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Financial Reporting Integrity in the Digital and Sustainability Era: A Systematic Literature Review on Governance, ESG, and Technological Transparency

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Abstract

Background: Digital transformation, sustainability demands, and evolving governance standards have challenged financial reporting integrity. However, existing studies have largely examined governance, ESG disclosure, and digital technologies separately, resulting in fragmented perspectives that limit a comprehensive understanding of their interrelationships.
Objective: This study systematically reviews and synthesizes research on financial reporting integrity by examining how sustainability pressures, digital transformation, and governance mechanisms converge to reshape transparency and accountability in corporate reporting.
Methods: A Systematic Literature Review (SLR) guided by the PRISMA 2020 guidelines was conducted. Data were sourced from the Scopus database and covered publications from 2021 to 2025. Following rigorous inclusion and exclusion screening procedures, 28 peer-reviewed articles were selected from an initial pool of 713 records. The TCCM Framework (Theory, Context, Characteristics, and Methodology) was applied to classify, evaluate, and synthesize the research findings.
Results: Agency Theory and quantitative research methods dominate the field. Recent studies increasingly emphasize ESG disclosure, blockchain technology, and artificial intelligence (AI) as key determinants of transparency. Significant research gaps remain regarding cross-disciplinary approaches, emerging market contexts, and ethical risk assessments in digital reporting practices. This review reconceptualizes financial reporting integrity as a multidimensional socio-technical governance phenomenon shaped by governance accountability, sustainability legitimacy, and technological transparency.
Conclusion: Future research should adopt interdisciplinary, mixed-method, and cross-country research frameworks to investigate greenwashing mechanisms, digital reporting ethics, and the interplay between emerging regulatory frameworks, including the International Sustainability Standards Board (ISSB) Standards and IFRS Sustainability Disclosure Standards, and technological transformation within sustainability-oriented reporting environments.

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INTRODUCTION

Over the last decade, financial reporting integrity has attracted growing scholarly and professional attention, particularly regarding business adaptation to complex financial, technological, and sustainability trends. This research specifically examines how digital transformation and heightened sustainability expectations create new integrity challenges for financial reporting and evaluates potential solutions. As financial reports have become strategic communication tools that influence investor confidence, market credibility, and organizational legitimacy, concerns persist about earnings manipulation, misleading disclosures, and opaque reporting (Bui et al., 2021). High-profile scandals and greenwashing have intensified public skepticism, making it timely to scrutinize the true integrity of modern financial and non-financial disclosures.

Digital technologies are reshaping financial reporting at a rapid pace. Technologies like blockchain, artificial intelligence (AI), and big data analytics are now common in accounting and auditing. They provide new ways to boost transparency, improve traceability, and strengthen fraud detection. Blockchain creates unchangeable records, helping to lower information asymmetry and build trust (Cho et al., 2021). AI-driven audit tools identify anomalies and detect fraud more efficiently than traditional methods. These advances, however, raise new ethical and governance concerns, such as algorithmic bias, cybersecurity risks, and excessive reliance on automation.

At the same time, ESG (Environmental, Social, and Governance) reporting has broadened the idea of financial reporting integrity. Stakeholders now expect not just accurate financial data, but also trustworthy sustainability indicators. As a result, reporting integrity discussions now go beyond just compliance. They now focus more on accountability and stakeholder views (Khaireddine et al., 2024). This shift matters because sustainability disclosures rely on qualitative judgments and voluntary practices. These can be shaped by impression management or symbolic strategies. Thus, financial reporting integrity is best seen as a complex, multidimensional issue. It is shaped by regulations, technology, organizational behavior, and sustainability expectations.

A growing body of literature has attempted to synthesize research on financial reporting integrity, earnings transparency, ESG disclosure, and governance mechanisms through systematic literature reviews and bibliometric analyses. For example, Qayoom & Chisti (2025) examined earnings transparency using the Antecedents–Decisions–Outcomes (ADO) framework, emphasizing the role of transparency in reducing information asymmetry and improving market efficiency. Likewise, Poiriazi et al. (2025) explored the relationships among ESG practices, corporate corruption, and greenwashing, highlighting the growing importance of sustainability accountability in modern reporting systems. Other studies have focused on specific dimensions such as carbon disclosure, audit quality, integrated reporting, and digital auditing technologies, further demonstrating the diversity of approaches within the field. Despite these advancements, several notable gaps remain in the literature, which are outlined below.

Although these studies offer valuable insights, several important gaps remain in the existing literature. First, most reviews analyze governance, sustainability, or technology separately, lacking an integrative framework that explains their interplay in shaping financial reporting integrity. Second, prior reviews mainly focus on evidence from developed economies, particularly the United States and European countries, while emerging markets are often overlooked despite distinct institutional and governance challenges (Lindahl et al., 2024). Third, the literature relies predominantly on quantitative archival methods, with limited exploration of behavioral, institutional, and socio-technical dimensions. As a result, financial reporting integrity is understood in a fragmented manner, both theoretically and methodologically. These observations underscore the need for a more cohesive and comprehensive approach in future research.

Several important gaps therefore remain within the literature. First, prior review studies largely focus on isolated themes, such as governance effectiveness, earnings management, ESG disclosure, or technological innovation, without systematically explaining how these dimensions interact within increasingly digitalized and sustainability-oriented reporting environments. Second, the literature remains theoretically fragmented, as many studies continue to rely predominantly on Agency Theory while paying limited attention to broader interdisciplinary perspectives involving stakeholder legitimacy, institutional accountability, and socio-technical governance. Third, empirical evidence remains heavily concentrated in developed economies, while institutional complexities in emerging markets remain comparatively underexplored. Furthermore, methodological approaches remain dominated by quantitative archival studies, limiting a deeper understanding of the ethical, behavioral, and organizational dimensions of reporting integrity.

This study adopts the TCCM Framework (Theory, Context, Characteristics, Methodology) as the primary analytical structure for synthesizing the reviewed literature. While alternative frameworks exist (including SPAR-4-SLR (Structured Planning, Analysis, Reporting), the ADO (Antecedents–Decisions–Outcomes) framework used by Qayoom & Chisti (2025), and bibliometric thematic evolution approaches) the TCCM Framework was selected for three specific reasons. First, the TCCM Framework enables multi-dimensional classification across theoretical, contextual, methodological, and characteristic dimensions simultaneously, which aligns with the integrative nature of this review. Second, unlike the ADO framework, which is primarily designed for process-oriented causal reviews, TCCM accommodates the diverse theoretical perspectives, and cross-country contexts present in the financial reporting integrity literature. Third, SPAR-4-SLR and bibliometric approaches are better suited for quantitative citation analysis; the TCCM Framework, by contrast, enables richer interpretive synthesis of thematic and theoretical patterns, the primary objective of this review.

To clarify this study's position within the existing literature, Table 0 below provides a structured comparison of the most relevant prior systematic reviews and bibliometric studies. While Qayoom & Chisti (2025) examined earnings transparency using the ADO framework with a broad multi-database search, their review focused exclusively on the transparency–market efficiency nexus without integrating ESG or technological dimensions. Poiriazi et al. (2025) analyzed ESG–corruption–greenwashing interconnections but did not examine digital reporting technologies or their governance implications. Elaigwu et al. (2024) investigated sustainability reporting quality in Malaysia, providing a single-country perspective. By contrast, the present review integrates governance, ESG, and digital technology dimensions within a unified socio-technical analytical framework, systematically applying TCCM classification to identify cross-dimensional interactions. This integrative scope (combining theory, context, methodology, and characteristics across all three domains) constitutes the primary differentiating feature of this review relative to prior studies.

The novelty of this study lies in three distinct contributions relative to prior systematic reviews. First, unlike previous reviews that examine governance, ESG, or digital technology in isolation, this review is the first to systematically integrate all three dimensions within a unified TCCM-structured framework, producing a comprehensive socio-technical governance perspective on financial reporting integrity. Second, the reconceptualization of financial reporting integrity as a multidimensional socio-technical governance phenomenon (shaped by governance accountability, sustainability legitimacy, and technological transparency) extends beyond descriptive synthesis to propose a new conceptual lens applicable across diverse institutional and regulatory contexts. Third, this review provides an explicit critical analysis of the governance–ESG–technology nexus in both developed and emerging markets, addressing a contextual gap that most prior SLRs overlook. Together, these contributions move beyond the incremental additions of prior reviews to propose a genuinely integrative framework with both theoretical and practical implications for accounting research, corporate governance, and ESG reporting policy.

Accordingly, this study makes three key contributions to the literature. First, it introduces an integrated analytical framework connecting governance accountability, ESG legitimacy, and technological transparency within the context of financial reporting integrity. Second, it systematically classifies prior studies using the TCCM framework, clarifying dominant theoretical perspectives, institutional contexts, methodological patterns, and sustainability-oriented characteristics. Third, the study develops a future research agenda by identifying underexplored issues, including greenwashing, ethical risks from artificial intelligence, blockchain accountability, and institutional diversity in emerging economies. Theoretically, the integrative socio-technical governance framework proposed in this review provides a new conceptual lens for accounting and corporate governance scholars, enabling more comprehensive explanations of how governance, ESG, and digital technology interact to shape reporting integrity across institutional settings. For accounting theory, this review extends Agency, Stakeholder, and Legitimacy theories by demonstrating their collective, rather than isolated, relevance in contemporary reporting environments. From a policy perspective, the findings offer actionable insights for standard-setting bodies such as the IASB, ISSB, and national regulators, particularly regarding the integration of ESG assurance mechanisms, digital reporting standards, and technological accountability frameworks into existing governance architectures. For practitioners, the review provides evidence-based guidance on strategic technology integration and ESG assurance that balances innovation with accountability.

Therefore, this review not only synthesizes fragmented knowledge on financial reporting integrity but also identifies unresolved theoretical and contextual gaps, and provides future interdisciplinary research directions for understanding reporting practices in increasingly digitalized and sustainability-oriented environments.

Based on the identified gaps and research objectives, this study explores the following research questions: (1) What are the prevailing publication trends, geographical settings, methodologies, and theoretical frameworks in financial reporting integrity research. (2) How have ESG practices, blockchain technology, and artificial intelligence reshaped our understanding of financial reporting integrity. (3) Which theoretical, contextual, and methodological gaps remain underexplored in the literature. These questions aim to give a thorough understanding of the shifting landscape of financial reporting integrity and pinpoint avenues for future scholarly advancement.

To address these research questions, the article proceeds as follows. The next section explains the research methodology and review protocol employed in this study. Subsequently, the findings are presented through thematic synthesis and TCCM classification. The discussion section then elaborates on the theoretical and practical implications of the review, followed by future research directions. Finally, the concluding section summarizes the study's main findings and contributions.

METHOD

This study employed a Systematic Literature Review (SLR) approach to synthesize and critically evaluate the existing literature on financial reporting integrity. The review followed the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) guidelines developed by Page et al. (2021) to ensure methodological transparency, rigor, and replicability. The overall PRISMA flow diagram illustrating the identification, screening, eligibility, and inclusion stages is shown in Figure 1. The PRISMA framework was selected because it provides a structured and widely accepted protocol for conducting systematic reviews across multidisciplinary research domains (Panic et al., 2013).

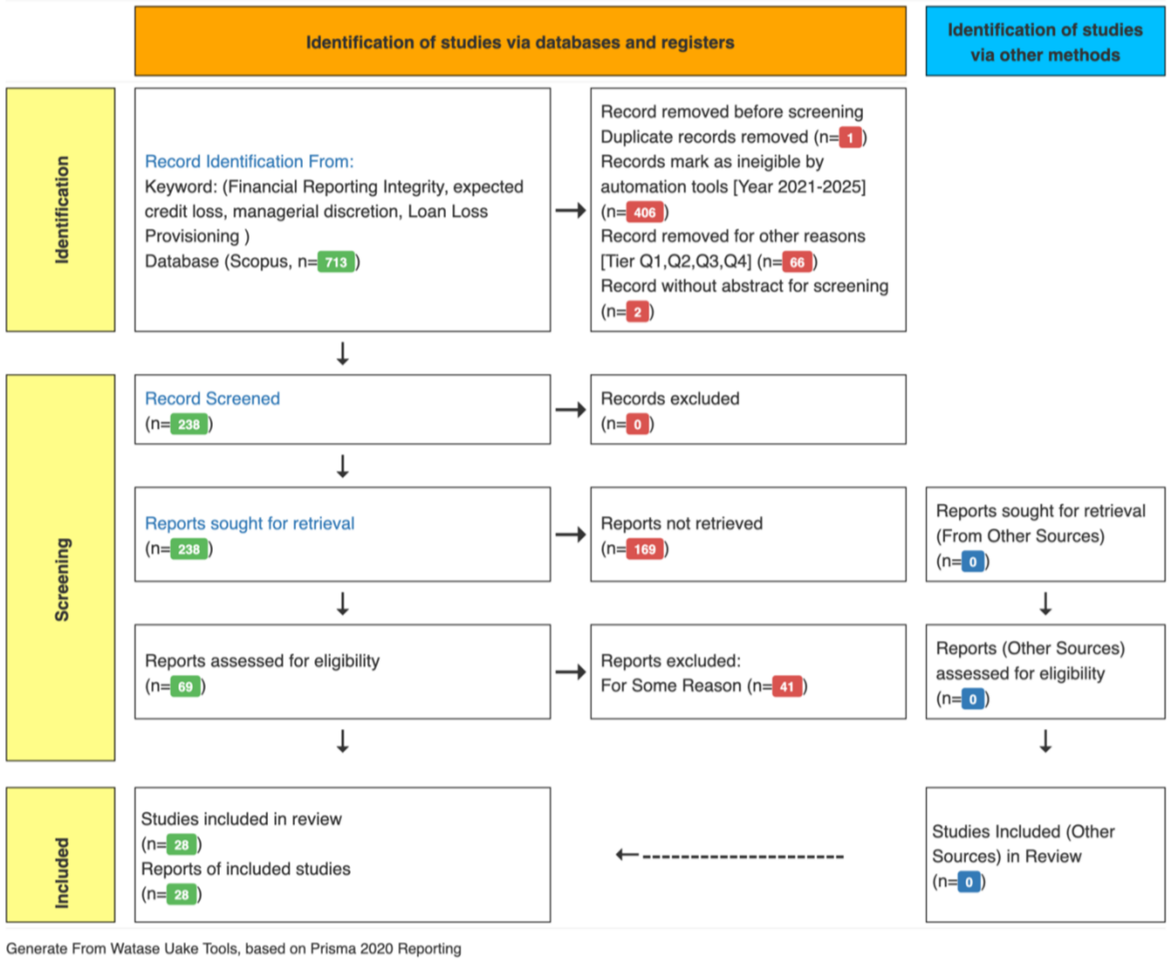

Figure 1. PRISMA 2020 Flow Diagram of the Article Selection Process for Financial Reporting Integrity Literature
Source: Adapted from the PRISMA 2020 framework Page et al. (2021) and processed by the authors using Watase Uake Tools based on Scopus-indexed articles (2021–2025)

We conducted the literature search using the Scopus database, which researchers widely recognized for its extensive coverage of peer-reviewed international publications and rigorous indexing standards. Compared to alternative databases such as Google Scholar, Scopus offers stronger quality control and minimizes issues related to duplicate records, inconsistent indexing, and the inclusion of predatory publications. To capture the most relevant studies, we used several keywords closely related to the research topic, including “Financial Reporting Integrity,” “Expected Credit Loss,” “Managerial Discretion,” and “Loan Loss Provisioning.” We carefully selected these keywords to reflect the multidimensional nature of financial reporting integrity, particularly in relation to governance, earnings management, and transparency.

This study acknowledges a key methodological limitation: the use of Scopus as the sole database source. While Scopus provides broad coverage of peer-reviewed international journals and is widely regarded as a primary resource for systematic reviews in accounting and business research, restricting the search to a single database may introduce publication bias by excluding relevant articles indexed exclusively in Web of Science, ABI/Inform, or Dimensions. To partially mitigate this limitation, the search strategy employed broad thematic keywords and encompassed all Scopus subject categories relevant to the review topics. Future reviews should consider multi-database searches combining Scopus with Web of Science and ABI/Inform to ensure more comprehensive coverage and minimize potential selection bias. This limitation is acknowledged as part of the study's validity boundaries.

The primary search keywords used were: "Financial Reporting Integrity", "ESG Disclosure", "Corporate Governance", "Sustainability Reporting", "Digital Transparency", "Blockchain Accounting", "Artificial Intelligence Auditing", and "Greenwashing". Additional broader terms including "Earnings Quality" and "Financial Disclosure" were initially tested but yielded results that were predominantly outside the governance-ESG-technology nexus central to this review. Terms such as "Financial Reporting Quality" and "Integrated Reporting" generated overlapping results with the primary keywords and were therefore subsumed within the primary search string to avoid duplication. Keywords were combined using Boolean operators (AND/OR) to optimize precision and recall within Scopus search fields (Title, Abstract, and Keywords). The full search string used was: TITLE-ABS-KEY ("financial reporting integrity" OR "ESG disclosure" OR "sustainability reporting" OR "digital transparency" OR "blockchain accounting" OR "AI auditing" OR "greenwashing") AND ("corporate governance" OR "accountability" OR "transparency").

During the identification stage, the initial search generated 713 records from the Scopus database. Subsequently, several filtering procedures were performed to improve the relevance and quality of the dataset. One duplicate article was removed, and 406 records were automatically excluded because they fell outside the selected publication period of 2021–2025. In addition, 66 articles were excluded because they did not meet the journal quality criteria established in this review, particularly publications outside the Scopus-indexed quartile categories (Q1–Q4). Two additional records were removed because they did not provide accessible abstracts, which prevented further evaluation during the screening process.

Following the identification stage, 238 articles remained and proceeded to the screening stage. At this stage, the titles, abstracts, and keywords of the retrieved studies were reviewed to assess their relevance to the research objectives. The screening process focused on studies that discuss financial reporting integrity, earnings management, governance mechanisms, ESG disclosure, audit quality, and related technological developments, such as blockchain and artificial intelligence. Although all 238 records passed the initial screening stage, only 69 articles were retrieved in full text, while the remaining studies could not be accessed due to database limitations and restricted availability.

The eligibility stage involved a more detailed assessment of the retrieved full-text articles. Each study was evaluated based on its conceptual relevance, methodological clarity, empirical contribution, and alignment with the objectives of this review. During this process, 41 articles were excluded because they did not sufficiently address the core themes of financial reporting integrity or failed to meet the study's inclusion criteria. As a result, 28 articles were ultimately included in the final synthesis and qualitative analysis. The inclusion and exclusion criteria applied in this review were as follows. Inclusion criteria: (1) peer-reviewed articles published in English; (2) published between 2021 and 2025; (3) indexed in Scopus; (4) directly addressing financial reporting integrity, ESG disclosure, governance mechanisms, or digital reporting technologies; and (5) using clearly defined research methods (quantitative, qualitative, or mixed). Exclusion criteria: (1) conference proceedings, book chapters, editorials, and grey literature; (2) articles not available in full-text; (3) duplicate records; (4) studies published before 2021; and (5) studies not directly relevant to the research themes identified in the search strategy. These criteria ensured that the final sample of 28 articles was methodologically rigorous, thematically relevant, and temporally current.

Of the 238 articles that proceeded to screening, 150 were excluded after title and abstract review: 68 were not directly relevant to the research themes (governance, ESG, and digital reporting integrity), 42 were published before 2021, 25 were conference papers or book chapters, and 15 were duplicate records. Of the 88 full-text articles assessed for eligibility, 60 were excluded: 28 lacked thematic alignment with financial reporting integrity, 18 did not employ peer-reviewed empirical or conceptual methods, and 14 were not available in full-text. The remaining 28 articles met all inclusion criteria and were included in the final synthesis. This exclusion log ensures replicability and transparency of the selection process.

To analyze the selected studies, we applied thematic analysis combined with the TCCM framework (Theory, Context, Characteristics, and Methodology). Thematic analysis enabled us to identify dominant research streams, emerging issues, and conceptual relationships across the literature, while the TCCM framework facilitated a systematic classification of theoretical perspectives, research contexts, methodological approaches, and key variables discussed in prior studies. This analytical approach allowed us to move beyond descriptive mapping by critically synthesizing fragmented findings and identifying important theoretical and methodological gaps within the existing literature. The TCCM coding process was structured as follows.

Each of the 28 included articles was independently coded by two researchers against the four TCCM dimensions: theoretical perspective, institutional context, study characteristics (including sample size, geographical scope, and variable constructs), and methodological approach. A standardized coding sheet was used to ensure consistency. Disagreements between coders were resolved through discussion and, where necessary, arbitration by a third reviewer. Inter-coder reliability was assessed using Cohen's Kappa (κ); the overall reliability coefficient exceeded 0.80 (κ = 0.83), indicating strong inter-rater agreement (Landis & Koch, 1977). This process strengthens the objectivity and reproducibility of the synthesis results.

To ensure methodological rigor in the article selection and synthesis, this review incorporated a quality appraisal procedure adapted from the Critical Appraisal Skills Programme (CASP, 2018) checklist. Each included article was assessed across four dimensions: (1) clarity and appropriateness of the research design; (2) rigor of the data collection or archival procedures; (3) validity and reliability of the analytical methods used; and (4) relevance and significance of the findings to the review objectives. Articles were rated on a three-point scale (Low/Medium/High) per dimension. Only articles rated Medium or High across all four dimensions were retained in the final sample. This quality screening provides an additional layer of methodological transparency beyond the PRISMA 2020 eligibility criteria.

Throughout the review process, this study prioritized transparency, relevance, and methodological consistency. The combination of PRISMA guidelines, a high-quality database, and systematic thematic synthesis strengthened the validity and reliability of the review's findings. Furthermore, by integrating governance, sustainability, and technological perspectives, this study aimed to provide a more comprehensive understanding of financial reporting integrity within increasingly complex contemporary business environments.

Conflict of Interest: The authors declare no conflict of interest. Funding Statement: This research received no specific grant from any funding agency in the public, commercial, or not-for-profit sectors. Data Availability Statement: This study is a systematic literature review based on publicly available peer-reviewed articles indexed in the Scopus database. The complete list of included articles and the coded dataset used in the TCCM analysis are available from the corresponding author upon reasonable request.

RESULTS AND DISCUSSION

Results

This section presents the findings of the systematic literature review through a thematic and analytical synthesis of prior studies on financial reporting integrity. The analysis is structured to address the research questions outlined in the Introduction, particularly those concerning publication trends, dominant theoretical perspectives, methodological patterns, and the emerging role of ESG and digital technologies in reshaping financial reporting integrity. To improve analytical clarity, the findings are presented sequentially through several visualizations, including keyword mapping, publication trends, geographical distribution, methodological classification, and theoretical categorization. Figure 2 illustrates the keyword co-occurrence analysis, while Figure 3 presents the annual publication trend. Subsequently, Figure 4 visualizes the geographical distribution of studies, followed by Figure 5, which summarizes the dominant methodological approaches. Finally, Figure 6 presents the classification of theories employed in prior research.

The visualizations collectively demonstrate that financial reporting integrity research has evolved from a predominantly governance-oriented discussion into a more multidimensional, interdisciplinary domain. Notably, the increasing integration of ESG accountability, blockchain systems, artificial intelligence (AI), and sustainability assurance reflects a significant conceptual shift in the literature. At the same time, the findings reveal persistent theoretical fragmentation, an imbalance in context between developed and emerging economies, and the methodological dominance of quantitative archival studies. These patterns reinforce the central argument of this review that financial reporting integrity should be understood not merely as a compliance-related accounting issue, but as a socio-technological governance phenomenon shaped by institutional pressures, sustainability expectations, and digital transformation.

Thematic Evolution of Financial Reporting Integrity Research

Figure 2 presents the keyword co-occurrence analysis derived from the reviewed studies. The visualization demonstrates that "managerial discretion" emerged as the most dominant theme within the literature, followed by "corporate governance," "earnings management," and "financial reporting quality." The prominence of these themes indicates that financial reporting integrity research continues to be strongly rooted in governance and agency-related concerns, particularly regarding the monitoring of managerial behavior and the mitigation of opportunistic reporting practices.

Figure 2. Keyword Co-occurrence Analysis of Financial Reporting Integrity Research
Source: Authors' visualization generated using keyword mapping analysis based on reviewed Scopus- indexed articles (2021–2025) through Watase Uake Tools

Managerial discretion shows the ongoing influence of Agency Theory, which explains reporting manipulation and accounting opportunism. Studies argue managers use discretion in financial reporting to meet earnings targets, maintain market expectations, or gain personal incentives (Allini et al., 2025; Hoor et al., 2025). Governance mechanisms such as audit committees, board independence, and external auditing remain central in the literature. However, findings suggest these safeguards alone are now seen as insufficient, especially for addressing challenges tied to ESG disclosures and digital reporting systems.

Another significant finding concerns the growing prominence of ESG-related terms, including sustainability reporting, carbon disclosure, and greenwashing. This trend indicates a transition in the literature from traditional concerns to broader accountability and sustainability perspectives. Whereas earlier accounting studies focused almost exclusively on earnings quality and financial compliance, recent research emphasizes credible non-financial disclosures and stakeholder transparency (Khaireddine et al., 2024). Importantly, this shift reflects broader institutional changes driven by sustainability regulations, investor activism, and public pressure for corporate accountability.

The keyword analysis also reveals the emergence of technology-oriented themes such as blockchain, artificial intelligence, and digital auditing. Although these topics remain relatively less dominant compared to governance-related discussions, their growing presence suggests that the literature is beginning to recognize the transformative implications of digital technologies for financial reporting systems. Studies by Cho et al. (2021), for instance, argue that blockchain and AI technologies may substantially improve transparency, fraud detection, and reporting reliability. Nevertheless, the literature still lacks a comprehensive framework that explains how technological innovation interacts with governance quality and sustainability accountability to shape financial reporting integrity.

Overall, the thematic evolution identified in Figure 2 indicates that the field is transitioning from a narrow, governance-focused discussion to a broader interdisciplinary research domain integrating governance, sustainability, institutional legitimacy, and technological transformation. However, despite this conceptual expansion, the literature remains fragmented, particularly regarding the integration of these dimensions into a coherent analytical framework. Critically, this transition from governance-centered to ESG- and technology-centered themes was not spontaneous but was driven by several converging external forces.

Regulatory developments played a central role: the introduction of the EU Taxonomy Regulation (2020), the Corporate Sustainability Reporting Directive (CSRD, 2022), and IFRS Sustainability Disclosure Standards (ISSB, 2023) created binding reporting obligations that elevated ESG from voluntary practice to regulatory requirement. Simultaneously, the COVID-19 pandemic accelerated digital transformation in financial reporting, forcing organizations to adopt remote auditing, digital financial controls, and AI-assisted risk assessment tools at scale (Murgolo et al., 2024). Institutional pressures from investor coalitions such as the Net Zero Asset Owner Alliance and the Task Force on Climate-Related Financial Disclosures (TCFD) further amplified ESG accountability expectations. Together, these regulatory and institutional shifts reshaped what 'financial reporting integrity' means in practice, moving from a compliance-oriented governance concept to a broader institutional legitimacy construct that encompasses sustainability, technology ethics, and stakeholder accountability.

Taken together, the thematic patterns in Figure 3 show that financial reporting integrity research is transforming. To build on these conceptual shifts, the next subsection analyses annual publication trends observed throughout the review period. This approach will help capture the expansion of scholarly attention in the evolving field.

Publication Trends and the Expanding Scope of Reporting Integrity Research

Figure 3 illustrates the annual publication trend between 2021 and 2025. The findings reveal a substantial increase in the number of publications over the review period, with the highest concentration of studies appearing in 2025. This trend suggests that financial reporting integrity has become an increasingly important scholarly issue, particularly in response to sustainability pressures, digital transformation, and the growing demand for corporate transparency and accountability.

To provide a clearer overview of the publication growth identified in the reviewed literature, Figure 3 presents the annual distribution of studies published between 2021 and 2025.

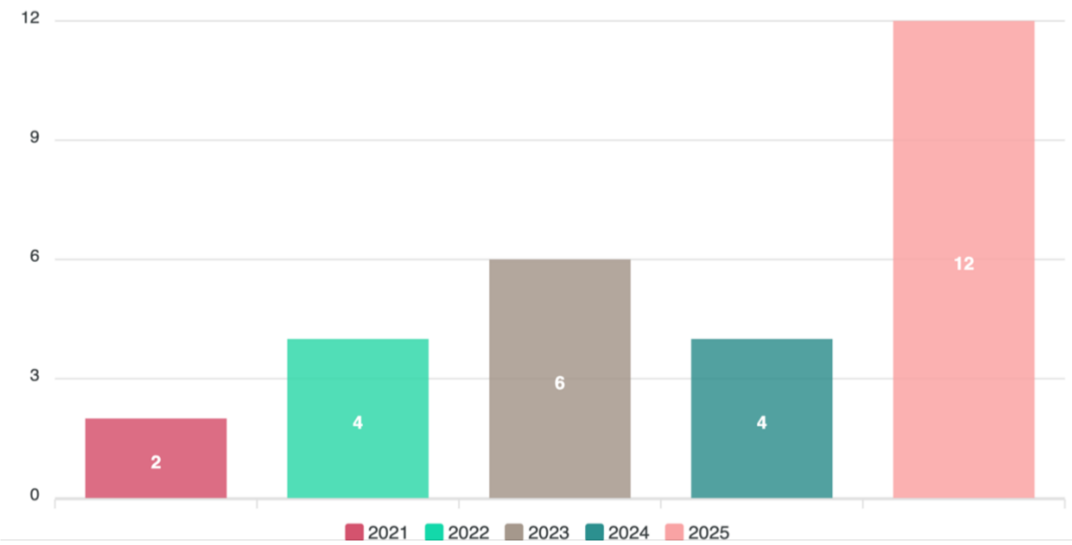

Figure 3. Annual Publication Trend of Financial Reporting Integrity Research (2021–2025)
Source: Authors' visualization based on reviewed Scopus-indexed articles (2021–2025), generated using Watase Uake Tools

Notably, earlier studies published in 2021, such as those by Bui et al. (2021), received the highest citation counts within the dataset. These studies significantly influenced subsequent discussions by introducing sustainability assurance and blockchain systems into the financial reporting integrity discourse. Their strong citation impact suggests that interdisciplinary studies integrating governance, sustainability, and technology tend to generate broader academic attention compared to conventional governance-focused research.

The increasing publication trend also reflects a broader transformation in reporting expectations. Historically, financial reporting integrity research concentrated largely on earnings management, audit quality, and internal control effectiveness. However, recent studies increasingly incorporate ESG disclosure quality, climate-related transparency, digital reporting systems, and AI-assisted auditing into their analytical frameworks (Perera et al., 2025). This shift suggests that financial reporting integrity is gradually being repositioned within the literature as part of a larger sustainability governance ecosystem rather than a purely accounting-oriented concern.

Interestingly, the growing prominence of ESG and digital transformation themes coincides with increasing concerns regarding greenwashing and symbolic disclosure practices. Several studies argue that corporations may strategically use sustainability narratives to create reputational legitimacy without necessarily improving substantive environmental performance. This development highlights an important paradox within the literature: while reporting transparency is often associated with stronger accountability, increased disclosure may simultaneously create new opportunities for impression management and reputational manipulation.

The publication trend further reveals that emerging technologies are becoming increasingly integrated into contemporary accounting and reporting discussions. AI-driven auditing systems, blockchain-based reporting mechanisms, and predictive fraud analytics are no longer treated as peripheral innovations but rather as central elements in discussions concerning reporting credibility and governance modernization. However, despite the rapid growth of this literature, empirical evidence remains relatively fragmented, and there is still limited theoretical integration between technological innovation and traditional governance perspectives.

Therefore, the publication trend analysis reinforces the argument that financial reporting integrity research is undergoing a paradigmatic transition. The field is no longer confined to conventional accounting governance debates but increasingly intersects with sustainability governance, digital transformation, and institutional accountability.

Taken together, the publication trends presented in Figure 3 suggest that financial reporting integrity has become an increasingly global and interdisciplinary research concern. However, the rapid expansion of the literature does not necessarily imply balanced contextual representation. Therefore, the next subsection examines the geographical distribution and institutional concentration of the reviewed studies.

Geographical Distribution and Contextual Imbalance in the Literature

Tabel 1 presents the geographical distribution of studies included in the review. The findings reveal that research on financial reporting integrity remains heavily concentrated in developed economies, particularly the United States and European countries. These regions not only dominate publication output but also account for the highest citation impact within the literature.

To provide a clearer overview of the institutional and geographical distribution of prior studies, Table 1 summarizes the dominant research contexts, publication concentration, and primary research focus identified within the reviewed literature.

Table 1

Geographical Distribution and Institutional Context of the Reviewed Studies

No	Institutional and Geographical Context	Frequency	Percentage (%)	Dominant Research Focus
1	United States	6	21.43	Corporate governance, audit quality, ESG disclosure, and technological transparency
2	European Economies (European Union, United Kingdom, France, Greece)	5	17.86	Sustainability reporting, governance regulation, and integrated reporting

3	Emerging Asian Economies (Indonesia, China, Malaysia, Vietnam, India)	8	28.57	Reporting quality, governance reform, ESG disclosure, and institutional accountability
4	Middle Eastern Economies (Saudi Arabia, UAE, Jordan)	3	10.71	Earnings management, governance effectiveness, and disclosure transparency
5	Other Emerging Economies (South Africa, Brazil)	2	7.14	Sustainability accountability and institutional governance
6	Developed Economy (Australia)	1	3.57	Integrated reporting and governance practices
7	Cross-national and Global Studies	2	7.14	Comparative governance and sustainability analysis
8	Unspecified Institutional Context	1	3.57	Conceptual and theoretical discussion
	Total	28	100.00	

Source: Authors' compilation based on reviewed Scopus-indexed studies (2021–2025).

Several factors may explain this dominance. Developed economies generally possess stronger regulatory environments, more mature capital markets, and greater access to comprehensive financial databases (Lucuț Capraș et al., 2025). Consequently, researchers operating within these contexts are often better positioned to conduct large-scale empirical analyses and publish in internationally recognized journals (Mahieux et al., 2023). In contrast, studies from emerging economies such as Indonesia Budiman et al. (2023), Vietnam, and Malaysia remain comparatively limited in both quantity and citation influence.

However, the growing presence of studies from emerging markets represents an important development within the literature. Researchers increasingly recognize that financial reporting integrity challenges may differ substantially across institutional environments. In many developing economies, weak governance structures, regulatory instability, political intervention, and limited enforcement mechanisms create distinct reporting risks that are not fully captured by evidence derived from developed markets (Nindito et al., 2024; Wibowo et al., 2025).

Interestingly, several studies conducted in emerging economies highlight the importance of cultural and institutional dynamics in shaping reporting behavior. For example, research in Southeast Asia frequently emphasizes the role of family ownership, concentrated ownership structures, and institutional trust in influencing reporting transparency. These contextual factors receive comparatively less attention in Western governance-oriented studies, which tend to prioritize formal governance mechanisms and market-based incentives.

The geographical imbalance identified in the literature has important theoretical implications. Because much of the existing evidence is derived from developed economies, dominant theories such as Agency Theory may reflect assumptions that are not universally applicable across institutional contexts. Consequently, the literature may inadvertently overlook important socio-cultural and institutional factors influencing financial reporting integrity in emerging markets.

Moreover, despite the increasing global relevance of ESG reporting and digital reporting technologies, studies examining their implementation in developing countries remain relatively scarce. This gap is particularly important because emerging economies often face different technological infrastructures, governance capacities, and sustainability pressures compared to developed nations. Therefore, future research should prioritize comparative cross-country studies capable of explaining how institutional environments shape the interaction between governance, sustainability accountability, and technological transformation.

In addition to geographical concentration, the reviewed literature also exhibits clear methodological tendencies. As a result, the next section focuses on the research methods and analytical approaches most frequently adopted in financial reporting integrity studies.

Methodological Dominance and Emerging Analytical Approaches

Figure 4 summarizes the methodological approaches employed in the reviewed studies. The findings indicate a strong dominance of quantitative methods, particularly regression analysis, panel data models, and Generalized Method of Moments (GMM) estimation techniques. Approximately three-quarters of the reviewed studies relied on quantitative archival approaches using secondary data obtained from annual reports, financial databases, or ESG disclosure repositories.

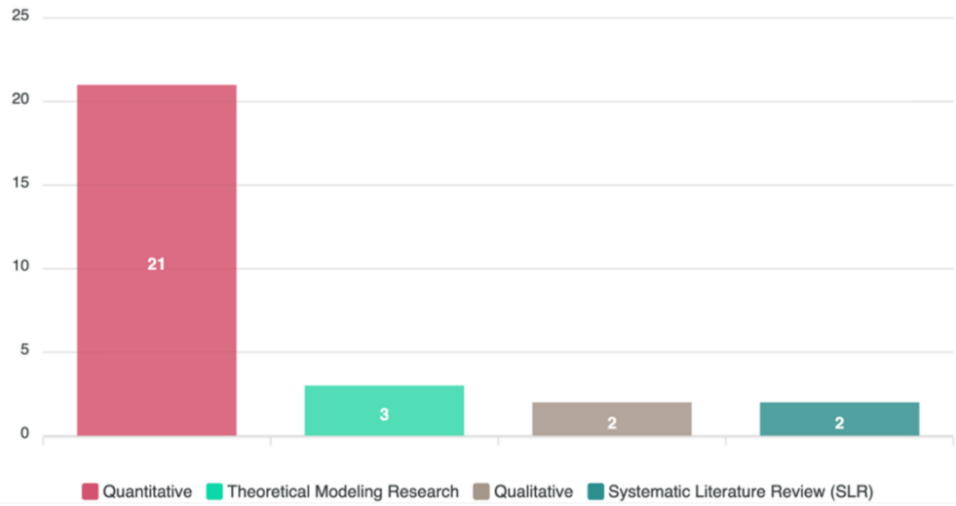

Figure 4. Methodological Classification of Financial Reporting Integrity Research
Source: Authors' visualization based on reviewed Scopus-indexed studies (2021–2025), generated using Watase Uake Tools

The popularity of quantitative approaches can largely be attributed to their ability to generate statistically generalizable findings and identify causal relationships between governance mechanisms and reporting quality. Studies by Khuong et al. (2025) and Luu et al. (2021), for instance, employed advanced econometric techniques to examine the relationship between governance characteristics, reporting quality, and sustainability disclosure practices.

Despite their methodological rigor, quantitative studies may offer limited insight into the organizational and behavioral processes underlying reporting decisions. Specifically, archival approaches may not fully capture managerial motivations, ethical considerations, institutional pressures, or cultural dynamics that influence financial reporting behavior. As a result, several scholars have suggested that the literature may remain methodologically imbalanced.

Qualitative studies, although relatively limited in number, provide important contextual and interpretive insights. Kassem (2024), for example, used semi-structured interviews to explore how external auditors perceive fraud risk and managerial integrity within complex reporting environments. Such approaches allow researchers to examine organizational dynamics and institutional contexts that are difficult to capture through quantitative datasets alone.

Interestingly, recent studies increasingly adopt interdisciplinary analytical approaches combining governance analysis, sustainability assessment, and technological evaluation. This methodological diversification reflects the growing complexity of financial reporting integrity as a research domain. Nevertheless, mixed-method and longitudinal studies remain relatively rare despite their potential to provide more holistic explanations of reporting behavior over time.

The findings, therefore, suggest that future research should move beyond methodological monocultures by integrating quantitative rigor with qualitative depth. Such integration would allow researchers to better understand how governance structures, institutional environments, managerial behavior, and technological innovation interact in shaping financial reporting integrity.

Theoretical Classification and Emerging Intellectual Shifts

Table 2 presents the classification of theoretical perspectives employed within the reviewed literature. The findings indicate that Agency Theory remains the dominant theoretical foundation in financial reporting integrity research, appearing in nearly one-third of the reviewed studies. This dominance suggests that the literature remains strongly grounded in concerns about managerial opportunism, governance monitoring, audit effectiveness, and information asymmetry. In many studies, Agency Theory functions as the primary analytical lens for explaining earnings management behavior and the role of governance mechanisms in mitigating reporting manipulation and enhancing reporting credibility.

At the same time, the reviewed literature demonstrates an increasingly diverse and interdisciplinary theoretical landscape. Beyond traditional governance-oriented perspectives, recent studies have begun incorporating Stakeholder Theory, Legitimacy Theory, Dynamic Capability perspectives, and sustainability-oriented approaches to explain the growing complexity of financial reporting practices in the digital and sustainability era. To provide a clearer overview of these theoretical developments, Table 2 summarizes the dominant theoretical perspectives, their conceptual orientations, and their primary analytical foci within the financial reporting integrity literature.

Table 2

Theoretical Classification of Financial Reporting Integrity Research

No	Theoretical Perspective	Frequency	Percentage (%)	Dominant Research Focus
1	Agency Theory	9	32.14	Earnings management, governance monitoring, audit quality, and information asymmetry
2	Stakeholder and Legitimacy Perspectives	6	21.43	ESG disclosure, sustainability accountability, and corporate legitimacy
3	Integrated Governance Theories (Agency, Stakeholder, Legitimacy, and Information Asymmetry)	4	14.29	Multidimensional governance and reporting transparency
4	Upper Echelons and Imprinting Perspectives	2	7.14	Executive characteristics, leadership influence, and organizational decision-making
5	Organizational and Dynamic Capability Perspectives	2	7.14	Organizational adaptability, institutional learning, and governance capability
6	Sustainability-Oriented Theories	1	3.57	Sustainable development and long-term accountability
7	Public Value and Democratic Perspectives	2	7.14	Stakeholder welfare, accountability, and institutional legitimacy
8	Financial and Credit Risk Perspectives	2	7.14	Financial stability, credit risk modelling, and reporting reliability
	Total	28	100.00	

Source: Authors' compilation based on reviewed Scopus-indexed studies (2021–2025).

However, the findings also reveal an increasing diversification of theoretical perspectives. Stakeholder Theory has become particularly prominent within ESG and sustainability-related studies, reflecting the broader shift toward stakeholder accountability and legitimacy-oriented reporting practices (Freeman, 1984). Similarly, Legitimacy Theory has been widely employed to explain how organizations use sustainability disclosures to maintain social acceptance and respond to institutional pressures (Murgolo et al., 2024).

To provide a more integrative synthesis of the reviewed literature, Table 3 summarizes the findings using the TCCM framework (Theory, Context, Characteristics, and Methodology). This framework allows the review to systematically identify dominant research patterns, theoretical fragmentation, contextual imbalance, and emerging opportunities for future interdisciplinary research on financial reporting integrity.

Table 3
TCCM Framework of Financial Reporting Integrity Research

TCCM Dimension	Dominant Findings	Research Gaps	Future Research Opportunities
Theory	Agency Theory dominates; increasing use of Stakeholder and Legitimacy Theory	Limited theoretical integration with digital governance and socio-technical perspectives	Develop interdisciplinary frameworks integrating governance, ESG, AI, and institutional theories
Context	Research concentrated in developed economies, especially US and Europe	Emerging economies remain underexplored	Comparative cross-country studies involving developing economies
Characteristics	Focus on earnings management, governance quality, ESG disclosure, and audit quality	Limited exploration of ethical AI, greenwashing, and technological accountability	Examine AI governance, blockchain accountability, and sustainability legitimacy
Methodology	Dominance of quantitative archival methods and panel regression models	Limited mixed-method and longitudinal studies	Employ mixed-method, qualitative, and interdisciplinary approaches

Source: Authors' compilation based on reviewed Scopus-indexed studies (2021–2025)

The TCCM synthesis demonstrates that financial reporting integrity research is evolving toward a more interdisciplinary and sustainability-oriented domain. However, important gaps remain regarding theoretical integration, contextual diversity, and methodological pluralism. Addressing these gaps requires a framework that unifies governance accountability, technological transparency, and sustainability legitimacy, offering clear guidance for future research to integrate these key elements within a single analytical model.

Beyond the theoretical diversification identified in the reviewed literature, the emergence of technology-oriented research has also introduced new conceptual and governance-related challenges. Interestingly, few studies have attempted to integrate technological perspectives with governance and sustainability theories simultaneously. Most existing research continues to apply individual theories in isolation, thereby limiting the development of more comprehensive conceptual explanations. As a result, the literature still lacks an integrative framework to explain financial reporting integrity as a socio-technical governance phenomenon shaped by institutional pressures, stakeholder expectations, and digital transformation.

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Taken together, the theoretical evolution identified in the reviewed studies suggests that the field is undergoing an important intellectual transition. While traditional governance perspectives remain influential, contemporary reporting challenges demand interdisciplinary theoretical integration. Such integration is necessary to capture the complex interactions between governance, sustainability, technology, and institutional legitimacy.

Discussion

The findings of this systematic literature review suggest that financial reporting integrity cannot be understood solely through the traditional lens of accounting compliance and governance monitoring. Rather, the literature increasingly portrays reporting integrity as a multidimensional construct shaped by sustainability pressures, institutional expectations, and rapid technological transformation. This evolution is particularly evident in the growing intersection of ESG disclosure, digital auditing technologies, and governance accountability, which collectively redefine transparency in modern corporate environments. In many respects, the contemporary discussion surrounding financial reporting integrity reflects a broader transition in organizational accountability from a narrow shareholder-oriented approach to a more complex stakeholder-centered paradigm.

One of the most consistent findings across the reviewed studies is the continued dominance of Agency Theory in explaining financial reporting behavior. In line with earlier governance literature, many studies continue to frame reporting manipulation and earnings management as consequences of information asymmetry and conflicting managerial incentive (Allini et al., 2025; Hoor et al., 2025). Governance mechanisms such as audit committees, board independence, and external auditing are therefore positioned as essential instruments for reducing opportunistic behavior and strengthening reporting credibility. However, while Agency Theory remains highly influential, the present review indicates that its explanatory capacity appears increasingly limited when confronted with contemporary reporting challenges associated with ESG disclosure, sustainability accountability, and technologically mediated reporting systems.

Some recent studies implicitly question the belief that stronger monitoring alone secures reporting integrity. The literature now emphasizes legitimacy, stakeholder trust, and institutional credibility. This shift clear in studies of ESG reporting and sustainability assurance. Today, organizations must not only follow financial rules but also demonstrate broader social and environmental accountability (Khaireddine et al., 2024; Ongsakul et al., 2025). Thus, the findings extend by Qayoom & Chisti (2025) showing that transparency is now tied to reputational legitimacy and sustainability, not just financial data.

The review reveals an important contradiction in the changing reporting landscape. While transparency is promoted to enhance accountability, more greenwashing suggests expanded disclosure can be used for symbolic impression management. Importantly, increased disclosure does not necessarily guarantee stronger reporting integrity. This nuance adds to earlier ESG reporting studies. Many assumed that more disclosure led to higher reporting quality. The findings instead show that organizations may use sustainability narratives to seek legitimacy without real environmental or social improvements. Thus, the link between transparency and integrity is more complex than conventional governance frameworks suggest.

The mechanisms and severity of greenwashing differ substantially across institutional contexts. In developed economies, particularly in the European Union and North America, greenwashing typically manifests through selective disclosure, impression management in sustainability reports, and the strategic use of ESG rating differences to project a stronger sustainability image than underlying practices warrant (Poiriazi et al., 2025). Regulatory scrutiny in these markets is relatively strong; for example, the European Securities and Markets Authority (ESMA) and the SEC's Climate Disclosure Rule provide institutional deterrents. In contrast, in developing economies (including Southeast Asia, Sub-Saharan Africa, and Latin America) greenwashing is compounded by weaker regulatory enforcement, limited ESG auditing infrastructure, concentrated ownership structures, and political connections that reduce accountability pressure.

Institutional trust deficits and lower investor sophistication in these markets make symbolic ESG disclosure strategies more effective and less costly to maintain. This contextual asymmetry implies that the integrity of ESG disclosures cannot be assessed using uniform global standards; rather, governance frameworks and assurance mechanisms need to be calibrated to the specific institutional environments in which they operate. Future research should explicitly compare greenwashing drivers and regulatory responses across developed and developing market contexts to generate more contextually valid governance recommendations.

Another striking finding from this review is the growing role of digital technologies in reshaping financial reporting systems. Previous studies mainly discuss blockchain and artificial intelligence in technical or operational terms, focusing on how they improve fraud detection and reporting efficiency (Cho et al., 2021). However, this review takes a broader view, showing that digital technologies are reshaping the institutional architecture of accountability. For example, many see blockchain not just as a data-processing tool but to transform organizational trust through immutable, decentralized reporting.

AI-driven auditing technologies are changing traditional ideas about human judgment and monitoring. Several studies suggest predictive analytics and automated anomaly detection improve reporting reliability and auditing. At the same time, the literature now notes some unintended consequences of heavy technology use. Concerns about algorithmic bias, ethical accountability, cybersecurity, and reliance on automation remain underexplored. These issues could have big effects on reporting integrity. Thus, technological changes in financial reporting may create new governance risks, even as they solve old problems.

The review also highlights a persistent imbalance in the literature's context. Research on financial reporting integrity continues to be heavily dominated by evidence from developed economies, particularly the United States and European countries. This pattern largely aligns with prior observations by Lindahl et al. (2024), who noted that sustainability and governance research often reflects Western institutional assumptions. However, the present review further demonstrates that such contextual concentration may unintentionally restrict the theoretical applicability of dominant governance frameworks.

In many emerging economies, institutional conditions shape financial reporting practices differently than in developed markets. Concentrated ownership, political interference, regulatory instability, and weak enforcement often drive reporting dynamics that traditional Agency Theory does not fully explain. Studies in Southeast Asia and other developing regions show that institutional trust, cultural norms, and governance maturity strongly influence transparency and accountability.

Despite their growing importance in global reporting, these differences are underexplored in the mainstream literature. For accounting standard-setters and policymakers in emerging economies, the implications are particularly significant. First, the dominance of Agency Theory-based governance solutions (board independence, audit quality, ownership structure) in the reviewed literature reflects developed-market institutional assumptions that may not translate effectively to concentrated ownership environments, state-owned enterprise contexts, or markets with weaker minority shareholder protection. Second, the rapid adoption of AI and blockchain in financial reporting creates a digital governance gap in emerging economies where data infrastructure, regulatory technology capacity, and professional digital audit competencies are still developing. Third, ESG disclosure requirements, particularly those aligned with ISSB standards, may impose disproportionate compliance costs on listed companies in lower-income emerging markets, necessitating differentiated regulatory approaches. Researchers focusing on emerging economies should therefore develop context-specific governance frameworks that account for institutional complexity, cultural norms, and resource constraints, rather than simply adapting developed-market models to local conditions.

This review, therefore, reveals an understudied aspect of financial reporting integrity research: the need to integrate institutional and socio-cultural dimensions more explicitly into future analytical frameworks. Unlike many prior review studies that primarily focused on governance effectiveness or earnings transparency, this review emphasizes that reporting integrity is deeply embedded within broader institutional and societal structures. As ESG regulations and digital reporting technologies continue to expand globally, understanding these contextual variations will become increasingly important.

Methodologically, the findings show an imbalance in the current literature. Most studies are quantitative and archival, using regression analysis, panel models, or GMM. These methods give strong statistical support and help identify links between governance and reporting quality. Still, sophisticated methods do not always guarantee depth of understanding.

In many cases, quantitative studies appear to capture reporting integrity primarily through measurable proxies while paying relatively limited attention to organizational behavior, ethical reasoning, or institutional complexity. By contrast, the smaller number of qualitative studies included in this review provides considerably richer insights into managerial motivations, fraud perceptions, and governance dynamics (Kassem, 2024). This finding is particularly important because financial reporting integrity ultimately involves human judgment, organizational culture, and institutional interpretation dimensions that are often difficult to reduce to purely quantitative indicators.

Consequently, this review adds nuance to previous methodological debates by arguing that future research should move beyond methodological monocultures. Mixed-method and interdisciplinary approaches may be especially valuable for capturing the complex interactions among governance structures, sustainability pressures, technological systems, and organizational behavior. In this sense, the findings support a broader movement within accounting research toward more interpretive and context-sensitive analytical approaches.

Perhaps the most important contribution of this review lies in its attempt to bridge several fragmented streams of literature that have often developed independently from one another. Existing studies frequently examine governance quality, ESG disclosure, and digital innovation as separate domains, even though these dimensions increasingly intersect within contemporary reporting systems. Unlike prior SLR studies, this review synthesizes these perspectives into a more integrated analytical discussion, thereby repositioning financial reporting integrity as a socio-technical governance phenomenon rather than merely an accounting compliance issue.

This review, therefore, offers a novel conceptual perspective by reconceptualizing financial reporting integrity as a multidimensional socio-technical governance phenomenon shaped by the interactions among governance accountability, sustainability legitimacy, and technological transparency. Governance accountability refers to the traditional mechanisms designed to mitigate managerial opportunism and strengthen monitoring effectiveness. Sustainability legitimacy reflects the growing importance of stakeholder expectations, ESG accountability, and reputational credibility. Technological transparency, meanwhile, captures the transformative role of blockchain, AI, and digital reporting systems in reshaping organizational reporting practices. Importantly, these dimensions do not operate independently; rather, they continuously interact and reinforce one another within increasingly complex corporate environments.

This synthesis advances the theoretical literature in three specific ways. First, it extends Agency Theory by demonstrating that managerial opportunism in financial reporting now manifests not only through earnings manipulation but also through selective ESG disclosure and greenwashing, forms of opportunistic behavior that existing agency-based models do not adequately capture. Second, it modifies Legitimacy Theory by showing that organizations increasingly employ digital and ESG-related symbolic strategies as legitimation mechanisms, thereby expanding the theory's scope from regulatory compliance to technological and reputational impression management. Third, it enriches Stakeholder Theory by revealing that multi-stakeholder accountability now requires governance structures that integrate ESG assurance, digital reporting transparency, and institutional trust, a multidimensional accountability configuration that Freeman (1984) original stakeholder model did not anticipate. Together, these theoretical extensions suggest that single-theory frameworks are insufficient for explaining contemporary financial reporting integrity; instead, multi-theoretical lenses are required to capture the full complexity of governance, sustainability, and digital dynamics.

From a theoretical standpoint, the findings strongly suggest that future research should adopt more integrative and interdisciplinary frameworks. While Agency Theory remains highly relevant, relying solely on agency-based assumptions may no longer be sufficient to understand contemporary reporting challenges. Combining Agency Theory with Stakeholder Theory, Legitimacy Theory, Institutional Theory, and socio-technical perspectives may provide a more comprehensive explanation of how reporting integrity evolves within rapidly changing organizational contexts.

The practical implications are equally significant. First, regulators and standard-setting bodies should recognize that reporting integrity cannot be strengthened solely through tighter financial disclosure requirements. Governance systems increasingly need to incorporate ESG assurance mechanisms, digital reporting standards, and technological accountability frameworks to address emerging reporting risks. This becomes particularly important considering the growing prevalence of greenwashing and symbolic sustainability reporting practices.

The publication of the IFRS Sustainability Disclosure Standards by the International Sustainability Standards Board (ISSB) in 2023, specifically IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and IFRS S2 (Climate-related Disclosures), represents the most significant global regulatory development in sustainability reporting in decades. These standards mandate that companies disclose material sustainability risks and opportunities in a manner consistent with financial reporting principles, directly addressing the integrity gap between financial and non-financial disclosures identified in this review.

Several findings of this review carry direct implications for ISSB implementation. First, the prevalence of greenwashing identified in the reviewed studies suggests that ISSB standards alone will be insufficient without robust third-party assurance requirements; mandatory external assurance aligned with ISAE 3000 standards should accompany IFRS S1 and S2 adoption. Second, the digital technology integration findings suggest that ISSB-aligned reporting systems will benefit from blockchain-based traceability mechanisms that create verifiable, immutable sustainability disclosure records. Third, the contextual imbalance identified in this review, whereby developing economies lack ISSB-ready regulatory infrastructure, calls for capacity-building initiatives and phased implementation timelines for emerging market jurisdictions. Future research should examine how different jurisdictions adopt and adapt ISSB standards, and the extent to which these standards effectively improve financial reporting integrity in diverse institutional contexts.

Second, organizations themselves should avoid viewing digital technologies merely as efficiency-enhancing tools. Blockchain and AI systems should instead be strategically integrated into broader governance structures to improve transparency, accountability, and institutional trust. However, organizations must also remain attentive to the ethical and governance challenges introduced by technological dependence, particularly those related to algorithmic bias and automated decision-making processes.

Finally, the findings indicate that the auditing profession is entering a period of significant transformation. Traditional auditing competencies may no longer be sufficient in reporting environments increasingly characterized by ESG disclosure, automated reporting systems, and sustainability assurance demands. Consequently, auditors and assurance professionals will likely require more interdisciplinary expertise involving sustainability governance, data analytics, digital assurance, and ethical risk assessment.

Overall, this review demonstrates that research on financial reporting integrity is currently undergoing a substantial paradigm shift. The literature is gradually moving beyond a narrow governance-oriented understanding of reporting quality toward a broader interdisciplinary perspective that integrates governance, sustainability, institutional legitimacy, and technological transformation. Nevertheless, despite this conceptual progress, important theoretical, contextual, and methodological gaps remain unresolved. Addressing these gaps will require future research to adopt more holistic frameworks capable of explaining the increasingly complex relationship between organizational behavior, digital innovation, stakeholder expectations, and institutional environments within contemporary financial reporting systems.

This review extends the application of the TCCM framework by demonstrating how financial reporting integrity research evolves across interconnected dimensions of theory, institutional context, methodological orientation, and sustainability-driven characteristics. Unlike prior fragmented reviews, this study integrates governance, ESG accountability, and technological transformation into a unified socio-technical perspective.

CONCLUSION

The central theoretical contribution of this review lies in advancing beyond the descriptive syntheses characteristic of most previous systematic literature reviews in the field. While earlier reviews have provided valuable thematic summaries, they have generally not proposed new conceptual frameworks or explicitly refined existing theoretical constructs.

This review addresses these limitations by offering three theoretically novel contributions that distinguish it from prior studies. First, it reconceptualizes financial reporting integrity as a multidimensional socio-technical governance phenomenon, providing a conceptual reframing that integrates governance, sustainability, and technological dimensions into a single analytical construct. This is, to the authors' knowledge, the first SLR to propose this integrative conceptualization in the accounting and corporate governance literature. Second, it explicitly demonstrates how Agency Theory, Stakeholder Theory, and Legitimacy Theory require extension and modification to adequately explain contemporary reporting integrity challenges, a theoretical refinement absent from prior reviews. Third, it generates a future research agenda grounded in cross-theoretical synthesis rather than isolated disciplinary extension, offering a roadmap for interdisciplinary scholarship that spans accounting, sustainability governance, and digital technology research.

This review argues that financial reporting integrity has evolved far beyond its traditional focus on earnings management, governance monitoring, and regulatory compliance. The concept now encompasses ESG accountability, digital transformation, and institutional legitimacy, reflecting a multidimensional issue shaped by organizational behavior, stakeholder expectations, and technology. Traditional frameworks are no longer sufficient to explain this shift in the reporting environment.

The central contribution of this review is to integrate formerly separate streams of governance, sustainability, and technology into a single framework for understanding financial reporting integrity. This unified approach clarifies how reporting practices in complex organizations reflect overlapping concerns. The review also assesses how emerging technologies, such as blockchain and artificial intelligence, are actively redefining transparency, trust, and accountability.

The review identifies several gaps in current research. Most studies focus on developed economies like the United States and Europe, while emerging markets receive less attention. This matters because reporting practices depend on local regulatory, political, and cultural contexts. Quantitative methods dominate the existing literature, often overlooking behavioral, ethical, and institutional factors. Although digital technologies are acknowledged as important, few studies examine risks such as algorithmic bias, reliance on technology, and symbolic ESG disclosures.

These research gaps highlight urgent areas for future investigation. Comparative studies between different countries are needed to clarify how institutional settings shape reporting integrity. Researchers should use interdisciplinary and mixed-methods approaches to examine the interactions among governance, sustainability, culture, and technology. It is essential to assess the unintended impacts of AI-driven reporting and blockchain-based governance systems. Future work must rigorously assess ethical accountability and the reliability of ESG disclosures in digital reporting to inform practical, responsible frameworks. Ultimately, this review contends that financial reporting integrity transcends technical accounting and is fundamentally an institutional and societal concern at the intersection of governance, sustainability, and technology. Understanding these connections is critical for researchers, regulators, auditors, investors, and organizations navigating complex demands for transparency and accountability.

Future research can use the TCCM framework to analyze how theory, institutional context, methods, and sustainability features interact to shape financial reporting integrity. Researchers should clarify their relationships and measure their influence across governance settings, aiming for practical insights for both academics and practitioners.

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AUTHOR CONTRIBUTION STATEMENT

Author 1: Conceptualization, Methodology, Writing—Original Draft. Author 2: Data Curation, Formal Analysis, Writing—Review & Editing. Author 3: Validation, Visualization, Writing—Review & Editing. All authors have read and agreed to the published version of the manuscript.

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