefore, corporate citizenship is an optional activity beyond what is expected from a business and can form a more dynamic form of communication between the company and its stakeholders by developing performance feedback through financial reporting (George et al, 2020). The corporate citizen approach in order to change the functional nature of companies from a company to a part of the citizens of a community, it will lead to a better understanding of the needs and expectations of the stakeholders by the company. In other words, the company is a part of a society that can play the role of a good citizen for the society by fulfilling its committed responsibilities and in return expects favorable feedback from the institutions and other active citizens in the society (Irani et al, 1400). Today, organizations have realized that in order to survive in the arena of competition, all stakeholders must be satisfied. Attract yourself. In the past, it was thought that the only task of the organization is to maximize profit for the shareholders. But over time, organizations found that the responsibility towards other stakeholders including employees, media, environment and society. Not only because of the greater fame of the organization in the society it will be; but also to the greater profitability of the organization it helps. Therefore, today's organizations on the subject of social accountability as necessary. They look. Corporate citizenship means the company's ability to manage its relations with society; in such a way that the result is minimizing the negative effects and maximizing its productivity (Velsor Van 2009., et al). The term corporate citizenship to establish a relationship between business activities with service and social responsibility for creating mutual benefits is used. Corporate citizenship reinforces the view that

the company is an institution with a status equal to a person. Today, companies increasingly welcome corporate citizenship strategies. Corporate citizenship includes the company's ability to manage its relations with society; The ways that minimizing the negative effects and maximizing its positive benefits. According to legitimacy theory, an organization should maintain its social role by responding to society's needs and supplying what society demands in order to improve its financial performance. According to stakeholder theory, companies are faced with different expectations from different stakeholders, and in order to improve their performance, they must respond to their expectations (Khajovi and Etamidi Jooriyabi, 2014). Corporate citizenship is an optional activity beyond what is expected from a business and can form a more dynamic form of communication between the company and stakeholders by developing performance feedback through financial reporting (Karini et al, 2020). This perspective tends to present a concept of corporate citizen in which philanthropic activities are viewed as the company's management strategy and through the creation of a sustainable society; A healthy environment and a transparent political environment can provide the basis for the company's profitable activities and while protecting the interests of external stakeholders, it also includes the interests of the internal stakeholders of the companies (Anderson and Johanson, 2021). Following the approach of corporate citizen reporting can lead to increasing the desirability of persuading stakeholders in understanding the disclosed information. Persuasion is a type of mass communication and aims to create or change emotions and feelings that shape the persuasive path from a political perspective; social; It is economic and even financial. Based on this, it can be said that persuasive companies are trying to pursue their goals in advancing the desired strategies through persuasion and increasing the level of trust (Petty et al, 1992). Persuasion in financial reporting methods is a behavioral model for persuading shareholders in the capital market, based on which managers send a wave of positive, albeit unreal, information content to shareholders and investors in order to avoid negative and emotional reactions from shareholders and investors (Molaynathan and Schleifer, 2015). According to the explanations provided, in order to do this research, it should be considered from two theoretical and practical perspectives. First, from a

theoretical point of view, to explain why this research was conducted, attention should be paid to the course of changes from traditional public management (PM) to modern public management (NPM) due to the low efficiency of the management system, which led to the emergence of concepts of citizenship rights instead of words such as clients. The emergence of these approaches, which were borrowed from business management, has strengthened the development of stakeholder rights management mechanisms in financial management in the last decade and has changed traditional public financial management (PFM) to modern public financial management (NPFM). An approach that has changed the attention from inputs and inputs to outputs and achievements that corporate citizenship reporting with the purpose of persuading the information needs of stakeholders can be the result of such a change (George et al, 2020). In addition, social responsibility and corporate citizenship are topics that become more popular every year; Because global capitalism increasingly dominates the market scene for large and medium-sized companies. Therefore, in this space, the expectations of these organizations to comply with issues related to corporate citizenship are also multiplied (Parnell et al, 2020). The contribution of this research is to Regarding the concept of corporate citizen reporting and its role in the desirability of persuading stakeholders, there is no coherent framework for it in terms of determining the components and measurement indicators, the present study will create capacities that can be developed regarding the theoretical literature in this field. The theoretical and practical frameworks of the desirability of persuading stakeholders should be explored. Also, to institutionalize the development of desirable reporting methods as a norm of financial reporting in the form of transparency values, so that by improving the quality of disclosed information, the financial decisions of stakeholders in the capital market will be strengthened. Therefore, in line with the increase in the expectations of stakeholders as citizens, the emergence of such changes can help increase the dynamics of interactions between the company and stakeholders and strengthen the effectiveness of competitions. With the aim of developing the corporate governance system in industry and trade, this research studies the ethical and social factors affecting the relationship between

companies as a citizen and stakeholders as the audience of the corporate governance system.

Theoretical foundations and research background

A corporate citizen always evokes the concept that a business entity, like other members of the society, A citizen is committed and adheres to social values, which tries to spread moral values to Help to increase responsibility, trust and confidence at the community level. Corporate citizenship is how a company exercises its rights, obligations, privileges, and overall corporate responsibility within our local and global environments. The course of changes from traditional public management (PM) due to the low productivity of the management system towards modern public management (NPM) caused the emergence of concepts of citizenship rights instead of words such as client in traditional theory or customer in modern theories. Therefore, following these changes, companies' financial reporting has moved away from the traditional form and focused more on the responsible aspects of reporting by strengthening the sense of commitment to the citizens of the society. Companies see the behavior of corporate citizens as a kind of business strategy that increases their credibility in a highly competitive environment and increases their share in the market. Civil society and non-governmental organizations demand social responsibility from companies; Because they are aware of financial scandals and disasters resulting from the performance of companies (Petty et al, 1992). Considering that the influence of companies in today's world is much greater than that of governments, international organizations consider it impossible to solve global challenges without the participation of companies, and many politicians are also managers of companies in a way, and they demand the behavior of corporate citizens from companies. Scientific centers also look at the behavior of corporate citizenship from the perspective of the role of companies in the development of a country and even the development of democracy, the overlap of duties and responsibilities of a company with the government and the resulting overlaps. This is the reason why, in today's competitive world, the issue of corporate citizenship behavior has become a dominant paradigm in the field of corporate governance (George et al, 2020). The accounting environment is very complex. The final product of accounting is information and it is considered a very valuable commodity. Among the

reasons that lead to the complexity of information in the business environment is the lack of consensus in measuring and identifying financial events, and different people have different views in response to it. In other words, accountants and experts in information disclosure and reporting committees are at the crossroads of two purposes of providing information; On the one hand, to cover the information needs of users in such a way that they can predict the performance of the company. On the other hand, the information needs and objectives of business unit managers should be covered. The second reason given for the complexity of information is that information should be the basis of decision-making and not only affect decisions in the financial and capital market, but also the efficiency and health of the economic system; Therefore, the challenge facing financial professionals is to be able to do appropriate reporting in the complex business environment and under pressure from stakeholders and users with different motivations (de Villiers and Hsiao, 2017). Reporting changes due to business changes have always put important challenges on the way of companies to prepare and present information. The necessity of reporting in order to develop the transparency of the economic environment of companies and better decision-making by managers and investors is undeniable, because it seems that traditional reporting is not able to draw the real position of the company in the society, industry and market. In response to these needs, the International Reporting Committee emphasized the importance of integrated reporting by referring to new concepts such as corporate citizen and in this way tried to improve transparency based on the development of ethical norms (Marsila and Bagster, 1999). In line with the critical approach in the concept of corporate citizen emphasized in Maten et al.'s (2003) research, corporate citizen reporting focuses on areas of reporting in companies that, along with economic advantages, promote concepts related to moral values through culture building in areas such as resources. Humanity, protecting the interests of shareholders, the environment, etc. This view is based on the theory of cultural economy and believes that although the corporate citizen approach is rooted in social responsibility and its emphasis is on the theory of stakeholders, but in corporate citizen reporting, as a subset of this concept, the role of the economic enterprise in promoting Ethical values emphasize the

sustainability of interests as a citizen against other stakeholders (Matten and Karan, 2005). In fact, based on a critical look at the concept of corporate citizen, it can be seen that this concept has not clearly mentioned the duty of accountability and reporting (Carroll, 1998) and the development of the field of corporate citizen reporting can be an important part of the sustainability gap in protecting the interests of stakeholders. and fill the society (Mohammadian and Sataish, 2017). Regarding persuasion, two different views have been presented. Some people believe that the purpose of persuasive messages is to change the behavior of the audience. But another group believes that the purpose of persuasive messages is to change the attitude of the audience. The second group says that the persuasive message does not have the power to change the behavior and life of the audience or to affect group norms and affiliations (Fransen et al, 2015). Corporate citizen reporting acts as a persuasive tool in the process of communication between managers and shareholders and investors, and through it, while reflecting realistic news and information, managers can gain the trust of stakeholders (Jusila et als, 2015). The term corporate citizen is used to establish a relationship between business activities with service and social responsibility to create mutual benefits. Corporate citizen shows the status and activities related to the obligations that the organization has towards the society and its stakeholders. From the point of view of some experts, corporate citizen is a broad term that implies all concepts related to responsibility, accountability and corporate social performance. Therefore, the social role of economic enterprises in providing the rights of citizens in the form of civil rights; It is defined socially and politically. In this way, the term corporate citizen reporting moves away from the concept that economic enterprises are considered citizens like natural persons and moves towards the content that economic enterprises implement certain aspects of citizenship rights for other people (Matten and Kern, 2005). Reporting changes due to business changes have always put important challenges on the way of companies to prepare and present information. The necessity of reporting in order to develop the transparency of the economic environment of companies and better decision-making by managers and investors is undeniable, because it seems that traditional reporting is not able to draw the real

position of the company in the society, industry and market. In response to these needs, the International Reporting Committee emphasized the importance of integrated reporting by referring to new concepts such as corporate citizen and in this way tried to improve transparency based on the development of ethical norms (Marsila and Bagster, 1999). Persuasion is a communication process in which a source expresses evidence and results, and its purpose is to influence the audience's feelings and change their behavior. Persuasive messages do not provide reasons, but rather manipulate symbols and human emotions to persuade their audience. Persuasive messages do not provide reasons, but rather manipulate symbols and human emotions to persuade their audience. Persuasion is mostly used in political science, but with the passage of time, nowadays this theoretical issue has been given much attention in financial and business discussions (Arend and Hartman, 2007). Persuasion in financial matters is a bit more complicated than other matters. This issue is considered in financial discussions and especially where the issue of agency costs is raised such as investing in stock exchange companies, instead of slogans and image messages, it is considered to create attractiveness in the disclosed financial statements, and from this point of view, it is wide and complex, which Companies try not only through fraud in the disclosure of financial statements or tax evasion, but also through evading laws and using regulatory loopholes such as profit management, tax avoidance, etc. To convey appropriate persuasive messages to the shareholders and investors and in this way create a cover for themselves so that they do not lose the trust and confidence of their shareholders and provide the foreign cash resources they need (Bates et al, 2009).

Research background

Safari Graili et al (2021), conducted a research titled "Investigating the impact of social pressure on corporate citizen reporting". The research results show that social pressure has a positive and significant effect on corporate citizen reporting. **Anderson and Johansson (2021)**, conducted a research titled "Corporate Citizen: The Challenge of Companies in Corporate Marketing". This research criticized the corporate citizen as a strategic anchor, the necessary capabilities in corporate marketing. In developing the function of the concept of corporate citizen based on the content analysis method, this research carried out a

theoretical screening and determined the results. The development of the theoretical approach of the corporate citizen will cause the level of the company's challenges in marketing in the form of organizational functions such as finance and accounting. human resources; Warehousing should act as a continuous loop. **Miller (2020)**, research entitled "Development of citizenship science in sustainable reporting Company" did. The results of the research showed that, although the analysis of the texts of the reports presented companies, the word "citizenship" was not used directly, but the tone of the companies' financial reporting was due to Their responsibilities towards the beneficiaries, society and environment show the existence of citizenship knowledge values. It was in the stable reporting of companies. **Azami and Ahmadi (2020)**, conducted a research entitled "Compilation of the three-pronged development roadmap of the corporate citizen". The results of the research show that nearly 70% of the studied companies are not in a good state in terms of corporate citizenship. All behavioral, structural and contextual factors affect the occurrence of corporate citizen behavior in production units. Van der Merwe (2020), conducted a research entitled "Evaluation of Stakeholder Reporting Approaches". In this research, based on the matrix of strategic reference points, four types of reporting methods of "citizen" stakeholders have been done. The research method was a case study. The results showed that the concept of "stakeholder inclusion/pluralism" was a common theme among every dimension of the reporting method, which had a decisive role in reducing information asymmetry and agency costs. In fact, the most important factor to focus on the pluralism of stakeholders is considered to be the leadership and structural capacities in stakeholder reporting practices. **Hijazi et al(2019)**,conducted a research entitled "The relationship between ethical leadership and corporate citizen behaviors with the moderating role of self-efficacy, respect and interaction between managers and employees". The research findings show that there are positive and significant relationships between ethical leadership and corporate citizenship in the individual and organizational dimensions.

Research questions

This study tries to answer the following questions after studying the theoretical foundations and background:

- 1) Main Question: How is the financial reporting of the corporate citizen for the effectiveness of the desirability of persuading the information needs of the stakeholders?
- 2) First secondary question: What are the dimensions of financial reporting of the corporate citizen and persuading the information needs of the stakeholders?
- 3) Second secondary question: What are the components of each of the dimensions of financial reporting of the corporate citizen and persuading the information needs of the stakeholders?
- 4) Third secondary question: What are the indices of financial reporting of the corporate citizen and persuading the information needs of the stakeholders?

Methodology

The research method is of a mixed type, where the qualitative part is based on grounded theory. The statistical community of the qualitative research consists of three groups (official accountants, university professors and active auditors). Considering the size of the statistical community, to select the statistical sample of the index members of each of these three groups as representatives of these three groups, respectively: 1- Certified accountants (independent auditors) 2- Audit committee of companies and internal auditors 3- University professors and faculty members have become. In grounded theory, samples are generally selected purposefully. In this research, the sample size is 18 experts and saturation was reached in the 11th interview. In the quantitative part of the research, the statistical population, which included 460 experts and managers of listed companies, was estimated to be 213 based on Morgan's table. The data collection tool in the qualitative part was a semi-structured interview. In the quantitative part, the research tool was used to validate the model by using the researcher-made questionnaire tool taken from the qualitative model of the research after confirming the validity and reliability. Data analysis was done in the qualitative part with the help of the foundation's data theory, and

in the quantitative part, confirmatory factor analysis was used to validate the research model.

Research findings

First, the findings of the qualitative section and then the quantitative section are explained.

Qualitative section's methodology

At this stage of the research, the concepts and key points obtained regarding the discussion of the corporate citizen reporting model were listed for the effectiveness of the desirability of persuading the information needs of the stakeholders in the interview process. The first step: concepts and key points obtained from the phrases, concepts and items extracted from the interviews, with detailed analysis, homogenization (choosing more correct words, removing common concepts) were done and in this section 127 codes were obtained. The obtained codes were prepared in the form of a checklist for conducting interviews, and by conducting interviews with experts, some of the obtained items were removed and modified. Second step: Thus, after constant comparison of the answers obtained from the interview, similar answers were arranged and similar concepts were extracted from them. In addition, related items were merged and placed in 5 categories. The third step: In this step, similar and symmetrical categories were tried to be placed in the main themes. Based on the conceptual commonality that the categories had with each other, the themes were extracted in the form of more abstract concepts. After preparing and setting the table of initial concepts and categories as the first step of qualitative analysis of the information obtained from the interview, to complete this process, the resulting concepts were grouped at a higher and more abstract level to reach the main themes. After comparing the grouped categories, the categories related to each other were grouped into a general theme, and based on the titles in related theories or concepts arising from the research literature, general titles were considered for these themes.

Table1: Selected paradigm codes

paradigm codes	central category
Consumers (the existence of demanding culture among customers in the field of corporate citizenship)	interfering factors
Legal institutions (existence and expansion of standards and principles and laws for the social performance of organizations and corporate citizenship)	
Evaluating institutions (the existence of a comprehensive evaluation of the organization's social performance)	
Supervisory institutions (monitoring the organization's social performance and ranking them based on success in social performance and corporate citizenship)	
paradigm codes	central category
Financial and economic performance	Axial factors
General description of the trend and status of industries	
Stock ownership and shareholder rights	
paradigm codes	central category
Internal stakeholders of the organization, employees, shareholders	Causal factors
Stimulus board to provide human rights information	
Supporting students and elites and connecting with universities and research centers	
Special attention to the situation of all sections of society	
paradigm codes	central category
Disclosure of legal claims arising from environmental issues	Background factors
Explanations about internal control system and audit unit	
Report violations and violations of environmental and health regulations	
Attitude and performance of middle managers and operational managers (having understanding and awareness in the field of corporate citizenship and involvement of middle and operational managers in corporate citizen activities)	
paradigm codes	central category
Human resources functions in the direction of protecting human rights	Strategic factors
Disclosure of risk in order to protect the ownership of shareholders	
Financial statement information	
Providing services and its effects on the environment	
Reporting on crimes and damages caused by non-compliance with environmental laws and regulations	
paradigm codes	central category
Social participation and development	Consequences factors
Fighting corruption and preventing bribery and money laundering	
Information transparency	

Quantitative methodology

First, to enter the structural equations, the research tools must be subjected to confirmatory analysis to determine the validity of the structure. Confirmatory factor analysis was used to confirm each of the variables as well as the items related to each of them. In fact, confirmatory factor analysis is used to determine the appropriateness of the measurement

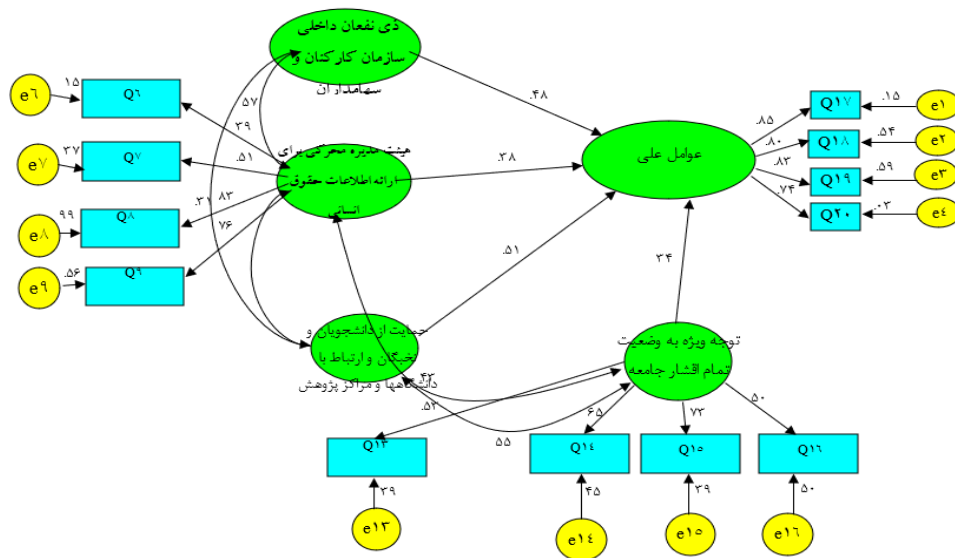
model. Confirmatory factor analysis is actually a theory test model, in which the researcher starts his analysis with a previous hypothesis. This model, which is based on a strong theoretical and experimental foundation, specifies which variables should be correlated with which factors. It also offers a reliable method to the researcher to evaluate the validity of the structure, so that in this way he can clearly test the hypotheses about the factorial structure of the data, which is caused by a predetermined model

with a specific number and combination of factors. The confirmation method tests the optimal fit of the observed and theoretical factor structures for the data set by determining the fit of the predetermined factor model. In this section, after a brief explanation about the fit indices of the confirmatory factor analysis related to each of the factors mentioned in the conceptual model, it is analyzed. It should be noted that in order to test the research model, modification indices were used to compile the final models, in addition, questions with low factor loadings were removed.

was used. The output of Imus software shows that all factor loadings are higher than 0.3. According to the output of Imus, the calculated value of $df/2x$ is 2.07, the presence of $df/2x$ smaller than 5 indicates the appropriate fit of the model, and the root mean square error estimate (RMSEA) should be less than 0.08, which is in the model Presented, this value is equal to 0.066. The amount of GFI, AGFI, CFI and NFI indicators should be more than 0.9, which is higher than the determined amount in the model under study. Therefore, the data of this research fits well with the factor structure of this scale and this indicates the alignment of the questions with the variables of the causal conditions.

Confirmatory factor analysis of variables of causal conditions

In order to determine the validity of variables of causal conditions, confirmatory factor analysis method



graph 1. Path analysis of the causal factors of the model

Table 2. Fit indices of variables of causal conditions

Research index value	Acceptable fit	Abbreviation	index name	Indicators
۲۳۴	-	DF	Degrees of freedom	Perfect fit
۰,۰۰۰	۰/۰۰۰ <	P	Significance level	
۱,۷۳	1-5	CMIN/DF	Chi-square ratio to degrees of freedom	
۰,۴	۰/۰۰۰ >	Chi-Square	The surface covered by Kai Dou	
۰,۹۳۴	۰/۹ >	CFI	Goodness suits	
۰,۹۴۰	۰/۹ >	AGFI	Goodness is analyzed	
۰,۹۲	۰/۹ >	NNFI	The fit is not normal	Adaptive fit

Table 3. Indicators of strategy fit

Research index value	Acceptable fit	Abbreviation	index name	Indicators
۲۵۱	-	DF	Degrees of freedom	Perfect fit
۰,۰۰۰	۰/۰۵<	P	Significance level	
۱,۵۸	1-5	CMIN/DF	Chi-square ratio to degrees of freedom	
۰,۳۹	۰/۰۵>	Chi-Square	The surface covered by Kai Dou	
۰,۹۸۱	۰/۹>	CFI	Goodness suits	
۰,۹۴۱	۰/۹>	AGFI	Goodness is analyzed	
۰,۹	۰/۹>	NNFI	The fit is not normal	Adaptive fit
۰,۹۲	~1	NFI	The fit is normal	
۰,۹۸۱	۰/۹>	CFI	Adaptive fit	
۰,۵۸	۰/۵>	RFI	Relative fit	
۰,۷۴	۱-۰	IFI	Increasing fit	
۰,۹	۰/۵>	PNFI	The fit is modest	frugal fit
۰,۹۴۱	۰/۵>	PGFI	parsimonious adaptive fit	
۰,۰۵۵	۰/۱<	RMSEA	The root mean square of the estimation error	
۱,۸	1-3	CMIN	Normalized chi-square	

Confirmatory factor analysis of background variables

The numbers on the paths are factor loadings, all factor loadings are higher than 0.3. According to the output of Imus in Table 4, the calculated value of $df/2x$ is 1.54, the presence of $df/2x$ smaller than 5 indicates the proper fit of the model, and the root mean square error estimation (RMSEA) should be less than 0.08 In the

presented model, this value is equal to 0.047. The amount of GFI, AGFI, CFI and NFI indicators should be more than 0.9, which is higher than the determined amount in the model under study. Therefore, the data of this research fits well with the factor structure of this scale, and this indicates the alignment of the questions with the background variables of the phenomenon.

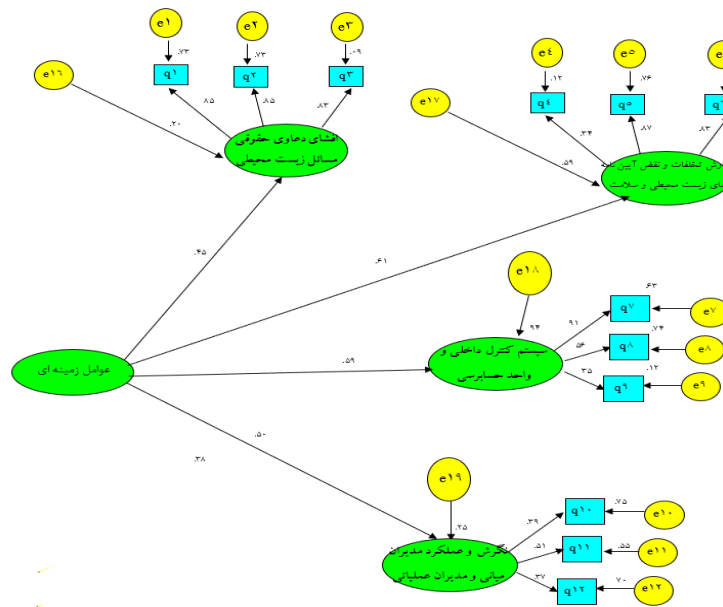


Diagram 3. Path analysis of contextual factors of the model

Table 4. Fit indices of variables in the context of the phenomenon

Research index value	Acceptable fit	Abbreviation	index name	Indicators
50	-	DF	Degrees of freedom	Perfect fit
0,000	0/00<	P	Significance level	
2,96	1-5	CMIN/DF	Chi-square ratio to degrees of freedom	
0,14	0/00>	Chi-Square	The surface covered by Kai Dou	
0,900	0/9>	CFI	Goodness suits	
0,941	0/9>	AGFI	Goodness is analyzed	Adaptive fit
0,9	0/9>	NNFI	The fit is not normal	
0,99	~1	NFI	The fit is normal	
0,900	0/9>	CFI	Adaptive fit	
0,764	0/0>	RFI	Relative fit	
0,09	1-0	IFI	Increasing fit	frugal fit
0,99	0/0>	PNFI	The fit is modest	
0,901	0/0>	PGFI	parsimonious adaptive fit	
0,069	0/1<	RMSEA	The root mean square of the estimation error	
1,9	1-3	CMIN	Normalized chi-square	

Confirmatory factor analysis of intervening factors

In order to determine the validity of intervening factors, the method of confirmatory factor analysis was used. The numbers on the paths are factor loadings, all factor loadings are higher than 0.3. The findings related to the fit indices of the intervening factors in

Table 5 indicate that the CFI, GFI, NFI, RMR and RMSEA indices have an acceptable level and these characteristics show the good fit of the data of this research with the factor structure of this The scale has a suitable fit and this indicates the alignment of the questions with the structure of intervening factor.

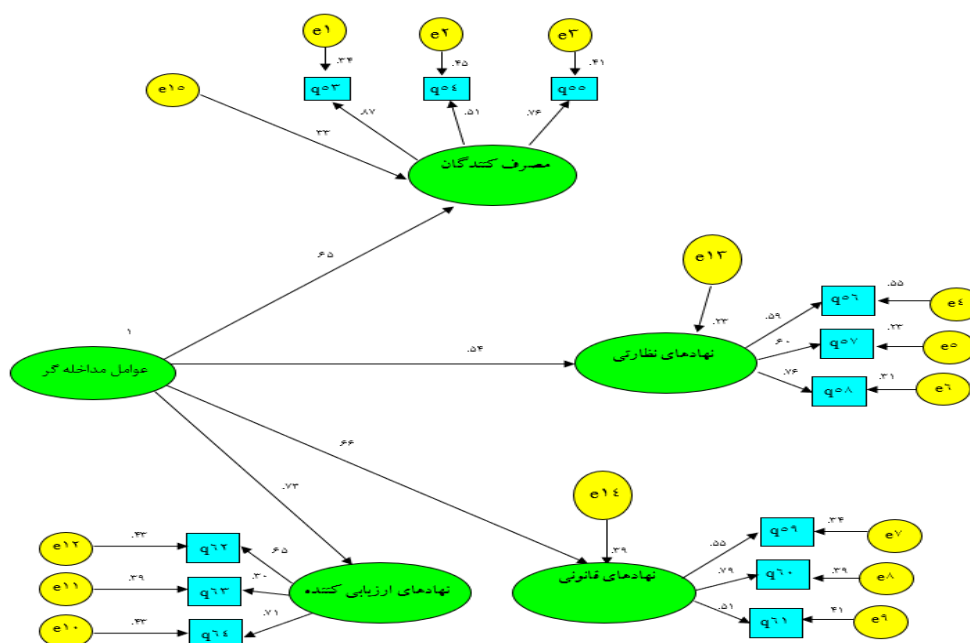


Diagram 4. Path analysis of intervening factors of the model

Table 5. Fit indices of intervening factors

Research index value	Acceptable fit	Abbreviation	index name	Indicators
۲۴	-	DF	Degrees of freedom	Perfect fit
۰,۰۰۰	$۰/۰۰۵ <$	P	Significance level	
۱,۹۱	1-5	CMIN/DF	Chi-square ratio to degrees of freedom	
۰,۴۶	$۰/۰۰۵ >$	Chi-Square	The surface covered by Kai Dou	
۰,۹۳۰	$۰/۹ >$	CFI	Goodness suits	
۰,۹۴۷	$۰/۹ >$	AGFI	Goodness is analyzed	Adaptive fit
۰,۹۴	$۰/۹ >$	NNFI	The fit is not normal	
۰,۹۳۳	~ 1	NFI	The fit is normal	
۰,۹۱۸	$۰/۹ >$	CFI	Adaptive fit	
۰,۷۴	$۰/۰۰۵ >$	RFI	Relative fit	
۰,۶۲	۱-۰	IFI	Increasing fit	frugal fit
۰,۹۶	$۰/۰۰۵ >$	PNFI	The fit is modest	
۰,۹۳۰	$۰/۰۰۵ >$	PGFI	parsimonious adaptive fit	
۰,۷۱	$۰/۱ <$	RMSEA	The root mean square of the estimation error	
۲,۳	1-3	CMIN	Normalized chi-square	

Confirmation factor analysis of the results

In order to determine the validity of the results, the method of confirmatory factor analysis was used. All factor loadings are higher than 0.3. The findings related to the outcome fit indices in Table 6 indicate that the CFI, GFI, NFI, RMR and RMSEA indices

have an acceptable level and these good fit characteristics show that the data of this research has a good fit with the factor structure of this scale. And this shows the alignment of the questions with the structures of the results.

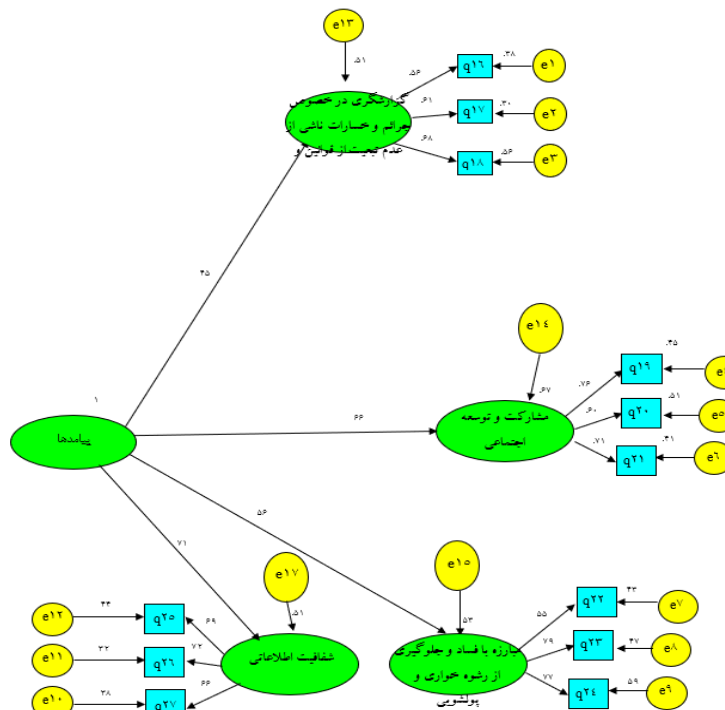


Diagram 5. Path analysis of the consequences of the model

Table 6. Consequences model fit indices

Research index value	Acceptable fit	Abbreviation	index name	Indicators
61	-	DF	Degrees of freedom	Perfect fit
0,000	0/0<	P	Significance level	
1,91	1-5	CMIN/DF	Chi-square ratio to degrees of freedom	
0,13	0/0>	Chi-Square	The surface covered by Kai Dou	
0,918	0/9>	CFI	Goodness suits	
0,947	0/9>	AGFI	Goodness is analyzed	
0,91	0/9>	NNFI	The fit is not normal	Adaptive fit
0,933	~1	NFI	The fit is normal	
0,918	0/9>	CFI	Adaptive fit	
0,09	0/0>	RFI	Relative fit	
0,71	1-0	IFI	Increasing fit	frugal fit
0,96	0/0>	PNFI	The fit is modest	
0,930	0/0>	PGFI	parsimonious adaptive fit	
0,071	0/1<	RMSEA	The root mean square of the estimation error	
2,0	1-3	CMIN	Normalized chi-square	

Confirmatory factor analysis of key factors

In order to determine the validity of the central factors, the method of confirmatory factor analysis was used. All factor loadings are higher than 0.3. The findings related to the fit indices of the central factors in Table 7 indicate that the CFI, GFI, NFI, RMR and

RMSEA indices have an acceptable level and these good fit characteristics show that the data of this research fits the factor structure of this scale. It is appropriate and this indicates the alignment of the questions with the constructs of the central factors.

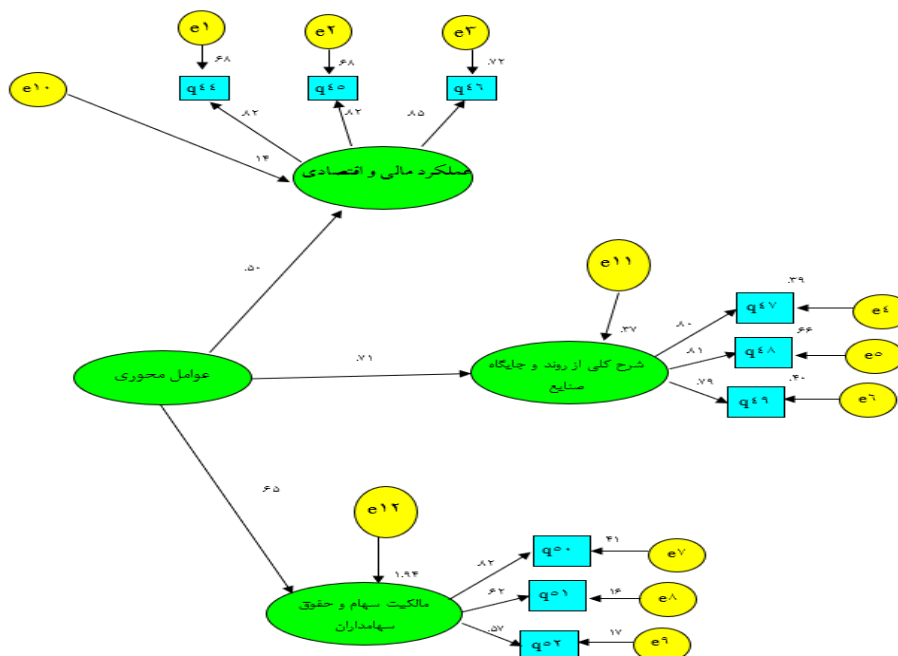


Diagram 6. Analysis of the path of the central factors of the model

Table 7. The fit indices of the model of the central factors

Research index value	Acceptable fit	Abbreviation	index name	Indicators
51	-	DF	Degrees of freedom	Perfect fit
0,000	0,05 <	P	Significance level	
2.58	1-5	CMIN/DF	Chi-square ratio to degrees of freedom	
0,13	0,05 >	Chi-Square	The surface covered by Kai Dou	
0,989	0,9 >	CFI	Goodness suits	
0,912	0,9 >	AGFI	Goodness is analyzed	
0,92	0,9 >	NNFI	The fit is not normal	Adaptive fit
0,930	~1	NFI	The fit is normal	
0,901	0,9 >	CFI	Adaptive fit	
0,69	0,05 >	RFI	Relative fit	
0,60	1-0	IFI	Increasing fit	
0,94	0,05 >	PNFI	The fit is modest	frugal fit
0,989	0,05 >	PGFI	parsimonious adaptive fit	
0,07	0,1 <	RMSEA	The root mean square of the estimation error	
2,1	1-3	CMIN	Normalized chi-square	

Analyzing the model and checking the fit of the proposed research model

In this section, using the information collected through a questionnaire that was designed based on the indicators identified in the qualitative section and distributed among a statistical sample of the studied community; The indicators related to the components were quantitatively analyzed statistically, and the results are given below. Fit criteria is one of the most important steps in structural equation modeling analysis. These criteria are to answer the question whether the model represented by the data confirms the measurement model of the research or not. To answer this question, many fit criteria have been introduced in structural equation modeling methodology.

The chi-square ratio to the degree of freedom:

In the chi-square test, the compatibility of the desired model hypothesis with the covariance pattern between the observed variables is examined. Its smaller values, i.e. less than 3, indicate greater suitability (Giles, 2002). The quantity of chi-square is highly dependent on the size of the sample, and a large sample increases the quantity of chi-square more than it can be attributed to the wrongness of the model.

GFI & AGFI

These indices show a measure of the relative amount of variances and covariances that are explained by the

model. Both criteria are variables between zero and one, the closer they are to one, the better the fit of the model with the observed data.

RMR

In this index, the observed residuals and covariances are compared with the estimates made in the model. Its smaller values are a sign of better fit (Homan, 1380). Models in which this value is less than 0.05 have a very high fit, but values between 0.05 and 0.08 are also suitable for a good model.

RMSEA

This index is 0.050 or less for good models, and a model in which this index is 0.10 or more has a poor fit.

Table 8 : the status of these indicators.

RMSEA	RMR	CFI	NFI	AGFI	GFI	$\frac{\chi^2}{df}$
0,090	0,133	0,989	0,989	0,912	0,930	2,1/888

The results show the appropriate fit of the proposed model. After testing the measurement models, it is now necessary to provide a structural model that shows the relationship between the research variables. Regarding the amount of significant coefficients, since the CR value (critical ratio) must be greater than 1.96 or less than -1.96 to reject or confirm the relationship, the value of the parameter between the two domains in the model is not considered important, as well as the

values Between these two values, there is no significant difference, the value calculated for the regression weights has a zero value at the 95% level. The results of the model test are presented in Table 9. Based on this, the research model was evaluated using Amos software, and as it can be seen, all the relationships and according to the value of the path coefficients are confirmed at the confidence level of

95%. The model related to causal relationships in the corporate citizen reporting model for the effectiveness of persuading the information needs of stakeholders is presented in the above table. Based on the obtained results, the causal, strategic, Background, intervening and consequences components have been effective in the final model of the research.

Table 9. The results of the implem entation of the structural model of the reporting model of the corporate citizen for the effectiveness of the desirability of persuading the information needs of the stakeholders.

The significance level	Critical ratio	The standard error	Standard estimate	Relationships
./.***	4/018	./006	./420	Implications → corporate citizen reporting model for the effectiveness of the desirability of persuading the information needs of the stakeholders
./010*	2/798	./077	./26	Causal factors → corporate citizen reporting model for the effectiveness of the desirability of persuading the information needs of stakeholders
./.***	3/813	./040	./78	Contextual factors → corporate citizen reporting model for the effectiveness of the desirability of persuading the information needs of the stakeholders
./.***	2/908	./042	./44	Intervening factors → corporate citizen reporting model for the effectiveness of the desirability of persuading the information needs of stakeholders
./.***	2/362	./033	./11	Strategic factors → corporate citizen reporting model for the effectiveness of the desirability of persuading the information needs of the stakeholders
./.***	4/113	./41	./23	Central factors → corporate citizen reporting model for the effectiveness of the desirability of persuading the information needs of the stakeholders

./005* P≤

Discussion and conclusion

Corporate citizen reporting is considered a symbol based on philanthropic strategies that strengthens the capabilities of corporate social responsibility and creates a sustainable society and a healthy environment and transparent corporate governance so that the resources of both representative groups, i.e. the company and the stakeholders, in the form of a The framework of protection of collectivist (pluralistic) interests should be guaranteed. With the aim of developing the corporate governance system in industry and trade, this research studies the ethical and social factors affecting the relationship between companies as a citizen and stakeholders as the audience of the corporate governance system. Due to

the nature of the research, which is exploratory, the research has no hypothesis and is guided by answering questions. The main issue of this research is whether corporate citizen reporting has an effect on the desirability of persuading the information needs of the stakeholders of capital market companies. In addition, the causal, intervening, contextual, consequential, strategic and central factors in the reporting model of corporate citizenship were investigated for the effectiveness of the desirability of persuading the information needs of the stakeholders. In this study, the concepts and key points obtained regarding the discussion of the corporate citizen reporting model were listed for the effectiveness of the desirability of persuading the information needs of the stakeholders in the interview process. The first step: concepts and

key points obtained from the phrases, concepts and items extracted from the interviews, with detailed analysis, homogenization (choosing more correct words, removing common concepts) were done and in this section 127 codes were obtained. The obtained codes were prepared in the form of a checklist for conducting interviews, and by conducting interviews with experts, some of the obtained items were removed and modified. Second step: Thus, after constant comparison of the answers obtained from the interview, similar answers were arranged and similar concepts were extracted from them. In addition, related items were merged and placed in 5 categories. The third step: In this step, similar and symmetrical categories were tried to be placed in the main themes. Based on the conceptual commonality that the categories had with each other, the themes were extracted in the form of more abstract concepts. After preparing and setting the table of initial concepts and categories as the first step of qualitative analysis of the information obtained from the interview, to complete this process, the resulting concepts were grouped at a higher and more abstract level to reach the main themes. After comparing the grouped categories, the categories related to each other were grouped into a general theme, and based on the titles in related theories or concepts arising from the research literature, general titles were considered for these themes. The model related to causal relationships in the corporate citizen reporting model for the effectiveness of persuading the information needs of stakeholders show that the causal, strategic, Background, intervening and consequences components have been effective in the final model of the research and Paths and causal relationships between external and internal constructs in the structural model were confirmed by confirmatory factor analysis. According to the research results suggestions can be made: Policy makers and law makers that monitor the performance of financial companies, as providers of financial reporting rules and regulations through performance and incentive rewards, reduce the norms of companies' financial reporting behavior and help companies based on tools such as social accounting. Play a role as a responsible citizen. Corporate citizens should take the lead in spreading social values to stakeholders compared to other competitors. Upstream institutions, especially in financial reporting, can monitor market dominance in a

longer period of time with the approach of social responsibility and thus respond more positively to the expectations of stakeholders. It is suggested to the companies in the implementation of the principles of corporate governance by disclosing the information related to the composition of the salary structure and benefits, to display a more positive role in terms of creating trust and confidence in the market and to improve the position and rank of their disclosure which is every year by the stock exchange organization. Securities are declared to help. Relevant organizations should put the necessary laws on the establishment of sustainability and social responsibility committees in companies, familiarization and training of the sustainability category, establishment of internal control system and effective reporting and use of new technologies in their agenda.

References

- Andersen, S ;E.; Johansen, T, S .(2021). Corporate citizenship: Challenging the corporate centricity in corporate marketing, *Journal of Business Research*, <https://doi.org/10.1016/j.jbusres.2020.12.061>.
- Abdi, Mustafa, Kurdestani, Gholamreza, Rezazadeh, Javad. (2018). Designing a consistent model for corporate sustainability reporting, *Financial Accounting Research*, 11(4): 23-44.
- Brusca, I ; Labrador, M ; Larran, M. (2018). The challenge of sustainability and integrated reporting at universities: A case study, *Journal of Cleaner Production*(188): 347-354.
- Carini, C; Rocca, L; Veneziani, M; Teodori, C. (2020). Sustainability regulation and global corporate citizenship: A lesson (already) learned? *Corporate Social Responsibility and Environmental Management*,28(1): 116-126.
- Crane, A ; Matten, D ; Glozer, S ; Spence, L. G. (2019). *Business ethics: Managing corporate citizenship and sustainability in the age of globalization*, Oxford University Press, USA.
- Gorge, S ; Nogueira, S. P ; Ribeiro, N. (2020). The institutionalization of public sector accounting reforms: the role of pilot entities, *Journal of Public Budgeting, Accounting & Financial Management*, Vol. ahead-of-print No. ahead-of-print. <https://doi.org/10.1108/JPAFM-08-2019-0125>.

- Gussila, I. Tarkiainen, A. Sarsted, M. Hair, G. F. (2015). Individual Psychological Ownership: Concepts, Evidence, and Implications for Research in Marketing, *Journal of Marketing Theory and Practice*, vol. 23, no(2): 121–139.
- Khajawi, Shokrale., Mohammadian, Mohammad .(2017). Conceptual model of citizenship accounting based on critical thinking, *Management Accounting*, 11(37): 97-106.
- Moto, S ; Ratanaolarn, T ; Tuntiwongwanich, S ; Pimdee, P. (2018). A Thai junior high school students' 21st century information literacy, media literacy, and ICT literacy skills factor analysis, *International Journal of Emerging Technologies in Learning (Online)*, 13(9): 87.
- Mullainathan, S. Shleifer, A. (2015). Persuasion in finance. NBER 12 (11838). URL <http://www.nber.org/papers/w11838>.
- Nooyi, I. K ; Govindarajan, V. (2020). Becoming a better corporate citizen. *Harvard Business Review* ,98(2): 94-103.
- Purnell, M ; Royal, B ; Warton, L. (2020). Supporting the development of information literacy skills and knowledge in undergraduate nursing students: An integrative review. *Nurse education today*, 95, 104585.
- Rendtorff, G. D. (2019). The concept of business legitimacy: Corporate social responsibility, corporate citizenship, corporate governance as essential elements of ethical business legitimacy, *Responsibility and governance: The twin pillars of sustainability*, 45-60.
- Soleimani Amiri, Gholamreza, Rasouli, Neda. (2017). The views of people active in the accounting profession regarding the adoption and application of international financial reporting standards in Iran, *Experimental Accounting Research*, 6(24): 1-24.
- Van Velsor, E ,P, Mirvis., & K, Ryu., G, Morgan.(2009). structure, governance: citizenship corporate Leading“ journal international The: Governance Corporate”. *systems* . 1(9), society in business .
- Petty, R. E. Cacioppo, G. T. Haugtvedt, C. P .(1992). Ego-Involvement and Persuasion: An Appreciative Look at Sherifs' Contribution to Study of Self-Relevance and Attitud Change. In D. Granberg & G. Sarup (Eds.) *Social Judgment and Intergroup Relations: Essays in* Honor of Muzafer Sherif, New York: Springer/Veriag.

