

THE DISCLOSURE AND AUDIT OF SUSTAINABILITY INFORMATION IN THE PUBLIC SECTOR

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Introduction

The public-sector is regarded as a supervisor for social and environmental issues. This paper thus seeks to investigate the disclosure of sustainability information in the public-sector. The primary objective of public-sector organizations (PSOs) is to improve public policies to promote social welfare. Indeed, as the public-sector provides services and resources to the people (consumers), it can have a significant impact on national and international progress towards sustainable development; this is because PSOs are always under great pressure to improve the reporting of sustainability issues (See GRI, 2004, 2005 & GRIFPA, 2012) and the public-sector has far greater responsibilities for supporting sustainable development in comparison to the private sector whose core goal is limited to maximizing shareholder value. Sustainability performance includes activities other than those financial measures used in the financial accounts such as natural resource conservation and emission levels, environmental activities and innovations, aspects of employment, occupational health and safety, social relations, stakeholder involvement and economic impact of organizations on society. In a simple definition, it can be stated that sustainability accounting is responsible for systematic and

continuous identification of environmental and economic costs and also examines the benefits of different organizational strategies and actions in organizational decision-making; consequently, sustainability reporting also serves as a tool to assess the economic, environmental and social impacts of the provision of organizational products and services and, in general, their contribution to improving sustainability.

Information gap of sustainability disclosure in the public sector

Organizations today disclose more information in their reports than in traditional financial statements and reporting. Nowadays contemporary methods of environmental information disclosure, social responsibility reporting, sustainability accounting, and accountability have emerged that are powerful tools for managing, controlling and planning organizations. They are concerned with social and environmental issues, so organizations can show themselves sensitive to the matter of sustainability and increase their credibility; therefore, organizations need to improve their quality information about sustainability. The development of organizations seems to be crucially important for achieving sustainability,



because these organizations fulfil a complex role in activities that affect people's lives. Therefore, if public-sector institutions fail to develop sustainability and reporting, then future generations will not have the opportunity for a sustainable lifestyle.

Conclusion

In conclusion, it can be acknowledged PSOs should be more subject to the internal regulations and conditions of their government; the more they care about the interests of the stakeholders, the larger the size of the organization and the more one monitor their actions. They further tend towards socially and environmentally responsible behaviors. Indeed, according to institutional theory, if the circumstances in which they operate, be more compatible with social and environmental behaviors, such organizations in the public sector are more motivated than others to properly disclose sustainable information.

Although the organization may incur costs in the concern of improving the working environment and employees' rights, attention must be paid to the demands of customers and aligning the obligations of the organization with the interests of society. However, in the end, the benefits of complying with these notices outweigh the costs, these issues progress performance, enhances productivity and gains a competitive advantage. By respecting the rights of employees and promoting working conditions, employees are further motivated to work and this will raise their efficiency and productivity, which serves the organization.

Sustainability auditing in the public sector can be described in terms of institutional isomorphism: coercive, through pressure from the INTOSAI and UN; mimetic, in relation to the adoption of best practice within INTOSAI; and normative, through communication and professional training provided by INTOSAI.