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The editorial board would like to express their heartfelt appreciation for the contributions made by the authors, co-authors and all who involved in the publication of this bulletin.

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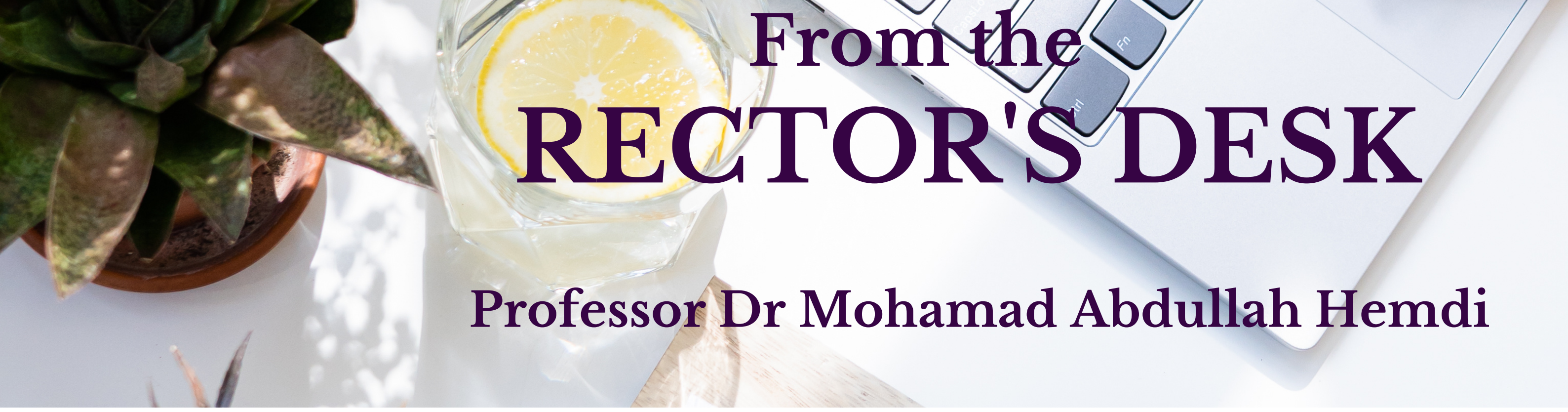

From the RECTOR'S DESK

Professor Dr Mohamad Abdullah Hemdi

السلام عليكم ورحمة الله وبركاته and a very good day

Only a few months are left before the year 2021 comes to an end. It is no secret to anyone that this year has been very challenging. The Covid-19 pandemic has impacted both our professional and personal lives. As the Rector of UiTM Kedah, I am proud to express my gratitude to every staff for their solidarity in overcoming all challenges. Even in the darkest days of the pandemic, my staff have shown their full commitment to fulfilling their responsibilities and striving to achieve the university's goals. I remain incredibly grateful for their willingness to adapt to the new norms without compromising on quality.

As always, the Faculty of Accountancy is one of the most dynamic faculties at UiTM Kedah. The academic achievements of the Accountancy students and the outstanding professional commitment portrayed by the faculty members have been my pride and joy as the Rector. The Accounting Bulletin is one of their creative ideas for sharing knowledge with others. My heartfelt congratulations on the publication of this third volume. I am also honoured and happy to announce that their idea and pioneering action in publishing short articles have been followed by other faculties, indicating the academic writing culture is flourishing.

Lastly, my wish is for the Faculty of Accountancy to keep up their good work and hold on tight to their bold and unshakable resilience. That is the way to move forward for a better future. To me, your drive, commitment, and dedication are truly exceptional.

"UiTM KEDAH SOARING FOR EXCELLENCE"

Professor Dr Mohamad Abdullah Hemdi

Rector
UiTM Kedah

Message from the HEAD OF FACULTY

Associate Professor Dr Wan Adibah Wan Ismail

Martin Luther once scripted the quote “If you want to change the world, pick up your pen and write”. And Martin did change the world. As the head of the faculty, I am really delighted with all efforts that lead to publications of the faculty members. Accounting Bulletin does not only provide academicians the platform to publish their writings, but also act as one of the mechanisms for the transfer of knowledge from the faculty to the students and society. It is one of the faculty efforts to be closer to the community, in line with the Sustainable Development Goals of providing quality education for sustainable development and sustainable lifestyles and human rights for the nation, and the world.

It is the aim of Accounting Bulletin to share current issues and disseminate general knowledge in the accounting field that would be useful for both academicians and practitioners. The articles are standalone introductory pieces of key topic areas that are relevant given the development of the knowledge, applications and challenges faced by the accounting profession. This publication could also provide accounting students and researchers a good grounding on a broad range of important non-technical accounting themes, looking at the greater environment beyond the standard technical accounting skills set.

I would like to express my appreciation to all authors who have contributed their articles to this bulletin, and the Editorial Board for their effort in the publication of this issue. Also, on behalf of the Faculty of Accountancy, I would like to express my gratitude to the Management of UiTM Kedah for the endless support and encouragement.

Associate Professor Dr Wan Adibah Wan Ismail

Head of the Faculty of Accountancy
UiTM Kedah

EDITOR'S NOTE

Dr Intan Marzita Saidon

Dear Readers,

Welcome back! It has been a long break since our last publication. The pandemic of Covid-19 has sent shockwaves to every sector in the economy across the globe. While millions of people were furloughed, we, academicians, should consider ourselves the lucky few because our concerted efforts in applying online learning have significantly and positively impacted our students.

Long gone are the days when we can do our work in a conducive environment called the "office"; we can conduct face-to-face meetings when necessary and refresh ourselves by having a short chit-chat with colleagues during lunch break. Today, remote working, specifically working from home, has become a common practice. Everybody is adjusting to the new norms of life. Of course, adjustments often come with a wide range of experiences and emotions. It could be a smooth transition for some, while others might find the journey to the new normal downright bumpy.

Nevertheless, so far, we at *Accounting Bulletin* have successfully driven through this pandemic. Here, we proudly present you with thirteen short articles covering various issues that could broaden your mind and feed your curiosity. Benjamin Franklin once mentioned, "Reading makes a full man, meditation a profound man, discourse a clear man". So, happy reading to all and stay safe!

Dr Intan Marzita Saidon

Editor-in-Chief
Accounting Bulletin

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Robotic Process Automation for Future Accountants: A Threat or Asset

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Robotic Process Automation (RPA) is the use of software to handle rule-based, repeatable tasks currently performed by humans. RPA technology can copy what human is doing manually and make it automated. RPA is not a physical robot, instead it is just a software that is highly powerful to copy the workflow tasks previously done by humans. RPA is sometimes called as the 'softbot'. RPA as one of the categories that falls under artificial intelligence (AI), is basically a fundamental step towards the far-reaching but less defined artificial intelligence.

RPA can automate any business process that occurs within a company. The business process comprises related activities and tasks that when completed in a sequence accomplish an organizational or business objective. Any organization is built around repeatable processes, whether they are transactional or value added. Business processes that are repetitive, rules-based, have limited system integration and documentable are best suited for RPA. Repetitive tasks can be the same tasks that are done daily, weekly, monthly, quarterly or annually, regardless of whether the volume is high or low. For example, accounts payable (AP) processes require batches being run daily to verify and process invoices. The AP department has to perform runs for printing and Electronic Fund Transfer (EFT) payments, audit high-value transactions, manage all other disbursement-related activities such as dishonored cheques, input wire transfer transactions into AP sub-ledger, reconcile wire transfer activities and reconcile cheques and accounts. These repetitive tasks can all be done using RPA.

Rules-based means the tasks can be clearly written down for anyone to follow and there is not much or limited judgement required for most or all the processes. For example, in a tax preparation process, there are outlines of rules from government-based documents that need to be followed. These rules are manually processed and segregated to different folders before the actual tax processes are performed. This manual intervention of preparation work can easily be automated by the RPA.

Nowadays, most businesses suffer from lack of integration between the systems in the business, whereby multiple applications and systems within an organization actually do not always talk to each other. Lack of integration between systems may originate from legacy systems due to acquisition or mergers, and this always relies on humans to close the gaps. With RPA, different systems can easily be integrated, and this can reduce time spent on closing the gap between systems.

There are different kinds of automation in RPA. For example, there are 'unattended bots' that work in the background, where human intervention is not required. They work based on activities that are triggered by other activities. They are usually batch processed on servers which are scheduled 24 hours. Another category is the 'attended bots', which require human intervention. They are usually at desktop level (PC based) and triggered by specific events or employee commands. Both attended and unattended bots' roles should be coordinated by the business' Center of Excellence (COE). The CEO should ensure rapid and smooth adoption of RPA across the organization and provide education and training focusing on the whole organization or delegated to divisional levels.

With all the current development in technology, businesses must initiate the steps of finding processes, using RPA and improving those processes. The challenge for business is how to move from theory and concept to actually doing and implementing it. Perhaps finance, especially accounts payable could become a starting point in any organization. In line with these, demand for digital skills becomes greater. Future accountants must equip themselves not only with strong accounting foundation but also additional knowledge of new digital technology. As evident in the findings of a study by Kokina, Gilleran, Blanchette and Stoddard (2021), accountants nowadays play important roles as identifiers, explainers, trainers, sustainers, and analyzers of their organization's automation initiatives.

In the future, blended workforce will prevail comprising both human and digital workforce. Technology will be taking over some human tasks while humans are still overseeing those tasks that contribute to the value at work beyond that. As technology evolves, it is expected that bots and humans would be working together in creating value for businesses. According to Yoon (2020), the technology transformation is expected to be accelerated especially after COVID-19, and thus it is necessary to understand and explore ways to effectively apply it.

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The COVID-19 Pandemic and Small Medium Enterprises (SMEs): A Humble Proposal

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Covid-19 is a disease caused by SARS-CoV-2, the coronavirus that emerged in December 2019 in Wuhan, China (WHO, 2020). In Malaysia, Covid-19 was first detected on 25th January 2020. It was traced back to the three Chinese nationals who had travelled to Malaysia via Singapore and previously had close contact with an infected person in Singapore (NST, 2020). Very soon after this case, on 4th February 2020, the first Malaysian with Covid-19 (Bernama, 2020) was confirmed. Since then, the virus has spread rapidly, not only in Malaysia but also in other countries. Due to the alarming levels of spread and severity of cases, in March 2020, the World Health Organization (WHO) classified Covid-19 as a pandemic (WHO, 2020).

Like many other countries, the Malaysian government, with the help of the Ministry of Health as a key player, took immediate actions to curb the outbreak of this pandemic. They enforced health screening at all points of entry into the country and several hospitals were upgraded and equipped accordingly to enable them to treat Covid-19 cases. In March 2020, a more drastic measure was implemented to break the chain of this pandemic; a movement control order. However, the massive lockdowns and distancing actions enacted have immediately scaled back both production and consumption and thus have hit hard on the country's economic status. Undoubtedly, the widespread Coronavirus disease continues to cause a direct global destructive impact on the economy (Goodell, 2020). The current economic turbulence and market uncertainty have badly affected financial performance and have caused various types of financial distress to all companies (KPMG, 2020), including SMEs (Raflis et al., 2020). The impact of the Covid-19 pandemic on SMEs has been immense and has distorted its function as the backbone of the economy.

Acknowledging the current economic downturn and in the effort to protect the survival of SMEs, the Malaysian government announced several incentives to mitigate the impact of the Covid-19 pandemic. For instance, under PRIHATIN Economic Stimulus Package 2020, a total of RM3.3 billion budget was allocated to help sustain the survival of SMEs (PMO, 2020) and the national Covid-19 immunisation programme was launched in February 2021 (JKJAV, 2021) as public health protection against this pandemic. However, to date, it is still unclear whether all the actions taken by the government are sufficient to bring a serious turnaround in business activities. As for SMEs, they will continue to be caught in a situation fraught with risks and challenges.

Against this backdrop, perhaps another alternative incentive that should be channelled to increase the resilience level of SMEs, especially the small enterprises, is by providing intensive social media marketing training. One should be aware, after nearly two years of struggling through the pandemic, large businesses will start to fully utilise their resources to improve their production level and profit margins. Such aggressive attempts by large companies will further sideline the SMEs from the market. Therefore, equipping SMEs with technology know-how, like social media marketing, could be the best way to reclaim their space and get a significant market share for their survival. Even though social media platforms such as Facebook, Instagram, and WhatsApp have become part of Malaysians' daily lives, social media marketing remains alien to small businesses. Previous research confirmed that the application of social media in doing business could minimise operating costs, allow engagement with customers and create essential business networking (Karimi & Naghibi, 2014).

The SME Corporation, which coordinates development programmes for SMEs, could be the main player in materialising the proposal above. Training related to social media marketing should be embedded in existing programmes and strategically arranged to reach the target participants, i.e., small enterprises. Other than that, universities through university social responsibility (USR) programmes should be more proactive in conducting training related to social media marketing for small enterprises. As for the private sector and other key players in the industry, financial support could be of great assistance to ensure the success of the training. A combination of proper planning, good coordination, and strong financial support from all sectors may help small businesses get back on track in the long run. It is not too much to assume that the future business landscape will never be the same as before. Thus, it is high time for the government to fully prepare and train SMEs for the challenging future where being technology-savvy is an essential business skill for survival.

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Are Millennials Whistle-blowers?

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Scholars, educators, journalists, corporate persons and others believe that millennials are modern-day whistle-blowers (Abdul Aziz & Abdul Latiff, 2019). Why? Do they have superpowers to detect wrongdoings? The answer is not about the powers. The answer is that the millennials have certain characteristics for becoming whistle-blowers (Campos, 2019; Scholar & Gaudet, 2016). The characteristics have already been embedded and appropriate actions. Thus, with such characteristics, it may easy for such millennials to put whistle-blowing into action.

Before explaining further on the above matter, first, who are millennials? Millennials are the modern-day generation or Generation Y who dominate the workforce today (Puspanathan et al., 2017). On the other hand, whistle-blowers are individuals who inform on another individuals or organizations regarded as engaging in unlawful or immoral activities (Ab Ghani, 2013). Both can be connected since millennials have the said characteristics that make them suited for whistle-blowing. More precisely, millennials are educated, narcissistic and altruistic and thus, these attributes make them more likely to be involved in whistle-blowing action. (Markowitz, 2013).

Such characteristics have been mentioned in one of the most cited academic studies on whistle-blowers (Lin et al., 2017). According to Markowitz (2013 p. 1), “the study concludes that whistle-blowers should have some characteristics such as the following:

- are driven by altruism.
- can overcome insecurity through exhibitionism in order to release information.

- are generally moralistic, becoming committed and even obsessed about a personal belief.
- have a propensity to rely on moral theories that emphasize rights.
- are strong-willed.
- are stubbornly committed and uncompromising.
- are willing to go against social conventions and rely on their own attitudes and beliefs.”

The above theory has been proven by several studies around the world. Since 1985, researchers have predicted individuals with such characteristics will more likely become whistle-blowers (Dozier & Miceli, 1985; Miceli et al., 2008);). Lately, in-depth studies carried out on such millennials’ characteristics for whistle-blowing purposes (Scholar & Gaudet, 2016). The studies investigated factors affecting whistle-blowing actions among working millennials (Abdul Aziz & Abdul Latiff, 2019; Lin et al., 2017). Among the factors tested include moral intensity, attitude, subjective norms and perceived behaviour control. Investigating such factors are important in determining millennials with the said characteristics as whistle-blowers (Mahardhika & Zakiyah, 2020).

Similarly, in Malaysia, a study was carried out to investigate factors affecting whistle-blowing intention among working millennials (Abdul Aziz & Abdul Latiff, 2019). A moral intensity model that contains several individual factors is used to predict the millennials’ whistle-blowing intention. Also, the researchers included another factor of fear of retaliation to test millennials’ characteristics. Results indicated the factors that contribute to proving millennials are the ultimate whistle-blowers.

Although it has been proven by many studies that millennials are whistle-blowers, yet, other factors may need consideration as well. For example, in Malaysia, the gap in Whistleblowing Protection Act 2010 (WPA 2010) has contributed to a low number of whistle-blowers nowadays (Ram, 2021). Why? Are millennials not all around? According to Ram (2021), the main reason is there are deficiencies in the WPA 2010 which need amendments to the requirements, especially the requirements for the channel of reporting and the whistle-blowers' protection (Ram, 2021). Perhaps such requirements may further provide a complement for future studies.

To conclude, millennials are whistle-blowers. The characteristics of being educated, narcissistic and altruistic are perfect for becoming whistle-blowers. Supported by many researchers, such characteristics have already been studied for many years. In fact, many of those studies have been justified by several studies lately. The only matter is to encourage millennials to uphold justice by reporting wrongdoings.

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New Technologies: A Brief Introduction

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In recent years, technology has become increasingly diverse and advanced – having significant impacts on society. It has not only ingrained in our daily lives, but also transformed the way we do businesses by introducing new approaches, techniques, and tools. As a result of the emergence of new technologies, for example, business processes have now become more integrated and streamlined. To have a clear idea of this evolution, the remainder of this article will give us a taste of what these new technologies are all about.

One of the most popular emerging technologies today is the blockchain technology. A "blockchain" is a collection of records that are linked together. It is also known as distributed ledger technology (DLT), which involves entering and storing records in a distributed ledger and making them accessible to all relevant parties. This differs from traditional accounting which keeps all records in a centralized ledger, accessible to only accountants and auditors. Each record entered into the blockchain will be encrypted and verified by a large number of computers interconnected via the internet (Huang et al., 2021). Each entry will be automatically timed and stamped, and given a unique hash code. Any modifications to the original records will generate a new hash, with the old hash remaining in other blocks. This means that, if someone wishes to modify an accounting record, he will have to make sure that all chains have the same hash code.

Artificial intelligence (AI) is another new technology that lately has gained traction. AI is a simulation system that collects, processes, and disseminates knowledge, information, and intelligence in the form of actionable intelligence. To put it simply, AI refers to the ability of machines to mimic human intellect – think and learn in the same way that people do. Robotic process automation (RPA) and machine learning are two types of AI. RPA refers to the use of software robots, such as computer programs, to automate repetitive business tasks. It will always carry out the same repetitive task and will not improve the way tasks are performed automatically. In this regard, machine learning was incorporated to make it smarter. It is a software that allows the system to learn and improve on its own, without the need for explicit programming or human intervention (Duffy, 2018).

Meanwhile, the internet of things (IoT) is a new technology that enables electronic devices and sensors to communicate with one another via the internet – making people’s lives and work much easier. IoT can connect all the devices, collect and transfer data over the network without the need for human involvement. IoT is not just for smart devices like computers and smartphones, but also includes sensors and other IoT-enabled devices such as video cameras, transmitters, and receivers. In other words, any device that can connect, receive, and transmit data through the internet is considered an IoT device. In sum, IoT can link multiple devices and collect real-time data, allowing departments to work together more effectively (Dai & Vasarhelyi, 2016).

Another new technology that has garnered a lot of interest is cloud computing. The word "cloud" in cloud computing represents the cloud symbol used in flow charts, which refers to the “internet”. It is an internet-based hosting service that includes servers, software, databases, and other computing tasks that are accessible through the cloud. Users can store data in the cloud in massive data centers that can be accessed by other users with their own unique password. As a result, consumers can use this software with confidence, as cloud providers are required to provide a secured location for companies' sensitive data (Alali & Yeh, 2012). A cloud accounting software is usually housed on central servers and can be accessed by users without the need to install anything on their computers.

Big data is also one of the most extensively used technologies in the industry. It applies advanced analytic techniques to massive and large-scale datasets that come from various sources and are of various sizes. Big data analytics deviates from the usual practice of gathering mostly structured data – it also collects unstructured data in order to identify new data relationships or correlations. Unstructured data can be acquired from a variety of sources, including the IoT, mobile devices, social interactions, blogs, and many others.

The huge amounts of information gathered are subsequently stored in data warehouses or SQL databases. Big data analytics is commonly comprised of these four elements: (1) volume, which represents the enormous amount of data included; (2) velocity, which represents how frequently data changes; (3) variety, which is measured by the wide range of data collected; and finally, (4) veracity, which denotes the data's integrity (Zhang et al., 2015).

In today's world, it is hard to overlook the impact of technology on businesses. The new technologies, in particular, have disrupted business models by allowing companies to generate profits faster, obtain consumers easier, increase product and service quality, serve more people globally, speed up business processes, employ less human power in high-risk heavy tasks, and many more. These transformations lead us to ask ourselves, “Are we ready to keep up with all these disruptive new technologies?” Even if we think we are not, someday, eventually we will!

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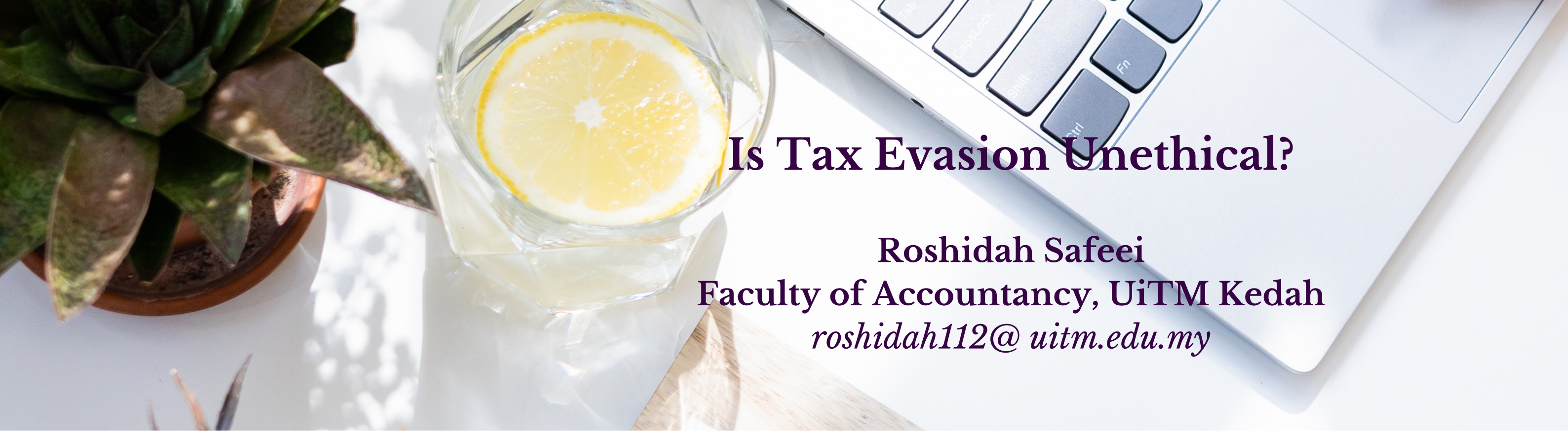

Is Tax Evasion Unethical?

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Taxation is a legal enforcement but there are certain situations in which people evade tax which we call tax evasion. Tax evasion involves efforts by individuals, corporations and other taxpayers to evade taxes by illegal means. For example, taxpayers deliberately misrepresenting or concealing the true state of their affairs to the tax authorities to reduce their tax liability. They declare dishonest tax reporting such as declaring less income, profits or gains or overstating deductions. Normally, taxpayers are trying to minimize their tax payments through legal or illegal means. Tax evasion still happens today due to different views and perceptions of tax evasion. Some people view it as ethical and some people view it as unethical based on their judgment and moral reasoning.

The earliest study conducted on the ethics of tax evasion was by Martin Crowe in 1944 for a doctoral thesis titled "The Moral Obligation of Paying Just Taxes" (McGee, 2011a). Then, this was followed by a few studies that examined the factors that influence the ethical perception of tax evasion (McGee et al., 2008; Jaafar Harun et al., 2011; Aljaaidi et al., 2011; Ross and McGee, 2013; Ariyanto, 2020). Many factors can influence the perception towards tax evasion for instance, culture (Ariyanto, 2020), demographics factors (Ross & McGee, 2013), tax system (Ramli et al., 2020) and education background (McGee et al., 2007; Jaafar Harun et al., 2011). McGee et al. (2007) found that students from accounting school were more opposed to tax evasion compared with business and economics school. They found some arguments that justifying the tax evasion was ethical where the government was involved in human rights abuse, unfair tax system, high tax rates, corruption of government officials and improper tax funds expenditures (McGee et al., 2007). Furthermore, McGee and Tyler (2011) found that women, older, less educated and poorer people are more opposed to tax evasion. Aljaaidi et al. (2011) found that tax evasion is viewed as the least serious offence in Yemen and taxpayers may exercise tax evasion.

Based on the previous studies, there are different views or perceptions on the ethics of tax evasion. Thus, McGee (2011) has emerged with “three basic views on the ethics of tax evasion”. The first view takes the position that tax evasion is always ethical. For this view, each citizen needs to pay tax because everyone has a duty to other members of the community (McGee et al., 2006). It is one of the ethical duties in society. This view holds that individuals should contribute something to the country for what they have received. They cannot become a freeloader by receiving the benefits that the government provides without contributing to the payment of those benefits (McGee et al., 2006). The second view is that tax evasion is never ethical (McGee, 2011b). This view is unethical where there is no social contract and agreement between citizens and government to pay taxes (McGee & Cohn, 2009). McGee and Cohn (2009) argued that taxation involves taking property by force without the owner’s permission. The third view of tax evasion is that tax evasion is ethical in some cases and unethical in others (McGee, 2011b). McGee et al. (2006) found that the sample population of German and Americans view that tax evasion is ethical in some cases. In addition, Sezgin et al. (2011) showed that the sample population of Turkey and Kyrgyzstan believes that tax evasion is ethical in some cases and unethical in some cases in both countries. They argued that the strongest arguments justifying tax evasion were in Turkish cases where collection of the tax revenues were used by corrupt politicians for their own families and friends. In this situation, tax evasion is ethical when the collection of tax revenues go to corruption and bribery (Sezgin et al. (2011).

The perception of ethics on tax evasion is ethical or unethical based on individual judgement and circumstances (McGee et al., 2006). As individual taxpayers, they have different ethical beliefs and levels of moral development. They view tax evasion as ethical or unethical. The ethics on tax evasion based on the different regions will have different opinions (McGee et al., 2006). This is due to cultural differences being one of the factors that affect an individual's moral decision-making (Ariyanto, 2020; Sezgin et al., 2011). Sezgin et al. (2011) suggested that legal system and gender may lead to different perceptions on tax evasion.

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Integrated Reporting Epiphenomenon: Benefits and Challenges

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Integrated reporting has been widely discussed in recent years by looking from the views of industrial practices and academicians. We can define integrated reporting as one of corporate reporting that integrates financial and non-financial aspects to enhance the company's value. It covers six domains of social aspects: financial, manufacturing, intellectual, human, social and relationship, and natural capital (IIRF, 2021). The evolution of integrated reporting started in 2013 until the International Integrated Reporting Council (IIRC) had established the International Integrated Reporting Framework (IIRF) (updated in 2021). This framework is a guidance where the Council has already established the guiding principles, content elements, and fundamental concepts inside the integrated report. As a result, the report's information will give value-added to the stakeholders, and of course to the company itself.

The majority of the accounting scholars agreed that integrated reporting provides numerous benefits to the adopting companies. One of the benefits is that it creates opportunities for companies to give clear communication and direction about their businesses to the stakeholders, who, in turn, are willing to contribute their investment and business decisions (IFAC, 2017). It improves the company's reputation and its relationship with the stakeholders (ACCA, 2017). Moreover, integrated reporting will augment the disclosure of information and reduce information asymmetry (Hoque, 2017). This action will enhance investors' confidence and trust in the company.

In addition, the integrated reporting provides a clearer view of the businesses regarding their sustainability issues and performance (ACCA, 2017). Some believe that integrated reporting might overcome the weaknesses of sustainability reporting. For instance, sustainability reporting required the reporter, i.e., the company, to provide only a three-bottom line of disclosure if that information does not link to the financial statement. Thus, it will distort the decision-making process where the management cannot make informed decisions (Hughen et al., 2014). Besides, integrated reporting is expected to provide better linkages between sustainability issues and the organizational strategy to ensure it creates value for the stakeholders.

By looking at the other side of the coin, there are some challenges in adopting the companies' integrated reporting. One of the main challenges is the integrated reporting framework provides little guidance on understanding the concepts. The concept of integrated thinking strained the approach of integrated reporting itself (M. La Torre et al., 2019). The earlier statement is supported by Dumay and Dai (2017), and Feng et al. (2017), where they agreed that there is a lack of understanding on integrated thinking as the concept is somewhat vague. It is further supported by the feedback on IIRC's call in 2017. It disclosed that the preparers of integrated reporting are still unclear on the concept of integrated thinking and on how to apply it (IIRC, 2017). To mitigate this issue, the whole party in the organization, either in top or bottom position, should embrace and appreciate implementing the integrated reporting in the company. This process will have a massive impact on the effectiveness of integrated reporting (Singh et al., 2019).

Another challenge is that the costs of implementation of integrated reporting may outweigh the benefits as it requires more time and resources. It is because the company needs to engage the experts in preparing it. This problem can be seen in many Asian countries, including Malaysia, making this integrated reporting a voluntary reporting, and the adoption process is still low. It is further supported by the study conducted by Balasingam et al. (2019). They reported that the challenges faced by the public listed companies in Malaysia are related to the consideration of cost, availability and readiness of information, and the ability of the preparers of integrated reporting. Other researchers, Jamal and Ghani (2016), researched actual property companies in Malaysia and found that compliance with integrated reporting is unsatisfactory. It is because the compliance levels of integrated reporting range from non-compliance to moderate compliance only.

In conclusion, integrated reporting is one of the comprehensive reporting mechanisms that combine financial and non-financial information. Integrated reporting communicates the strategy, performance and value-driven information that will enhance the confidence and trust of the stakeholders towards the organization. Integrated reporting is intended to provide the firm with more significant opportunities to create value, particularly its relationships with the stakeholders. However, integrated reporting can only be impactful if the underpinning concept is implemented efficiently and the challenges are handled effectively.

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Tax Auditors' Judgment and Decision Making

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The importance of judgment and decision-making in tax audit is accepted without any argument. Ashton (1974) argued that although judgment is the most important factor in the process of audit, it is difficult to explain how auditors make judgment. Sometimes auditors use their professional judgment which they acquired through experience in evaluating audit evidence before making the decision. Taxpayers and tax practitioners, for example, are more interested in knowing the decision/choice made by tax auditors when resolving tax audit cases.

Judgment and decision-making are distinct decisions in the context of a tax audit. Judgment should be regarded as a recommendation, whereas decision-making or choice decision should be regarded as decision-making or choice decision. In tax audit, recommending tax audit adjustments involves examining taxpayers' facts and circumstances and the applicable tax law to evaluate the benefits and costs associated with potential tax audit adjustments. Tax auditors then use their discretion to propose tax audit adjustments that are most appropriate for a taxpayer's situation. The outcome, on the other hand, involves a decision or choice. Tax auditors make a final decision whether to resolve the tax audit case with or without any tax audit adjustments,

When resolving tax audit cases, tax auditors need to go through four steps before they recommend any or no tax audit adjustments. The four steps are to (i) obtain information about taxpayers' return; (ii) evaluate the information; (iii) determine the accuracy of income reported; and (iv) develop recommendations. These four steps are aligned with Einhorn and Hogarth's (1981) general framework for decision-making which are (i) information acquisition; (ii) evaluation; (iii) action; and (iv) feedback or learning. It is reasonable to assume that the tax auditors' aggressiveness in judgment may influence the outcome of tax audit findings. As a result, inaccurate additional taxes and penalties could be imposed not only on non-compliant taxpayers, but even on compliant taxpayers.

Worldwide, the implementation of the self-assessment system has made tax audit a routine job for tax auditors. Two types of tax audit, desk audits and field audits are conducted to ensure that taxpayers have prepared tax returns correctly, as well as declared and paid the right amount of income in accordance with tax laws, rules, and regulation. In completing a tax audit, tax auditors frequently face challenges such as the lack of evidence due to a paperless system (Gilbert, Petticrew, & Salt, 2001), task complexity and the ambiguity of tax laws. Reynolds (2007) argued that the tasks might become complicated if the audit issues encroached on grey areas which make distinguishing between tax evasion and acceptable tax avoidance difficult. In addition, tax auditors also need to cope with poor cooperation from taxpayers, poor record-keeping, inadequate resources, and shortage of manpower. Such work-related problems are assumed to be stressful to tax auditors; thus, might lead to the aggressiveness in judgment.

For instance, in Australia, the ATO (2006) reported that most cases brought to litigation were due to tax auditors' failure to perform the following: to identify relevant facts, to reference identified facts as evidence, to gather appropriate evidence, making inappropriate assumptions and assertions in audits and objection decision and to obtain relevant facts and information. In the Malaysian setting, the audit timeframe as stipulated in the tax audit framework (IRBM, 2019) requires tax auditors to resolve tax audit cases within three months. It is of the opinion that the three months audit timeframe can influence the judgment process which leads to an inaccurate judgment. In addition, job stress and other tax audit related problems as mentioned above can influence the process of gathering and evaluating the evidence in settling tax audit cases. As a result, tax auditors make aggressive judgment in deriving a decision to resolve the cases quickly.

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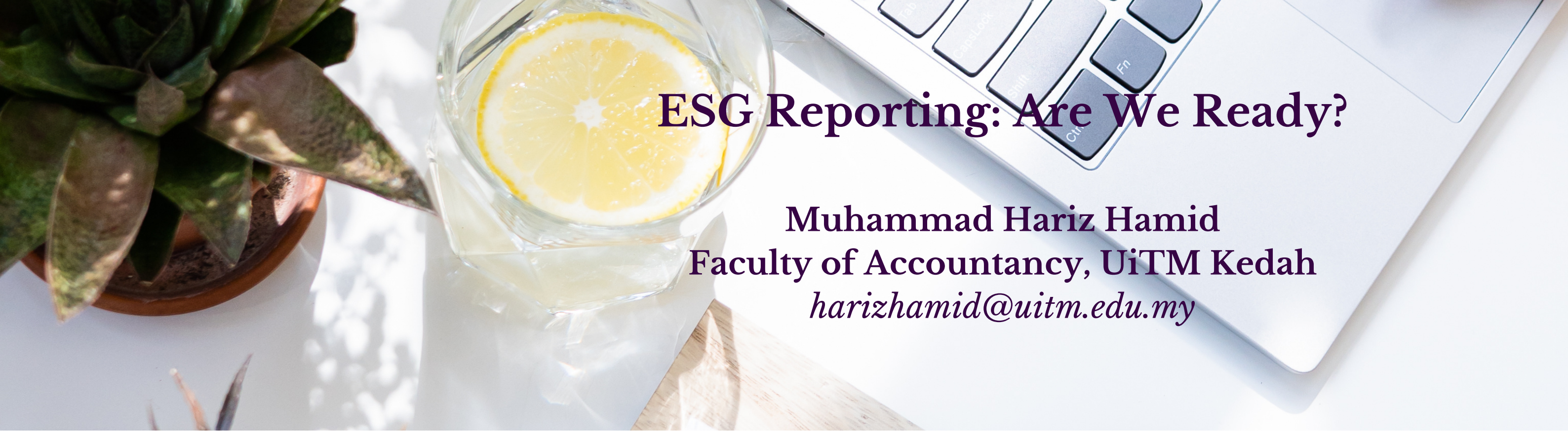

ESG Reporting: Are We Ready?

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Corporate disclosure serves as a means to communicate the performance and governance of a company to its shareholders and other stakeholders. It can be classified into two broad categories: mandatory and voluntary. Traditionally, the mandatory disclosure (also known as "statutory disclosure") has aided key executives in reporting their company's financial performance to the intended users, that is, the financial capital providers. In fact, the management has used this process strategically to validate their stewardship function. The scope of this traditional reporting framework, however, is somewhat narrow. Particularly, the context of the general-purpose financial reporting is by far limited to financial information only, whereas both existing and potential investors would require information beyond accounting numbers. In other words, in order to evaluate the overall business performance, a more robust and wide-ranging corporate reporting framework that also incorporates voluntary disclosure is needed. This concern has led to the proposition of the environmental, social and governance (ESG) framework.

The ESG framework has emerged primarily to cater for the needs and expectations of both shareholders and other stakeholders in making informed business decisions (Eccles et al., 2011). The framework is useful in guiding companies to identify relevant topics and their respective metrics (Wilcox, 2020). This mainly includes addressing potential risks and opportunities that are material and have become the issues of concern, particularly on the environmental and social aspects (Heugh & Fox, 2018). Subsequently, the companies will report how those issues are integrated into their core strategy and performance. And this leads to the governance aspect, where those responsible for ESG reporting will ensure that the business activities are aligned with the strategy set in the first place (Arthur et al., 2019). Specifically, they need to assess whether the key performance indicators (KPIs) are met, the remuneration package is linked to the achievements, the accountability of the targets is allocated, and trust is built by fulfilling commitments.

Nevertheless, the ESG reporting framework was not free from criticisms. The proposed framework was commonly argued to be just another framework. Although it helps complement the traditional financial reporting with some non-financial perspectives, it still fails to give a complete picture of a company's overall performance. Moreover, just like any other voluntary disclosure, ESG reporting was alleged to be less useful as it lacks enforceability (Cort & Esty, 2020). Hence, companies would use the ESG framework merely as a guiding principle and will apply it only in certain ways that suit them. Furthermore, there are numerous versions of the ESG reporting framework available, which will make these reports become less comparable. ESG information was also contended to be less credible mostly due to its self-reporting nature. Especially when there are no regulatory assurance requirements, voluntary disclosure such as ESG reporting not only faces verifiability issues, but also lacks comparability across reporting companies (Hodge, 2020).

To recap, ESG reporting is the process of communicating a company's strategy and performance to its stakeholders, comprising information that can be both qualitative and quantitative. ESG reporting is claimed to benefit the company in several ways. Among others, it helps with meeting the needs of investors, managing material risks, and reshaping the business for the future. Nevertheless, to put a new framework into practice is definitely easier said than done. It requires a systematic and organized approach involving a systemic change. Despite the framework's critical acclaim, nothing is guaranteed. To make it work, companies should always align their actions with their ESG goals. Although we may agree that ESG reporting is the way to go, one important question we should ask ourselves is, "Are we ready for it?". The answer to this question is very much dependent on the individual company's circumstances. Even if some companies think they are not, someday, eventually they will be!

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Accountants of the Future: What Skills will be in Demand in the Post-pandemic Era?

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The pandemic has resulted in business hibernation all over the globe. When hibernation period is over, there will be new demands for accountants to meet the needs in the post-crisis economy. Major recovery efforts are expected, and organisations will require different sets of skills from accountants to deal with the recovery. Here are some of the top skills or attributes for accountants to stay relevant in the post-COVID-19 pandemic:

- Re-skilling, leading and managing change

The ability of accountants to re-skill and adapt to changing circumstances will be important post-pandemic. Managing change is not sufficiently focusing on people, but also managing data, their solutions, and limitations. Re-skilling in data is crucial, where producing data report is insufficient, as accountants are expected to generate insights so that an executive-level of decision making is possible (Muldowney, 2020). The importance of managing people and leading change during uncertain and turbulent times have been demonstrated during the present pandemic situation. Envisaging the future, understanding opportunities and trends, and adapting to new situations will evidence the leading advantage for future accountants (Muldowney, 2020).

- Strategic insights and strong consulting skills

The post-pandemic accounting profession requires accountants with the ability to focus on assisting organisation and other parties they work with, to survive the pandemic and such crises in the future. This needs reliable advice. Accountants' professional advice helps businesses survive and revive in such a crisis. The post-pandemic era will witness this role of accountants to continue with their employers and customers who will rely on the capability of accountants as their trusted advisors (Muldowney, 2020). Accountants must be creative, otherwise they will end up becoming like a machine. Unlike machines which are very structured, being creative in presenting numbers will enable users to comprehend how the numbers affect the organisation's business.

Greater demand is expected in the post-pandemic era for accountants who incorporate strategic thinking (Beanworks.com, 2021) behind the numbers, which machines are unable to provide. The post-pandemic employers are looking for accountants who not only analyse data but are able to produce reliable recommendations from it.

- Cross-functional collaborations

Unlike traditionally where accountants work with their calculators in the back-office, the future accountants will deal with bigger integration of technology, dealing with virtual interaction with many parties like suppliers, customers, and colleagues. Accountants are expected to share expertise with them too. Modern accounting requires accountants to know how to increase cross-functional collaboration, and act as a check and balance to validate financial decisions across the organisations (Beanworks.com 2021).

- Digital technology - artificial intelligence and automation

The pandemic has demonstrated how important technology has become. Thus, the post-pandemic employers will expect to hire accountants whose technical accounting knowledge complemented by digital technology knowledge (Muldowney, 2020). As machines replace most tasks due to rapid changes of technology, accountants need to find ways to remain in their office. Automation skills have been found as desired skill requirement post-pandemic (Deloitte, 2021). Accountants versed with software that are able to assist and amplify performance, and who keep updated with current technology will secure their position vital to the organization.

- Enhancing existing processes

The pandemic has resulted in remote work becoming a global reality. The old manually entered data which consumed hours of tedious task will be outdated. There will be increasing needs for accountants to execute and train team members to replace these processes with more dynamic models (Beanworks.com, 2021). For instance, invoice processing has been automated by switching to e-payment during the pandemic. Accountants are able to spend greater time on more crucial and major tasks as the automated processes are timesaving and improve accuracy.

More than ever, the post-pandemic accountants are expected to be beyond a traditional number-cruncher. There will be demands for accountants who are tech-savvy, versatile, and keep up with the changing technology. Accountants should lead change and innovations, be creative and able to communicate and work cross organization, thus making accounting function the most vital part of the organisation.

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Enhancing Qualitative Characteristics of Useful Financial Information: Slant from Malaysian Companies Act 2016

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In Malaysia, registered companies, either public or private, need to follow the Companies Act 2016 (the Act), published by the government of Malaysia. In order to prepare the financial statement, the company is required to follow the Malaysian Financial Reporting Standard (MFRS), published by the Malaysian Accounting Standard Board (MASB). A different organisation is publishing these two standards, and it has been seen as a separate standard and does not link to one another. Thus, this article aims to explain four enhancing qualitative characteristics of useful financial information from the point of view of the Act.

The first qualitative characteristic is comparability. It means that the financial information should contain the relevant information which enables users to compare it from one entity to another and across time. Thus, the company needs to provide information with at least two items (Malaysian Accounting Standard Board, 2018). About this issue, Section 224 of the Act detailed that the company should follow the approved accounting standard in preparing a company's financial statements, which include the consolidated financial statement. Since then, the users can easily compare the information because they use the same standard, i.e., MFRS.

The second qualitative characteristic is verifiability. It means the users can utilise the information as it represents the economic phenomena. It needs to be quantified and go through a verification process (Malaysian Accounting Standard Board, 2018). The Act mentioned this characteristic in Section 47: copies of all financial statements, group financial statements, and accounting records need to be kept at the registered office. Besides, Section 245 further mentioned that accounting records must be enough to produce an accurate and fair view of financial statements, and they must be kept for seven years. In addition, the Act elaborates in detail about the auditing process which is mentioned in Section 262 until Section 289. All the sections in the Act come together with the penalty if there are issues of noncompliance.

The third qualitative characteristic is timeliness. It means that the financial information should provide enough information to the user to make an informed decision. The information must give some information on a timely basis and reflect the current value at the end of a reporting period (Malaysian Accounting Standard Board, 2018). Section 248 and 252 of the Act spelled out that the directors prepare a yearly financial statement's report. Section 245(2) mentioned that the accounting entries must be recorded within 60 days after completing the transaction. In group companies, Section 247 and 250 of the Act outlined how the holding companies should prepare their consolidated account. Each of the above sections spelled out the penalty if there is a case of obstinacy.

The last characteristic is understandability. It means the preparer of the financial information should make sure it is understandable where it had been correctly classified, characterised and presented. It must be prepared with a reasonable knowledge of business and economic activities (Malaysian Accounting Standard Board, 2018). This characteristic is in line with Section 224, which had been mentioned in the earlier discussion. Section 249 also provides the general requirements for the preparation of financial statements.

In a nutshell, all four qualitative characteristics of financial information are parallel with the Act's sections. The MFRS is merely on the suggested guidance, while the Act is more toward the obligated document. Thus, it cannot be seen as a different standard, and it should be seen as concurrent guidance and complementing each other.

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Training Requirements of Directors in Malaysia

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The key to success in any business is good training. We cannot expect anyone to perform well and continuously improve in a role that they do not fully understand. Therefore, good quality and well delivered training is a vital investment for any business. Since company directors are at the head of the company and they need to make some of the most important decisions, it stands to reason they should be at the front of the queue for training. Training leads to an increase in worker productivity (Barcala et al., 1999) and competitive advantage (Castellanos & Martín, 2011).

In Malaysia, there are two regulations that emphasize on the importance of training to be attended by the directors of public listed companies since they play an important role in ensuring the company adheres to good corporate governance policies. The first one is Malaysian Code On Corporate Governance (MCCG) which was first introduced in March 2000 following the Asian financial crisis. The Code requires the board to disclose in an informative way details of relevant training attended by each director. The second one is the Listing Requirements of Bursa Malaysia which was revised in 2009. Both regulations emphasize the importance of training. This is particularly true in public listed companies because a large proportion of the funds invested in the business comprises investment from investors and financial institutions.

Paragraph 15.08 and Practice Note 5 of the Bursa Malaysia Listing Requirements requires that all directors appointed to the boards of public listed companies to attend The Mandatory Accreditation Programme (MAP). This requirement was introduced under the then Kuala Lumpur Stock Exchange (now Bursa Malaysia Berhad) listing rules in February 2001. The MAP is a one and a half day programme which all newly appointed directors of listed issuers and directors of newly listed issuers are required to attend within four months of being appointed as a director of a listed issuer or listing of the issuer. All directors, regardless of their prior experience as director, must attend the MAP and be accredited.

The programme is also open to directors of non-listed subsidiaries of PLCs or anyone else who might be interested although priority will be given to the above-mentioned groups in the event that there is a higher demand for a particular programme date.

Next, the MAP is specially designed to dive deep into what it means to be a public listed company's director, to identify the company's key stakeholders and to outline the nature of directors' responsibilities to each stakeholder group. In this highly interactive over one and a half-day programme, directors of public listed companies will gain a comprehensive introduction to their roles, responsibilities and obligations under the Bursa Listing Requirements. The programme will also explore the importance of setting the right tone at the top.

In Malaysia, the programme is organised by an external training provider but the areas covered and the methodology adopted are subject to Bursa's approval to ensure the objectives of the programme are achieved. Bursa Malaysia has appointed Iclif as the sole and exclusive external provider of the MAP with effect from 1 October 2016. Prior to 2016, the Bursa handled the MAP programme itself through its privatized arm, Bursatra Sdn Bhd. The average cost to attend the MAP is about RM2,000 lasting one and a half-day which is not prohibitive for a listed company. To the best of my knowledge, Malaysia remains the only country in the world which requires all directors of listed companies to attend a mandatory training programme.

Apart from MAP, Bursa Malaysia also introduced Continuing Education Programme (CEP) in July 2003 with the aim to enhance the awareness of the need for continuous learning amongst directors. In terms of cost, the fee is on average about RM500 for a one day affair. In addition, Bursa Malaysia has also prescribed that the boards of directors of the respective public listed companies shall be responsible for determining the training needs of their directors with effect from 1 January 2005.

Listed companies were then required to disclose whether their directors have attended training in the annual reports issued for financial years ending on or after 31 December 2005.

In summary, directors of public listed companies in Malaysia need to attend two main trainings namely MAP and CEP. The directors play a critical role as stewards of companies who have raised funds from the public. How directors understand their roles and responsibilities will drive both their individual and collective performance which in turn, will impact the direction of their companies and their companies' success or failure.

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FinTech in the Post-pandemic Future

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COVID-19 pandemic has created economic crises worldwide. Despite generous aid programs provided by governments all over the world for their people, uncertainty prevails as the future economy remains a mystery. FinTech, an acronym for "financial technology", that is used to augment, streamline, digitize or disrupt traditional financial services (Walden, 2020), is a sector that was performing great before the pandemic. FinTech is at the crossroads between surviving the crisis and abundance of opportunities in facing the future.

Current impact from the pandemic

The COVID-19 pandemic has affected various sectors in the global economy. Just like others, FinTech has also suffered financial downturn, involving retrenchment of employees, and downsizing. Increases in cost and difficulties in operation have hindered FinTech growth. Not limited to that, FinTech has also been embroiled with increasing risks of financial crime and cybercrime. In a survey, approximately 50 percent of FinTech companies have been facing adverse effects on their Statement of Financial Position (Worldbank, 2021). Nonetheless, there has been significant growth in many of the companies as well as a greater rise in demand for FinTech. Corporations, customers, and individuals have shown an increasing reliance on FinTech in dealings with their financial matters.

The pandemic has demonstrated how FinTech has proven its value in facing the financial turmoil created by the pandemic. For instance, bank and credit unions across Malaysia have been able to operate digitally when Suria KLCC was temporarily closed. Online transactions and dealings have replaced the long waiting times for accessing banks or utilities service providers.

The post-pandemic era

It is suggested that the economic recovery will appear simultaneously with brand new opportunities in favour of FinTech (Deloitte, 2020), particularly in e-commerce and digital financial services.

Digital finance

The statistics indicated that at present, 1.7 billion individuals worldwide do not use banks to keep their money (World Bank, 2021). Thus, FinTech will be the means to integrate these individuals into the global banking system. The health concern in the pandemic has made physical cash payments less practical, thus, making ways for greater digital payments and e-wallets. COVID-19 has induced cash decline due to concerns for transmission of the virus. The world's society viewed contactless as the safer way to pay, and that contactless payment will continue in post-pandemic (Summerfield, 2020). Hence, the industry is all set to integrate high-tech payments apps and systems to enable instant online payments, where businesses are increasingly integrating cashless payment systems in their operations.

Innovation and financial inclusion

Economic crisis created by COVID-19 has affected societies worldwide. However, the most affected people have been from the lower income groups. Excellent innovations turned up to lead the path for financial inclusion that cares for the poor and the oppressed. In Mexico, an application software has been used to ensure the poor neighbourhood receive basic income distribution (Kundariya, 2021). In the post-COVID-19 pandemic era, the world will need FinTech to pay attention to financial inclusion. Financial services will be more democratised when economically vulnerable populations are offered basic financial services that are fair and transparent (Deloitte, 2021).

This can be done through strategic collaborations involving FinTech and government agencies, retailers, and financial institutions (Deloitte, 2021). The post-pandemic future of FinTech is expected to incorporate the financial inclusion concept to receive higher practical implication and mileage (Kundariya, 2021).

FinTech is a major player in the global economy, which is still growing rapidly, widespread, and expected to stay intact in the future. The current COVID-19 pandemic has been a test for businesses to be ready in facing such a massive disruptive phenomenon. FinTech has acknowledged the importance of digitization and technology, agile and futuristic to stay intact and relevant in the post-pandemic and beyond.

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Contradistinction of Agency and Stewardship Theories: A Brief Discourse

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Accounting, corporate governance and auditing are among the areas that require perfect cooperation and mutual trust of humans in an organisation. Humans are required to play multiple roles and aligned them with one another. To synchronise this situation, many academicians and researchers will use two theories to explain how a person should behave. The theories are agency theory and stewardship theory. Therefore, this article will explore the discussion of these two theories by looking at their definition, orientation and limitation.

In terms of definition, agency theory can be explained as the action of executives by using their interest to increase the company's cost, which in turn make them unable to protect the interest of shareholders (Waheeda & Malik, 2019). According to some researchers, agency theory is a theory to explain the separation of ownership and controls that lead to the increase of resolving conflicts between the principal and the agents by designing a contract that specifies the rights and obligations of both parties (Waheeda & Malik, 2019; Singh &Tiwari,2020; Wijethilake & Ekanayake, 2020;). Meanwhile, stewardship theory can be understood as managers are good stewards of the resources that companies have entrusted to them. Managers should be responsible and capable to run the affairs without having too much control over them. They are given the trust and autonomy to make decisions (Waheeda & Malik, 2019). The stewardship theory also can be inferred as situations where executives are not concerned about their interests but rather behave as stewards in advancing the benefits of the entire organisation (Wijethilake & Ekanayake, 2020).

In the aspect of orientation, the agency theory focusses on a control-oriented perspective. It is short-term in nature (Heibl, 2015; Singh &Tiwari,2020; Wijethilake & Ekanayake, 2020). This theory promotes empowerment, decentralised decision-making and interactive management style (Wijethilake & Ekanayake, 2020). On the other hand, the stewardship theory concentrates on practices and processes that enable and inspire instead of monitoring and controlling.

It concentrates on the long-term process (Heibl, 2015; Singh & Tiwari,2020; Wijethilake & Ekanayake, 2020;). It focuses on the goal alignment and trustworthiness between a principal and an agent, which can decrease the potential for selfish conduct. It minimises forceful supervising that indicates mistrust between principal and agent (Wijethilake & Ekanayake, 2020).

However, both theories are subjected to some limitations. Agency theory fails to conceptualise the behaviour of a person at the highest performance. It fails to integrate the pro-organisational attitude and self-serving motives. The academician or researchers agreed that this theory should be used together with the stewardship theory to overcome this limitation. Meanwhile, the stewardship theory does not provide explicit beliefs on bounded rationality and pre-employment scenarios. It also neglects the concept of realism and relevance (Wijethilake & Ekanayake, 2020).

In conclusion, these two theories complement one another as they cover the different scopes of human actions towards performance. Utilising good theories will help to guide experts to provide guidance on how people should behave.

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