

## College of Accounting Sciences

### Research focus areas for 2023: Department of Financial Intelligence

#### STAKEHOLDER COMMUNICATIONS BY LISTED COMPANIES

Effective communication with current and potential **investors**, as well as **other stakeholders** of any **listed company**, is important for achieving an optimum valuation of the company's share price. Transparent communication also fosters trust between management, investors and other stakeholders. Voluntary disclosures about environmental, social and governance (**ESG**) or **sustainability** aspects to stakeholders can also enhance the legitimacy of the company as well as serve as risk indicators for investors. However, impression management and greenwashing remain an issue in corporate communications.

*This focus area **excludes** state (public sector) structures (national departments, provincial departments, and local municipalities), State Owned Entities (SOEs), non-profit organisations, unlisted companies and SMMEs.*

Please note that the bullets below are not Topics *per se*, but areas of potential investigation. You must find the gap in the knowledge or research problem in one of these areas or a new area of investigation that still resides under the broad focus area.

Applications in the following areas are invited from **M Phil and PhD** students:

- Non-financial reporting, including Integrated/Sustainability/CSR Reports (standalone reports):
  - Implications of ISSB Sustainability Standards, EFRAG Sustainability Standards, Sustainable Development Goals (SDGs) reporting, GRI Standards, dual materiality
  - Textual analysis for tone and readability, including impression management, greenwashing
  - Drivers of reporting quality, e.g., governance, board characteristics, investor profiles, etc.
  - Effects of report quality, e.g., improved ratings, inclusion in indices, brand rankings

*(Note: comparing year-on-year integrated reporting is already well researched and will not be accepted)*
- Risk reports, Climate Reports, Human Rights Reports, Management Discussion and Analysis (MD&A), CEO/Chair Letters to Shareholders/Stakeholders
- Communications with investors and analysts, e.g., investor relations webpages, results announcements live streaming, results/earnings press releases, AGMs vs electronic AGMs
- Investor relations quality and determinants

Research methods in this focus area consist primarily of:

- **quantitative (statistical) analysis** using regression and other econometric models
- using **secondary financial and capital market data** (e.g., share prices, trading volume) from the IRESS databases or other publicly available data (e.g., CDP data)
- narrative (tone and readability) analysis of corporate documents using **specialised dictionaries** (e.g., DICTION and Loughran & MacDonald (2011))
- **deductive content analysis** by using checklists of disclosure requirements (based on standards, prior studies or self-constructed for a specific topic)

*This focus area no longer accepts MCompt applications (mini-dissertations) as the research methodologies employed in this focus area are not suitable for limited-scope studies.*

SUPERVISING STAFF	Current supervision allocation	Number of available positions for 2023
<p><b>Dr L Esterhuysen</b>            Research and career profile at <a href="https://orcid.org/0000-0003-0140-7980">https://orcid.org/0000-0003-0140-7980</a>            Leana Esterhuysen is a senior lecturer in the Department of Financial Intelligence with a PhD in Accounting Sciences.            Her research interests lie in corporate reporting (front part of integrated reports and standalone sustainability reports), investor relations as well as narrative analysis of texts.            Leana has authored several articles and presented various conference papers.            Leana is a CA(SA) with more than ten years of experience at various listed companies before joining academia.</p>	<ul style="list-style-type: none"> <li>• 1 PhD student</li> <li>• 3 MCompt Master's students</li> </ul>	<ul style="list-style-type: none"> <li>• 1 PhD student for co-supervision</li> </ul>
<p><b>Prof Ghassan Mardini (contracted)</b>            Research and career profile at <a href="https://orcid.org/0000-0001-5935-205X">https://orcid.org/0000-0001-5935-205X</a>            Ghassan Mardini is an Associate Professor in the College of Business and Economics at the Qatar University.            His research interests are in ESG reporting, corporate governance and IFRS.            Professor Mardini has a long list of publications in high-ranking journals and is a member of various accounting associations.</p>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• 1 PhD student for co-supervision</li> </ul>
<p><b>Ms A Ravat</b>            Ayesha Ravat is a senior lecturer in the Department of Financial Intelligence on the CTA financial management stream.</p>	<ul style="list-style-type: none"> <li>• None</li> </ul>	<ul style="list-style-type: none"> <li>• 1 MPhil student (co-supervision)</li> </ul>

SUPERVISING STAFF	Current supervision allocation	Number of available positions for 2023
<p>Her master's study was on risk disclosure in corporate integrated reports.</p> <p>Ayesha is a CA(SA) who worked at Deloitte within the Banking Regulations Consulting division before she joined Unisa in 2010.</p>		
<p><b>Ms A Combrink</b></p> <p>Antoinette Combrink is a senior lecturer in the Department of Financial Intelligence on the CTA management accounting stream.</p> <p>Her field of interest is in financial and non-financial analysis and integrated reporting.</p> <p>She is a co-author of a financial management textbook.</p> <p>Her master's study was on home ownership dynamics in South Africa.</p> <p>Antoinette is a CA(SA) who joined Unisa in 2011 after the completion of her training contract.</p>	<ul style="list-style-type: none"> <li>• None</li> </ul>	<ul style="list-style-type: none"> <li>• 1 MPhil student (co-supervision)</li> </ul>

<b>Model of supervision</b>	<p>Candidates will be allocated to a supervisor but <b>students will be required to work independently within the requirements of higher degree studies.</b></p> <p>Each department in the College of Accounting Sciences has various research focus areas, which may change over time. With regards to this research focus area, the supervisors in the Department of Financial Intelligence and some supervisors from the Department of Financial Accounting and Department of Financial Governance may work together as non-financial reporting spans several disciplines.</p>
<b>Selection criteria: M Phil (Accounting Sciences) and PhD (Accounting Sciences)</b>	<p>In addition to the minimum admission criteria on the application website and in terms of par. 3.3 in the <i>Procedures for Masters and Doctoral Degrees</i>, the acceptance of potential students is based on the following criteria:</p> <ul style="list-style-type: none"> <li>• <b>Adequate supervisory <u>capacity</u> and <u>research expertise</u> in the discipline or department.</b></li> <li>• Academic record and business-related experience of the student.</li> <li>• Language competency of the student. Research is a reading and writing-intensive endeavour.</li> <li>• Suitability and viability of the intended research.</li> <li>• An approved selection procedure, which is in line with Unisa's policies on equality and diversity in the discipline or department. See more later.</li> </ul>
<b>Expression of Interest Essay</b>	<p><b><u>M Phil and PhD applicants must prepare a five-page Expression of Interest Essay.</u></b></p> <p>The quality of the essay will be used to <b>rank the applications based on the criteria stated above.</b> The Expression of Interest Essay must include the following compulsory elements:</p>

1. **Topic title**
2. **Personal motivation** why you want to pursue studies in *this topic* (maximum 60 words)
3. Provide some background as to **what is the business problem and the resulting research problem/research question?** “**Why** do you want to research the topic?” Why is it a problem worth investigating? (**Half page**)
4. **Short literature review (2-3 pages)**. Please refer to the *Recommended Reading list for M Phil and PhD applicants (for writing your Expression of Interest Essay)* and read some of those recommended articles to gain an understanding of the focus area and for identifying a topic that you want to investigate. The literature review should demonstrate, as a minimum that you have at least read some of the recommended articles for this focus area.

Citing free web pages (e.g., Wikipedia, KPMG, IIRC) and textbooks alone does not constitute an academic literature review. Your literature review should support your choice of topic.

Research on topics covered in this focus area is published almost daily from developed economies and emerging markets' perspectives. Hence, most journal articles and book chapters that you consult and cite in your literature review should **not be older than 2019** to ensure that you do not propose a study that has already been conducted. The exception to this guidance is those sources provided to you in the Recommended Reading list.

**HINT:** Type key words from your title into **Google Scholar** and see how many results are returned and the dates of publications. This will indicate to you how well the topic has already been researched.

You will note that when you search for articles on Google Scholar, an *Abstract* appears. To access the full text, some journals will ask you to pay an access fee of approximately \$40 *per article*, which you may not be able to afford.

**HINT:** As a prospective student, you may contact the Unisa library to apply for special library membership at R295. Click on the following link for details and then open the category for *Prospective honours, master's and doctoral students of Unisa*:

<https://www.unisa.ac.za/sites/corporate/default/Library/Library-services/Membership/Other-membership-categories>

Tel: 012 429 3846/3025      E-mail: [lib-special@unisa.ac.za](mailto:lib-special@unisa.ac.za)  
Contact Dr L Esterhuysen at [esterl@unisa.ac.za](mailto:esterl@unisa.ac.za) for a Motivation Letter.

5. Proposed methodology answering the question “**How** are you going to achieve the above?” What sources are you going to use? What are you doing with the data? Please refer to the section *Recommended reading – the*

	<p><i>research process and methodology</i> for textbooks that describe various research approaches and methodologies.</p> <p>The articles that you read on your topic will also be an indication to you of appropriate research methodologies used to answer research questions in this focus area. <b>(Half page)</b></p> <p>6. Only for PhD Essays: Potential <b>contribution</b> of the study answering the question “<b>How</b> will your research <b>contribute to or extend</b> existing theory?” Please refer to the section towards the end of this document on the <b>difference between a master's study and a PhD study</b> and <b>what constitutes a contribution</b>.</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p><i>For PhD applications, please note that <b>purely replication studies are not acceptable</b>, i.e., investigating a concept in Country/Province X, when it has already been investigated in multiple domains.</i></p> </div> <p>7. List of references (use the <b>Harvard</b> Referencing method). There are multiple free sources on how to apply Harvard Referencing. <i>Please show that you are serious about academic research by following this instruction.</i> <b>(One page)</b></p>
<p><b>Selection procedure</b></p>	<p>1. <a href="#">Apply for a student number.</a></p> <p>2. Apply during the prescribed application period for a space in the <i>Department of Financial Intelligence</i> research focus areas. Ensure that you <a href="#">apply online</a>, and attach your Expression of Interest Essay and other requested documentation.</p> <p>3. Staff members from the relevant registration support department will verify that you have provided the required information and that your qualifications meet the criteria for admission to the degree. Only complete and qualifying applications are sent to the academic department for consideration.</p> <p>4. The selection process firstly ranks the applications of the candidates within each specific focus area based on the criteria stated above. Therefore, the content and quality of the Expression of Interest Essay are important as students are competing for a limited number of supervision openings. The specific focus areas indicate the expertise in the department. The highest-ranked applications are then reviewed for equality and diversity. The applications are therefore ranked to match the applications with the available supervision capacity and expertise while taking equality and diversity into account. <i>Where adequate supervision capacity remains</i>, applications beyond the specific focus areas will be considered, especially where a high-quality essay of intent indicates a suitable and viable topic and a supervisor with the expertise is available.</p> <p>Generally, you should be notified of the outcome of your application during January. The notification will be done by staff from the relevant registration support department.</p>
<p><b>Documents to support the application</b> <i>(In addition to the Expression)</i></p>	<p>1. An abbreviated <b>CV</b> including:</p> <ul style="list-style-type: none"> <li>• Academic qualifications</li> <li>• Work experience</li> <li>• Contact details</li> <li>• Previous research (if any)</li> </ul>

of Interest Essay)	2. Your <b>academic record/transcripts</b> for undergraduate as well as postgraduate qualifications, <i>even if you had previously studied through Unisa.</i>
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**Recommended reading list for M Phil and PhD applicants (for writing your Expression of Interest Essay):**

**Theoretical foundations for voluntary reporting/communications:**

Akerlof, G. 1970. The market for “lemons”: Quality uncertainty and the market mechanism. *The Quarterly Journal of Economics*. 84(3). [https://doi.org/10.1007/978-1-349-24002-9\\_9](https://doi.org/10.1007/978-1-349-24002-9_9).

Deegan, C. 2002. The legitimising effect of social and environmental disclosures - a theoretical foundation. *Accounting, Auditing & Accountability Journal*. 15(3). <https://doi.org/10.1108/09513570210435852>.

Fama, E. F. & Jensen, M. C. 1983. Separation of ownership and control. *Journal of Law & Economics*, 26(2), 301–325. <https://doi.org/10.1086/467037>

Fama, E.F. & Laffer, A. 1971. Information and capital markets. *Journal of Business*, 44(3):289–298. <https://doi.org/10.1086/295379>.

Freeman, R.E. 1984. *Strategic management: a stakeholder approach*. Boston: Pitman.

Freeman, R.E. & Evan, W. 1990. Corporate governance: A stakeholder interpretation. *Journal of Behavioral Economics*. 19(4):337–359. Available from: [www.sciencedirect.com](http://www.sciencedirect.com).

Freeman, RE, Wicks, AC & Parmar, B. 2004. Stakeholder Theory and “The Corporate Objective Revisited.” *Organization Science*. 15(3):364–369. <https://doi.org/10.1287/orsc.1040.0066>.

Jensen, M.C. & Meckling, W.H. 1976. Theory of the firm: Managerial behavior, agency costs and ownership structure. *Journal of Financial Economics*. 3(4):305–360. [https://doi.org/10.1016/0304-405X\(76\)90026-X](https://doi.org/10.1016/0304-405X(76)90026-X).

Spence, M. 1973. Job market signaling. *The Quarterly Journal of Economics*. 87(3):356–374. <https://doi.org/10.2307/1882010>.

Suchman, M. C. 1995. Managing legitimacy: Strategic and institutional approaches. *Academy of Management Review*, 20(3), 571–610. <https://doi.org/10.5465/AMR.1995.9508080331>.

**Integrated Reporting and Sustainability (ESG) Reporting**

Adhariani, D. & de Villiers, C. 2019. Integrated reporting: perspectives of corporate report preparers and other stakeholders. *Sustainability Accounting, Management and Policy Journal*. 10(1):126–156. <https://doi.org/10.1108/SAMPJ-02-2018-0043>.

Alsaifi, K, Elnahass, M & Salama, A. 2020. Carbon disclosure and financial performance: UK environmental policy. *Business Strategy and the Environment*. 29(2):711–726. <https://doi.org/10.1002/bse.2426>.

Chaidali, P. & Jones, M. 2017. It’s a matter of trust: Exploring the perceptions of Integrated Reporting preparers. *Critical Perspectives on Accounting*. 48:1–20. <https://doi.org/10.1016/j.cpa.2017.08.001>.



De Villiers, C., & Sharma, U. (2017). A critical reflection on the future of financial, intellectual capital, sustainability and integrated reporting. *Critical Perspectives on Accounting*, 2017. <https://doi.org/10.1016/j.cpa.2017.05.003>

Dobija, D, Arena, C, Kozłowski, Ł, Krasodomska, J & Godawska, J. 2022. Towards sustainable development: The role of directors' international orientation and their diversity for non-financial disclosure. *Corporate Social Responsibility and Environmental Management*. <https://doi.org/10.1002/csr.2339>.

Idowu, S. O. & Del Baldo, M. (Eds) 2019. *Integrated Reporting, Antecedents and Perspectives for Organizations and Stakeholders*. <https://doi.org/10.1007/978-3-030-01719-4>. Accessed on 10 July 2022.

International Integrated Reporting Council. 2021. *International <IR> Framework*. <https://integratedreporting.org/wp-content/uploads/2021/01/InternationalIntegratedReportingFramework.pdf> Accessed 10 July 2022.

Iredele, OO & Moloi, T. 2020. Corporate environmental disclosure in the integrated reporting regime: The case of listed mining companies in South Africa. *Journal of Economic and Financial Sciences*. 13(1). <https://doi.org/10.4102/jef.v13i1.481>.

Meek, G.K., Roberts, C.B., & Gray, S.J. 1995. Factors influencing voluntary annual report disclosures by U.S., U.K. and continental European multinational corporations. *Journal of International Business Studies*, 26(3): 555–572. <https://doi.org/10.1057/palgrave.jibs.8490186>.

Nuskiya, M., Ekanayake, A., Beddewela, E., & Gerged, A. M. (2021). Determinants of corporate environmental disclosures in Sri Lanka: the role of corporate governance. *Journal of Accounting in Emerging Economies*. In Print. <https://doi.org/10.1108/jaee-02-2020-0028>.

Rodríguez, MCL, Gambetta, N & García-Benau, MA. 2022. Carbon management strategy quality in Colombian companies: the influence of the national and regional public sector and company-inherent characteristics. *Environment, Development and Sustainability*. 1–28. <https://doi.org/10.1007/s10668-022-02404-5>.

Willows, G.D. & Rockey, J.A. 2018. Share price reaction to financial and integrated reports. *South African Journal of Accounting Research*. 32(2-3):174–188. <https://doi.org/10.1080/10291954.2018.1514141>.

### **Narrative analysis**

Amoozegar, A., Berger, D., Cao, X. & Pukthuanthong, K. 2020. Earnings conference calls and institutional monitoring: Evidence from textual analysis. *Journal of Financial Research*. 43(1):5–36. <https://doi.org/10.1111/jfir.12199>.

Craig, R., & Amernic, J. 2018. Are there language markers of hubris in CEO letters to shareholders? *Journal of Business Ethics*, 149(4), 973-986. <https://doi.org/10.1007/s10551-016-3100-3>.

Du Toit, E., & Esterhuyse, L. 2021. Narrative Styles and Institutional Isomorphism in South African CEOs' Shareholder Letters. *The African Journal of Information and Communication*, 27, 1-17. <https://doi.org/10.23962/10539/31369>.

Hassan, A. 2019. Verbal tones in sustainability assurance statements: An empirical exploration of explanatory factors. *Sustainability Accounting, Management and Policy Journal*, 10(3). <https://doi.org/10.1108/SAMPJ-06-2017-0051>

Li, M, Trencher, G & Asuka, J. 2022. The clean energy claims of BP, Chevron, ExxonMobil and Shell: A mismatch between discourse, actions and investments. *PLoS ONE*. 17(2):e0263596. <https://doi.org/10.1371/journal.pone.0263596>.

Laskin, A. V. 2018. The Narrative Strategies of Winners and Losers: Analyzing Annual Reports of Publicly Traded Corporations. *International Journal of Business Communication*, 55(3): 338-356. <https://doi.org/10.1177/2329488418780221>.

Smeuninx, N., De Clerck, B., & Aerts, W. 2020. Measuring the readability of sustainability reports: A corpus-based analysis through standard formulae and NLP. *International Journal of Business Communication*, 57(1), 52-85. <https://doi.org/10.1177/2329488416675456>

### **Investor relations and other disclosure channels**

Chahine, S., Colak, G., Hasan, I. & Mazboudi, M. 2020. Investor relations and IPO performance. *Review of Accounting Studies*. In Press. <https://doi.org/10.1007/s11142-019-09526-8>.

Esterhuyse, L. 2019. Towards corporate transparency: The link between inclusion in a socially responsible investment index and investor relations practices. *The Bottom Line*. 32(4):290–307. <https://doi.org/10.1108/BL-03-2019-0081>.

Hoffmann, C, Tietz, S & Hammann, K. 2018. Investor relations: A systematic literature review. *Corporate Communications: An International Journal*. 23(3). <https://doi.org/10.1108/CCIJ-05-2017-0050>.

Nel, G & Baard, R. 2022. Investor communication channels: the case of e-mail and corporate websites – mutually exclusive or complementary? *Corporate Communications: An International Journal*. <https://doi.org/10.1108/ccij-08-2021-0086>.

### **Recommended reading – the research process and methodology**

You will be required to write an Expression of Interest Essay on your own. Normally when you decided to do a Master's or PhD study, you have an idea in mind or a topic that is of interest to you. The Expression of Interest Essay is therefore your initial documentation of the idea, which has been developed into a rough topic in the chosen field of study.

You, therefore, need to take the idea and review recent literature on the area of interest to establish what has already been done and whether the research problem is topical and sufficient sources exist. **Please ensure that you refer to the Recommended Reading list.** As part of the research process, you identify a research problem/question. What you intend to do in your study to address the research problem or answer the question (the objectives) will be the focus of your proposed study. The following reading list will help you understand the research process and methodologies better:

Biggam, J. 2018. *Succeeding with your Master's Dissertation: a step by step handbook. Fourth Edition*. Berkshire, England: Open University Press.



- Hofstee, E. 2006. *Constructing a good dissertation: a practical guide to finishing a Master's, MBA or PhD on schedule*. Johannesburg: EPE. (Available from the following website: <http://www.exactica.co.za/book.php>).
- Leedy, P.D. and Ormrod, J.E. 2016. *Practical research: planning and Design*. 11<sup>th</sup> edition. New Jersey: Pearson Education, Inc.
- Mouton, J. 2001. *How to succeed in your Master's and Doctoral studies*. Pretoria: Van Schaik's.
- Ryan, B, Scapens, RW & Theobald, M. 2002. *Research method and methodology in finance and accounting*. 2nd edition. London: Thomson.
- Salkind, MJ. 2016. *Exploring research*. 9<sup>th</sup> Edition. Upper Saddle River, NJ: Pearson Education International.
- Smith, M. 2020. *Research Methods in Accounting*. 5<sup>th</sup> Edition. London: SAGE publications Ltd.
- Trafford, V & Leshem, S. 2008. *Stepping stones to achieving your Doctorate: By focusing on your viva from the start*. Berkshire, England: Open University Press.

### Recommended reading – search tools

Google Scholar is a helpful tool to search for information relating to your research topic. If you have a student number, you can use the facilities of the University. (Please see the section on *Expression of Interest Essay* on how to secure a Unisa Library membership.)

A link to *Library Guides* on Unisa's Library home page is another source of information. You can consult the completed *Theses and Dissertations* portal under the *Unisa Institutional Repository* in the Library to familiarise yourself with what is required to complete your qualification. You can also search the aspects of the research process you would probably like to know more about on YouTube, for example: how to develop a good research topic; the literature review; academic writing; research methodology; etc. You will note that many of these YouTube videos are from academics at universities. The videos will not replace the more detailed reading that you will need to do if your application is successful, but they provide a fair source of background information on the research process, which should assist you both in the writing of the required essay and in continuing with the study if your application is successful.

### For PhD Applications: Difference between a Master's and a PhD study

In a PhD study, the student must demonstrate that they are contributing to the **advancement of the theory in the discipline**. Investigating something purely because it has not been done before, or prior results are inconclusive is not enough.

Please review the National Qualifications Framework (NQF) level descriptors on the SAQA website [http://www.saqa.org.za/docs/misc/2012/level\\_descriptors.pdf](http://www.saqa.org.za/docs/misc/2012/level_descriptors.pdf) to differentiate between what is expected at NQF level 9 for a Master's study and level 10 for a PhD study.

The following resources may also be helpful:

- Faff, RW. 2022. Contribution Matters...! SSRN *Electronic Journal*. <https://doi.org/10.2139/ssrn.4073797>.
- <https://sites.google.com/site/johannescronje/>
- <https://patthomson.net/2018/04/02/thesis-knowhow-how-the-contribution-can-create-coherence/>

- <https://thesiswhisperer.com/>

**Other Research Focus Areas in the Department of Financial Intelligence (refer to separate documents)**

**Research focus area:**

**Management Accounting,  
Financial Management  
and Control**

**Research focus area:**

**The Fourth Industrial  
Revolution (4IR) and  
Development Finance**