

ABSTRACT

This investigates the role of sustainability accounting and reporting in the COVID-19 pandemic, focusing on seven Asia-countries aviation companies. Sustainability means addressing current requirements while preserving the potential of future generations to meet their own needs. The aim is to investigate how profitability, risk management effectiveness, stakeholder engagement, and preparedness for future crises affect sustainability disclosure in the aviation sector.

The study uses secondary data collected from annual reports and sustainability reports index spanning from 2018 to 2022 fiscal years, encompassing a sample size of 30 aviation companies across Asia and analyzing 150 reports. A comparative analysis, descriptive statistics and regression analysis were employed, to assess the sustainability accounting and reporting practices of the selected aviation companies before, during and after the pandemic.

The findings reveal a significant impact of risk management effectiveness and preparedness for future crises with sustainability disclosure, emphasizing the importance of proactive risk mitigation and crisis preparedness in driving transparent reporting. However, profitability and stakeholder engagement have no significant impact on sustainability disclosure, indicating the need for companies to consider broader sustainability implications beyond financial performance and companies to reassess their stakeholder communication strategies. It also reveals a significant increase in sustainability disclosure among aviation companies, with higher maximum values and improved mean scores during the pandemic period. The analysis demonstrated a positive correlation between effective sustainability accounting and reporting and organizational resilience during times of crisis. Companies that prioritized sustainability initiatives showed greater adaptability and responsiveness to the challenges posed by the pandemic, positioning themselves for long-term success.

The research was motivated by the need to understand how organizations in the aviation industry have leveraged sustainability accounting and reporting to navigate the uncertainties brought about by the pandemic. By examining the experiences of seven Asia-countries aviation companies, the study provides valuable insights into the role of sustainability in building resilience and driving long-term value creation.

This contributes to the existing literature on sustainability accounting and reporting by offering a comprehensive analysis of the post-pandemic landscape in ensuring business continuity and success in a rapidly changing world.

Keywords: Sustainability accounting, Reporting, COVID-19 pandemic, Organizational resilience, Aviation industry