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## Chartered Accountants and the Progression to Sustainability Reporting and Assurance: Evidence from Italy

Monica Bartolini<sup>1\*</sup>, Enrico Angelino<sup>2</sup>, Carmelo Sostegno<sup>3</sup>, Sofia Tampieri<sup>4</sup>, Benedetta Siboni<sup>1</sup>

<sup>1</sup> Associate Professor at Alma Mater Studiorum University of Bologna, Italy; monica.bartolini4@unibo.it; benedetta.siboni@unibo.it.

<sup>2</sup> Junior Accountant (in a Leader Italian Motorcycle Manufacturer), Italy; enrico.angelino23@gmail.com.

<sup>3</sup> Junior Controller (in a Global Company Specializing in Credit and Business Information Systems, Analytics, Outsourcing and Processing Services, as Well as Advanced Digital and Open Banking Solutions for Business Development), Italy; sostegnocarmelo99@gmail.com.

<sup>4</sup> Junior Controller (in a Care & Research Company in the Health Sector), Italy; sofiatampieri00@gmail.com.

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### Abstract


Sustainability Reporting (SR) is reshaping corporate accountability and the accounting profession. Yet, limited evidence exists on how Chartered Accountants (CAs) engage with this transition, particularly in the context of Small and Medium-Sized Enterprises (SMEs). This study investigates the current and prospective role of Italian CAs as pivotal agents in SR and assurance, examining their engagement, expected future opportunities, and readiness to support the transition. Drawing on a structured survey of 159 CAs, the study provides empirical evidence from Italy, a context marked by recent SR regulation, the institutionalisation of assurance, and a corporate landscape dominated by SMEs. The findings show that current engagement is still marginal. Most respondents serve micro and small firms that remain outside direct mandatory reporting requirements, while client demand for sustainability services is weak. CAs also report limited sustainability-related knowledge, low assurance experience, and fragmented training pathways. However, many respondents expect demand to increase due to regulatory developments, supply-chain pressures, and the growing role of sustainability information in finance. The results reveal four interconnected barriers: structural barriers linked to the SME-dominated client base, market barriers stemming from limited client demand, professional barriers stemming from insufficient ESG competence, and cultural barriers associated with a traditional financial conception of accounting. The study contributes by shifting attention from reporting entities to professional intermediaries and by framing SR as a matter of professional identity, jurisdiction, and capability-building, rather than as a purely regulatory compliance exercise. Policy implications highlight the need for targeted professional education, stronger collaboration between universities and professional bodies, and institutional support to help CAs translate sustainability regulations into practice for SMEs.

**Keywords:** Sustainability reporting, Chartered accountants, Environmental, Social and governance assurance, Sociology of professions, Small and medium-sized enterprises, Survey.

## 1 | Introduction

The mounting significance of sustainability in the corporate world has redefined expectations for accountability and transparency, with particular focus on Environmental, Social, and Governance (ESG) factors. Indeed, the intensity of investment in corporate social responsibility has emerged as a moderator of the cash fluctuations and unforeseen costs, ultimately reducing bankruptcy risk [1]. This evolution is driven

 Corresponding Author: monica.bartolini4@unibo.it

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both by the heightened stakeholder awareness and guidelines from international organisations, such as the United Nations Agenda 2030 'Transforming our world'. Consequently, several countries have adopted increasingly stringent regulatory frameworks to guide corporates' actions towards sustainable practices, incorporating non-financial disclosure into traditional accounting and reporting frameworks as well [2].

The European Union (EU) path embodies a leading role in ESG reporting, resulting in a number of corporate reports [3]. In fact, the EU began in the early 21<sup>st</sup> century to support companies' social responsibility and transparency practices on non-financial dimensions, which has recently resulted in mandatory Sustainability Reporting (SR) through the Directive 2022/2464 known as the Corporate Sustainability Reporting Directive (CSRD), revised in 2025 [4], [5]. Consequently, each European member country is engaged in issuing national regulations to integrate ESG factors into its traditional financial reporting standards.

In parallel, the accounting literature has questioned traditional definitions of accounting, proposing a multidimensional definition aimed at shaping a sustainable world. According to Carnegie et al. [6], "accounting is a technical, social and moral practice concerned with the sustainable utilisation of resources and proper accountability to stakeholders to enable the flourishing of organisations, people and nature". Accounting represents a powerful mechanism of governance in contemporary societies. Through its multiple forms and practices, accounting has far-reaching implications for social and organisational life, shaping what individuals, organisations, markets, and institutions perceive as valuable. Hence, accounting information plays a decisive role in guiding choices at different levels of decision-making and, in doing so, profoundly influences the functioning of societies, markets, institutions, and organisations [7].

In such a context, chartered accounting bodies and accounting standard setters are positioned as key institutional actors in mediating the integration of ESG considerations into accounting and reporting practices, and in reconfiguring traditional accounting standards to accommodate new SR requirements [8-10]. Hence, Chartered Accountants (CAs) are likely to experience a redefinition of their role, shifting from a narrow focus on tax compliance and conventional financial reporting to a broader advisory and assurance mandate encompassing ESG data infrastructures, materiality judgements, and integrated reporting practices. In this sense, CAs may function as pivotal agents in translating the objectives of the CSRD and of the Voluntary Standard for Non-Listed Small and Medium-Sized Enterprises (VSME) into organisational practice, while simultaneously contributing to a deeper cultural shift in corporate accounting and accountability, beyond its traditional financial orientation, particularly within Small and Medium-Sized Enterprises (SMEs).

However, evidence suggests that many accountants operating within European companies lack sustainability-related competencies, reflecting the continued dominance of financially oriented accounting education and training [11], [12], while the SMEs context is largely neglected by both literature and standards, despite representing the backbone of the European economy. This capability gap highlights the importance of CAs in guiding and shaping the transition from traditional financial accounting and reporting frameworks to sustainability-oriented regimes. By engaging with these emerging demands, CAs have the potential to act as 'agents of change', not only by supporting regulatory compliance but also by actively constructing, disseminating, and legitimising ESG knowledge within corporations, thereby influencing managerial practices and the broader accountability landscape.

Italy offers a uniquely fertile setting for SR research for several reasons. First, it transposes the EU's requirements on SR by extending the scope of mandatory SR (with Legislative Decree 125/2024) and integrating the European Sustainability Reporting Standards (ESRS) as a reference framework for corporate reporting. Moreover, it introduces an assurance regime by statutory auditors and provides for a gradual timetable with specific concessions for listed SMEs. These characteristics make Italy a relevant empirical context for studying how regulation reshapes corporate reporting practices, governance, assurance markets, and professional roles.

Second, despite the absence of SR assurance being identified as a factor undermining stakeholders' trust in disclosures in most countries [3], the Italian Decree formally institutionalises the role of the SR auditor. In

doing so, it positions CAs and statutory auditors as central market actors in the provision of both assurance and advisory services related to sustainability information systems and internal controls. This regulation effectively elevates CAs and auditors to the status of public interest intermediaries, charged with safeguarding the credibility, reliability, and completeness of ESG information disclosed by companies. At the same time, Decree 125/2024 anchors assurance within the Italian statutory audit framework, enabling scholars to trace how audit-quality attributes such as independence, expertise, mitigation risk, and oversight migrate from financial audits to sustainability engagements, while also opening questions about capacity building, pricing, and specialisation within the profession. The decree's alignment with ESRS generates standardised, comparable disclosures that support archival analyses (from double materiality determinations to sector-specific metrics) within an enforcement architecture whose sanctions and supervisory design invite governance-oriented studies of compliance dynamics.

Third, the Italian corporate landscape is dominated by SMEs (often family-owned and bank-financed), now facing a staged compliance calendar with SR that, particularly for listed SMEs, creates natural contrasts between early adopters and deferrers in terms of preparedness, costs, market reactions, and supply chain [13].

Fourth, the Italian publicly visible trail of publication, guidance, and oversight for corporate SR (spanning the Ministry of Economy and Finance, the General Accounting Office of the State, the Italian Companies and Exchange Commission, and the National Order of CAs) provides an unusually transparent ecosystem for examining how interpretation evolves in practice, making Italy an exemplary laboratory for policy learning and supervisory studies.

Thus, Italy presents a compelling context for examining the evolving role of accountants in SR. In Italy, the figure of the CA holds a longstanding and influential position within the business ecosystem, particularly among SMEs. The accounting skills in SMEs are often limited; therefore, the CA serves as both an advisor to management and a liaison to the person responsible for ensuring the company's accounting complies with regulations. Italian CAs are increasingly seen as intermediaries between regulatory frameworks, corporate strategies, and stakeholder expectations. Their familiarity with governance structures, risk management processes, and data systems positions them to play a pivotal role in the ESG reporting ecosystem. At the same time, the profession's engagement with sustainability is contributing to a broader redefinition of its public and ethical mandate, which the National Order is strongly considering.

Despite the growing body of research on SR regulation, assurance, disclosure practices, and standard setting, comparatively little is known about how CAs themselves perceive, negotiate, and prepare for the expansion of their professional role into SR and assurance (e.g. [3], [14-16]). Prior studies have mainly focused on reporting entities, disclosure quality, assurance mechanisms, and stakeholder expectations, while the professional intermediaries expected to operationalise SR, particularly within SMEs, remain relatively underexplored [17-19]. This gap is theoretically relevant because SR is not only a new compliance requirement but also an emerging professional jurisdiction that may reshape accountants' knowledge base, identity, legitimacy, and authority. Drawing on the sociology of professions, professional groups can be understood as competing for jurisdictional control over areas of work through claims to specialised and abstract knowledge [20], [21]. From this perspective, the transition to SR raises the question of whether ESG-related knowledge will become part of the recognised professional domain of CAs or be appropriated by other professional groups, such as large audit firms, ESG consultants, legal advisors, or technical sustainability specialists.

The current paper investigates the role of Italian CAs in SR through the following research questions:

- I. RQ1: What is the current engagement of CAs in SR?
- II. RQ2: What are the future perspectives of CAs in relation to SR?
- III. RQ3: How are CAs preparing to drive the change towards SR?

To answer the questions, a questionnaire was submitted under the patronage of three Italian Local Orders of CAs to a sample of Italian professionals, receiving 159 respondents.

Findings reveal that Italian CAs currently have limited involvement in SR and assurance. Motivations rely, on the one hand, on the low demand for SR by SMEs, which are not yet obliged by law, nor have enjoyed the motivation for SR, and, on the other hand, to a ‘cognitive bias’ among CAs who still perceive themselves solely/primarily providers of economic and financial accounting services, thus relegating ESG accounting in second order and to professionals by non-accounting fields. This currently fuels the fact that most SR is provided by non-CAs. However, perceptions are changing among young CAs, who are increasingly involved in SR and see prospects for growth in this area of practice. This study suggests addressing this ‘cognitive bias’, supporting a ‘cultural change’ in accounting, by creating a strong cooperation between universities and the Orders of CAs, to legitimise first accounting education with ESG accounting at the same level as financial and managerial accounting and equip current ESG accounting professionals with the proper competencies to undertake the roles assigned to them by Italian law.

The paper concludes that if CAs do not actively embrace this role, the risk is that the SR reform will fail to fully permeate the SME sector, rendering SR a peripheral or symbolic exercise rather than a meaningful governance tool. Conversely, if CAs leverage their proximity to SMEs, they may become key agents in translating regulatory requirements into operational practices, thereby shaping how sustainability is understood, measured, and governed within the real economy.

The study contributes to the corporate SR literature by offering an original approach that focuses on CAs' pivotal roles as agents of corporate change towards SR, rather than on the most studied companies and stakeholders' perspectives. It also focuses on SMEs, a landscape often overlooked in the sustainability debate, despite being the backbone of the European economy. The paper offers both diagnostic and prospective insights into how accountants can assume a strategic role in advancing corporate sustainability. It further combines empirical research with a critical review of the EU's regulatory developments to provide insights for non-UE contexts.

To sharpen the paper's contribution, this study also interprets the SR transition through the lens of the sociology of professions. From this perspective, SR and assurance are not simply additional compliance tasks, but emerging professional jurisdictions in which different expert groups may compete for authority, legitimacy, and market recognition [20], [21]. This framing clarifies the specific gap addressed by the paper: while prior research has mainly examined companies, disclosures, assurance practices, or regulation, less is known about how CAs themselves perceive and negotiate the expansion of their jurisdiction into sustainability-related knowledge and services, particularly in SME-dominated contexts. The study therefore contributes empirically by providing survey evidence on Italian CAs, theoretically by framing SR as a jurisdictional and identity challenge for the accounting profession, and practically by identifying the professional education, institutional support, and cultural change required for CAs to retain and expand their role in the emerging SR ecosystem.

The paper proceeds as follows. Section 2 reviews the literature on accountants' roles in ESG disclosure, highlighting both the assurance and advisory dimensions. Moreover, it outlines the EU's regulatory path in SR and its implications for accounting professionals in European member states. Section 3 presents the survey's objectives and methodological design. Section 4 presents the main results and discusses the strategic challenges and opportunities the profession faces, while the final section 5 provides conclusions along with recommendations for future research.

## 2 | Literature and Contextual Backgrounds

From a financial-based accounting definition to a multidimensional one Since the last thirty years, an increasing branch in accounting studies has criticised the traditional definition of accounting conceived as solely a technical practice aimed at supporting the corporate economic and financial performance, simultaneously proposing an alternative multidimensional definition of accounting for shaping a better world [2], [22]. Accordingly, accounting is designed to benefit all, including society and the natural environment,

thereby contributing to sustainable development. Thus, literature has supported corporate' tools for non-financial disclosure and ESG accounting and recently the strategic implementation framework by [22].

How we define accounting, both for present and future generations, guides what is taught and how, and, conversely, what students learn as future leaders of the discipline. Moreover, it is argued that redefining accounting for tomorrow is crucial to fostering a deeper understanding throughout the global accounting profession and to increasing awareness in organisations and society worldwide, including among non-accountants, of the effects of accounting and how the discipline, and indeed we, can help shape a better world [23].

Traditional accounting, with its primary focus on measuring and reporting economic transactions and events, largely overlooks the social interactions between organisations and the communities in which they operate. These interactions generate social consequences in the form of social costs, understood as depletions of social resources, as well as social benefits, which represent enhancements and improvements in those resources. Neither positive nor negative consequences are recorded under traditional financial reporting standards, thereby limiting transparency into the impacts generated by corporate activity. The fundamental objective of 'social accounting' is therefore to identify, measure, and disclose these social resources, costs, and benefits [24].

A corporate's social responsibility lies in aligning its activities with its underlying values, so that the interests of a broad range of stakeholders (including shareholders, customers, employees, investors, and society more generally) are reflected in company policies and performance. From this perspective, corporates are expected to recognise themselves as integral parts of society, to assume responsibility for their social impacts, and to contribute to the public good beyond the pursuit of narrow corporate interests. SR constitutes the primary mechanism through which companies communicate the extent to which they fulfil these responsibilities. As social actors, they are also expected to respect prevailing societal values, norms, and beliefs, and to demonstrate sensitivity to ethical considerations in their conduct. In addition, literature [1] found that the intensity of investment in corporate social responsibility and sustainability has emerged as a moderator of bankruptcy risk. In other words, corporate social responsibility mitigates the impact of corporate hazards on firm risk: firms engaged in such activities tend to manage risk more effectively, resulting in more stable cash flows, lower exposure to unexpected costs, and, ultimately, a reduced likelihood of bankruptcy.

Over the past decade, SR has evolved from a voluntary investor relations exercise to a legally backed, assurance-driven component of corporate accountability in Europe. This shift reframes what 'value' and 'performance' mean in practice and, crucially, who is expected to operationalise them within companies. According to several leading large professional associations, such as the Chartered Institute of Management Accountants (CIMA), the International Federation of Accountants (IFAC), the Association of Chartered Certified Accountants (ACCA) and the Institute of CAs of Scotland (ICAS), CAs are no longer merely record-keepers of the financial past. Indeed, they are increasingly positioned as translators between evolving sustainability standards and guidelines, corporate governance, data systems, and stakeholder expectations [25].

In Italy, where SMEs dominate the corporate landscape, and CAs have historically served as multifaceted advisors, this transformation takes on distinctive contours and presents unique challenges. Building on prior scholarship on the expanding role of accountants in SR and assurance, and on the EU regulatory trajectory from Non-Financial Reporting Directive to CSRD, ESRS, and VSME the current research traces where the accounting profession stands today, where it is heading, and how it is preparing to lead the transition, giving insights that may be useful to support the transition to ESG accounting in other countries.

## **2.1 | Evolving Role of CAs: from Financial Guardianship to Sustainability Stewardship**

A broad body of literature documents the accounting profession's shift from traditional financial guardianship to the design, governance, measurement, and assurance of sustainability information (e.g. [26-28]). According

to Carnegie et al. [6], p. 69, advance a multidimensional understanding of accounting as the “sustainable utilisation of resources and proper accountability to stakeholders to enable the flourishing of organisations, people and nature”. They further argue that adopting a broader societal mission would enhance the relevance and significance of accounting in an increasingly complex and interconnected world, extending its purpose beyond a narrow focus on serving business interests. Such a reconceptualisation, they suggest, would allow accounting to realise its full potential and could also increase the attractiveness of accounting education and professional careers [29].

Scholars argue that, by virtue of its training and standards, the accounting profession is well-positioned to guide corporations in aligning their sustainability objectives with their business strategies. However, accounting research is increasingly expected to play a proactive role in preparing today’s accountants to lead the profession in the future and to contribute to addressing pressing societal challenges, with the ambition of enabling the profession to actively support the creation of a more sustainable and equitable world [24]. Indeed, accountants’ expertise enables companies not only to measure sustainability performance but also to interpret it within the broader context of strategic planning and stakeholder engagement [30]. In other words, accountants’ analytical skillset, process discipline, and proximity to governance make them natural custodians of long-term value creation and credible ESG information architectures. This stream also stresses the identity work and capability-building required to expand into forward-looking, qualitative, and double-materiality domains required by sustainability; it highlights both the promise and the methodological challenges of assuring narrative and prospective disclosures.

## **2.2 | Sociology of Professions, Jurisdictional Change and the ESG Knowledge Base**

The sociology of professions provides a useful lens for theorising why the sustainability transition matters for accountants beyond the mere acquisition of new technical skills. Larson [21] conceptualises professionalisation as a collective project through which an occupational community seeks market control, status, and legitimacy by claiming access to an abstract body of knowledge unavailable to non-members. From this perspective, the emergence of ESG reporting challenges the accounting profession because it expands the knowledge base on which professional authority rests. If sustainability-related knowledge remains external to CAs’ recognised expertise, the profession may lose part of its cognitive authority and social recognition in areas that are becoming central to current corporate accountability.

Abbott’s [20] system of professions further helps to interpret SR and assurance as an emerging jurisdictional space. For Abbott, professions compete for work jurisdictions, and the capacity to defend or extend jurisdiction depends on the ability to mobilise abstract knowledge and translate it into credible professional services. In this sense, SR and assurance can be understood as a contested professional field in which accountants, auditors, sustainability consultants, legal advisors, environmental specialists, and large audit networks may all claim competence. The issue is therefore not only whether CAs are willing to provide ESG services, but whether they can transform sustainability into a recognised component of their own professional knowledge and service jurisdiction [15], [16].

This theoretical framing is particularly relevant to the Italian setting. Prior research on accountants’ professional identity has shown that the meaning of being an accountant is socially constructed, historically situated, and shaped by interactions among the profession, professional bodies, firms, the state, clients, and wider societal expectations [31]. Italian CAs have traditionally derived legitimacy from their financial, tax, and compliance expertise, especially in relation to SMEs. However, the institutionalisation of SR and assurance through European and Italian regulation creates a new arena in which professional identity and professional boundaries must be renegotiated. In parallel, Italian ESG accounting research stands on the most widespread worldwide [15], thus expecting a positive impact on accounting education firstly, and on the legitimation of the accounting profession secondly. This makes the Italian case theoretically relevant because regulation

formally opens a space for CAs, but the occupation of that space depends on whether the profession develops the knowledge, legitimacy, and self-understanding required to act within it.

Recent studies reinforce this interpretation. Lee [32], drawing on the sociology of professions, shows how the availability or absence of abstract accounting knowledge can shape the accounting profession's capacity to claim autonomy in reporting reform. Tomo [33] documents an identity crisis among Italian accountants in a context of regulatory pressure, bureaucratisation, and declining professional prestige. These insights suggest that the ESG transition may be read either as a further source of professional insecurity or as an opportunity for professional renewal. If CAs remain confined to a narrow compliance identity, sustainability may be captured by other expert groups; if they integrate ESG into their knowledge base, they may reinforce their public-interest role and reclaim strategic relevance. Indeed, the ESG research reveals an interdisciplinary nature [15] resulting in a contending landscape of professional providers.

The education and professional-development literature points in the same direction. Studies on sustainability-oriented accounting education and professional qualifications show that universities, professional associations, employers, audit firms, and regulatory bodies all contribute to shaping accountants' professional identity and ESG competence [34], [35]. This is especially important, given that senior professionals were trained before sustainability became part of accounting curricula, while younger professionals may be more exposed to ESG-related frames. Indeed, a survey submitted to a sample of CAs in Greece shows a dominance of young professionals engaged in ESG services and a limited exposure by the older ones [15]. Accordingly, this paper does not treat training as a merely technical solution but as part of a broader professional re-socialisation process through which sustainability may become embedded in what CAs understand accounting to be.

At the European level, the regulatory regime has catalysed the expansion of SR while also undergoing a significant process of recalibration. In 2022, the CSRD introduced mandatory SR and extended its scope, requiring the application of the ESRS [4], [36-38]. Further, the Corporate Sustainability Due Diligence Directive (CSDDD), entered into force in 2024 [39], extended governance expectations into value chains. However, the subsequent "Omnibus simplification process" has modified the pace and breadth of implementation. Directive 2025/794, known as the "stop-the-clock" Directive [39], postponed the application of certain CSRD and CSDDD obligations for later waves of companies, providing additional time for implementation. More substantially, the political agreement reached in December 2025 on the Omnibus package narrowed the scope of mandatory reporting, refocusing the regime on larger undertakings and aiming to reduce reporting burdens and the trickle-down effects on smaller companies. In parallel, European Financial Reporting Advisory Group (EFRAG) delivered technical advice in December 2025 on a simplified ESRS set, proposing a significant reduction in mandatory datapoints and stronger proportionality mechanisms [40]. Finally, to support smaller undertakings outside the mandatory CSRD scope, the European Commission adopted a recommendation on the VSME in July 2025, positioning it as a simplified reporting tool and a reference point for limiting value-chain information requests [41]. Overall, the EU framework is shifting from an expansive regulatory model towards a more targeted and tiered architecture, in which SR remains central but is increasingly differentiated according to firm size, capacity, and market relevance.

These shifts carry assurance consequences too. On the one hand, the International Auditing and Assurance Standards Board (IAASB) has finalised ISSA 5000, which is an overarching, framework-agnostic sustainability assurance standard. It establishes a global baseline for practitioners, including, but not limited to, professional accountants. On the other hand, the contribution of accountants to the assurance of SR is now a central theme in the academic literature. Since ESG information has gained strategic importance, stakeholders are increasingly demanding reliable, comparable, and independently verified data. Research has shown that assurance enhances the credibility of SR, mitigates the risk of greenwashing, and reduces information asymmetry between firms and their stakeholders [42], [43]. The provision of assurance on non-financial disclosures has therefore become a key function of the accounting profession. In fulfilling this role, CAs must go beyond traditional auditing practices. They must assess the consistency, completeness, and relevance of

ESG information, ensuring that it aligns with established frameworks such as the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), and, within Europe, the ESRS [44]. At the same time, they are expected to provide assurance on qualitative and forward-looking disclosures, which present methodological challenges that remain the subject of ongoing debate in the literature, such as questioning whether providing both financial statement audits and ESG assurance negatively impacts audit quality [44], [45].

Despite the strategic importance of assurance, many accounting professionals still face significant obstacles in adapting to this role. These include a lack of specialised training, the absence of standardised ESG assurance frameworks, and limited experience with the complex data governance systems required for high-quality SR [3]. A study [15] examining how French CAs perceive the legitimacy of providing ESG-related services identified three distinct professional profiles: the Confident, who consistently perceive high legitimacy across all services; the Circumspect, whose perceptions of legitimacy decline as services become more complex or cumulative; and the Sceptical, who systematically express lower legitimacy perceptions, particularly regarding carbon-related services. These findings underline the heterogeneity within the profession and suggest that legitimacy perceptions are shaped by both individual orientations and organisational contexts.

Evidence from Italy suggests the profession is in flux, though the picture is uneven. Survey-based indications around 2022 suggested limited, early-stage involvement of CAs in firms' sustainability journeys and capability gaps on ESG topics. Only 9% of companies embarking on a sustainability journey consulted a professional accountant, and just 6% of accountants believed they possess the necessary skills to assist companies in managing ESG-related matters [46]. This underscores a disconnect between regulatory expectations and professional readiness. Public discourse surrounding the launch in collaboration with the Italian National Order of CAs highlighted the need for targeted training and market development. Subsequent professional publications and position papers by the Italian National Order of CAs have increasingly framed ESG as a core advisory and assurance frontier for the profession, with an emphasis on SMEs, governance linkages, and finance. Nonetheless, important developments are underway. The Italian National Order of CAs has launched training initiatives and published technical guidance to support the profession's transition. These initiatives aim to enhance awareness of sustainability issues, foster the adoption of ESG practices within professional firms, and equip accountants with the tools needed to advise companies on ESG strategy and reporting.

On the regulatory side, Italy's Legislative Decree No. 125/2024, which transposes the CSRD, introduces the sustainability reviewer role and related assurance responsibilities. Commentary and technical notes by professional bodies and legal commentators clarify that 1) sustainability information must be attached to the management report, 2) the assurance engagement is assigned to an authorised statutory auditor or audit firm, and 3) conformity encompasses ESRS compliance, digital tagging, and Taxonomy-related disclosures. These developments structurally draw Italian CAs toward SR preparation, pre-assurance readiness, internal control over SR, and assurance itself.

Although in Italy the new legal architecture (based on the CSRD, ESRS and their national transposition) is pulling the profession decisively into SR preparation and assurance ecosystems, the recently mentioned European regulatory developments have also introduced a more gradual and proportionate implementation path, to balance regulatory ambition with firms' absorptive capacity.

Against this evolving backdrop, today's engagement of CAs in the corporate sustainability journey appears heterogeneous: there is high awareness and growing guidance on the professional side, but capability and demand are still ramping up among SMEs [47]. From these considerations, we formulated our first research question:

**RQ1.** What is the current engagement of CAs in SR?

Three vectors shape CAs' future perspectives relative to SR. First, we should consider its mandatory scope, comparability, and assurance intensity. With ESRS and assurance mandated, Italian CAs face a durable demand for services spanning materiality assessment, data architecture, controls, KPIs (including financial-

ESG connectivity), digital tagging, and limited or reasonable assurance under ISSA 5000. EU-level simplification and the VSME signal a differentiated path for smaller entities that still require investor-grade information to interact with banks and large customers. Second, the value-chain governance introduced by the ESRS and the CSDDD elevates supply-chain ESG governance expectations, broadening advisory opportunities for CAs on due diligence processes, risk assessment, remediation tracking, and board reporting, especially for Italian SMEs embedded in larger groups' value chains. A third vector refers to standard-setting convergence and pedagogy. The emergence of a global assurance baseline (ISSA, 5000) alongside ESRS guidance and EFRAG implementation materials, including the VSME resources (with Italian translations and professional notes by the Italian Order of CAs), will continue to raise the technical bar while clarifying expectations and making them more teachable across the profession.

In short, in the medium term, Italian CAs are poised to consolidate roles as: 1) SR systems designers and internal-controls architects; 2) materiality and metrics advisors; 3) sustainability assurance providers under ISSA 5000; and 4) value-chain due diligence enablers. The direction of travel is toward mainstreaming SR into governance and performance management for both large companies and SME ecosystems. To better explore these vectors, we formulated the second research question:

**RQ2.** What are the future perspectives of Italian CAs in relation to SR?

Considering the previously mentioned need to reinforce competencies, preparation of CAs is occurring along three mutually reinforcing fronts. Professional guidance and training are the first. The national and local Orders have intensified the dissemination of ESRS translations, implementation notes, and practice-oriented documents (e.g., on the structure of SR for SMEs). This aligns with the need for capacity building to manage qualitative, forward-looking, and double-materiality judgments. A second front is represented by methodology and assurance infrastructure. With Legislative Decree 125/2024, corporations are formalising methodologies that map ESRS data points to processes, controls, and evidence; they are also aligning assurance procedures with ISSA 5000, e.g., engagement acceptance, materiality of misstatements, evaluating narrative statements, and multi-framework compatibility [48]. A third front involves market development and SMEs enablement. As banks and large buyers request ESRS-consistent data from suppliers, the VSME recommendation and EFRAG resources provide simplified on-ramps. Italian CAs can leverage these to package scalable services (diagnostics, roadmaps, policies, data templates), thereby accelerating diffusion among SMEs while keeping compliance costs proportionate [41].

Audit quality is widely recognised as a key mechanism for promoting corporate transparency and reinforcing stakeholder trust [46]. The relevance of ethical considerations has been highlighted as central to quality auditing services. Haji Abbasi and Amiri [48] provide evidence of a positive and significant association between auditors' perceptions of ethical culture and their willingness to report misconduct. Their findings further indicate that a strong commitment to the public interest enhances auditors' propensity to disclose unethical behaviour. Importantly, the authors demonstrate that ethical culture plays a crucial role in shaping audit quality and professional credibility by fostering responsible conduct, transparency, and trust in the financial system. Consequently, the development and reinforcement of ethical culture emerge as a fundamental priority for the governance and advancement of the auditing profession, particularly in contexts such as SR, where data and KPIs are more subjective than in financial reporting.

Preparation centres on institutional guidance (the Italian National Order of CAs, the EFRAG), methodology aligned with ISSA 5000 and ESRS, and service models tailored to SMEs' constraints and value-chain pressures are the levers that enable CAs to "drive the change" rather than merely react to it. We explored this topic through our third research question:

**RQ3.** How are CAs preparing to drive the change toward SR?

### 3 | Methodology

The empirical analysis of the paper is based on a structured online survey targeting a sample of CAs in Italy and received formal endorsement from three Local Orders of CAs.

The choice of CAs as respondents is consistent with the study's purpose. In SME-dominated economies, the transition to SR is mediated not only by reporting entities themselves, but also by the professional advisors who translate regulatory requirements into organisational routines, data systems, and assurance-ready information. Since many SMEs lack internal ESG expertise and dedicated reporting structures, CAs represent a privileged vantage point for understanding both current engagement and expected future demand in the SR transition.

The questionnaire was developed by a research group composed of academics and master's students from an Italian university. Overall, the questionnaire consisted of 28 closed-ended and semi-structured questions, divided into four thematic sections that corresponded to the study's research questions. They respectively detected CAs' firm characteristics (or CAs practices), client profiles, current ESG engagement, and future professional perspectives *Table 1*.

**Table 1. Sections of the questionnaire.**

<b>Section A - Firm Characteristics</b>
This section captures demographic and structural information, including the respondent's age, years of professional experience, and the firm's organisational size and staffing. It also asks participants to estimate the distribution of time and revenue across various professional services, such as tax, audit, and sustainability advisory.
<b>Section B: Characteristics of Client Companies</b>
This section explores the profile of client companies, focusing on their size (classified according to the EU Recommendation 2003/361/EC for Italy and the Companies Act 2006 for the UK), sector of activity, and whether they currently produce ESG reports voluntarily or under legal obligation. It also enquires about the number of client firms that will be subject to mandatory ESG disclosures under the CSRD or equivalent standards.
<b>Section C: Current Engagement in SR</b>
This section investigates the actual involvement of the respondent's firm in SR. It asks whether the firm offers ESG-related services, the nature of those services (reporting, assurance, consulting), and the obstacles encountered. Challenges are categorised into normative complexity, lack of internal expertise, or low client demand. The section also explores training history, future educational intentions, and collaboration with external specialists (e.g., environmental consultants, legal advisors).
<b>Section D: Future Perspectives</b>
This section explores respondents' perceptions of the future of the accounting profession, particularly regarding ESG reporting. Topics include ethical responsibilities, strategic opportunities, and anticipated skill gaps. This section also gauges receptiveness to further training and the perceived role of professional bodies and regulators in supporting the transition.

Hinkin [49] emphasises the importance of construct clarity as the first step in any rigorous scale development. First, we derived dimensions investigated in the survey from prior literature on accountants' roles in SR and assurance, regulatory frameworks (CSRD, ESRS, VSME, ISSA 5000, national transposition), and our specific research questions. Second, to develop items that fully reflect each construct, we systematically generate items. We partially derived items from prior empirical work on accountants [50] and adapted content from previous surveys submitted by the Local Orders to explore the characteristics and evolving activities of CAs. However, we also developed new items whose context was novel and based on the characteristics of CAs, as well as on the CSRD/ESRS/VSM/ISSA 5000/Legislative Decree No. 125/2024. Third, content validity was assessed by a panel of academic experts among the research team and senior CAs, as well as including accounting academics from non-EU. Fourth, given the importance of pre-testing to ensure a high response rate and the reliability of respondents' answers [51], the instrument underwent cognitive pre-testing and a pilot survey with a few CAs members from Governing bodies of the Local Orders supporting this research, resulting in minor revisions to wording and formatting. Specifically, to ensure the content validity of our research tool, each questionnaire item was linked to the research questions. To achieve this, we first define each construct

conceptually (e.g., CAs' perceived readiness, actual involvement in SR engagements, training intensity, perceived barriers) with a theoretical foundation [43], [52].

Given the exploratory and descriptive nature of this study, the questionnaire was not designed as a psychometric scale intended to generate latent constructs through factor analysis. Measurement reliability was therefore addressed primarily through procedural safeguards: conceptual definition of the constructs, alignment between questionnaire items and research questions, expert review, cognitive pre-testing, and pilot testing. Construct validity was strengthened by deriving the questionnaire dimensions from prior literature, regulatory developments and the research questions, while content validity was supported through review by academic and professional experts. Where several items referred to related dimensions, they were interpreted descriptively and comparatively rather than combined into composite scales requiring internal-consistency statistics.

A survey-based design is particularly appropriate for this research because the study investigates perceptions, preparedness, identity tensions, and expected professional evolution rather than only observable reporting outputs. These dimensions concern how professionals understand their current role, anticipate changes in client demand, and perceive the skills and institutional support required to enter the emerging SR and assurance jurisdiction. A structured questionnaire, therefore, enables systematic collection of comparable evidence across professionals while still allowing semi-open responses to capture qualitative insights into perceived barriers and future opportunities.

The survey was active from January to February 2025. Survey invitations to CAs were distributed via Qualtrics using the official mailing lists of the three Local Orders, ensuring broad outreach. The submission procedure conformed to guidelines on web-based surveys [53]. The submission was targeted at every single CA registered with each of the three Local Orders, regardless of firm size, status (individual firm, associated office of CAs, etc.), specialisations and seniority. The three Local Orders were chosen because they have formal established cooperations signed with the university in which the study was developed (i.e. formal agreements for the mutual recognition of the professional internship by master student's to the purposes of master degree's credits as well as for the professional mandatory internship period, the university is in charge by the Ministry for the qualifying exams of CAs whose commissions are composed both by professionals from the three local orders and faculty form the university, cooperation in the joint organisation of training courses for the professional exam qualifications, etc.) as well as because one of the authors of this paper has cooperated in previous surveys undertaken by one of the Local Orders to explore the characteristics and evolving activities of CAs.

The Italian setting also strengthens the methodological relevance of the sample. Italy combines recent legal transposition of the CSRD, the institutionalisation of sustainability assurance, and a corporate structure largely composed of SMEs. This combination creates a theoretically and empirically fertile context in which to examine whether CAs are prepared to occupy the emerging professional space created by SR regulation. The involvement of three Local Orders further supports access to professionals embedded in territories where SMEs coexist with larger and listed firms, allowing the survey to capture both limited current exposure and anticipated regulatory or market-driven change.

Based on established relationships with all three Local Orders, their Councils collaborated both in preparing and texting the questionnaire and then in submitting it via their mailing lists to all registered accountants, thereby enabling a higher response rate. All three CAs' Orders are located in a part of Italy with a strong economy and good public services, driven by SMEs but also home to listed big companies; hence, the CAs have the opportunity and expectation of engagement in SR and to perceive potential diversity of SR services on the basis of the different clients profile.

This sampling strategy was not intended to produce a statistically representative sample of all Italian CAs, but rather to generate theoretically relevant evidence from professionals who are likely to encounter the SR transition through their client portfolios. The sample is suitable for exploring the interaction between professional readiness, SME client characteristics, and the institutional role of Local Orders in supporting the

development of ESG-related competencies. More specifically, the sampling strategy is purposive and criterion-based. Respondents were selected because they were registered CAs operating in territories characterised by a strong SME presence and by institutional proximity to the university and the Local Orders involved in the research. This design is coherent with the exploratory and interpretive aim of the study, which is not to estimate the national prevalence of SR practices among all Italian CAs, but to investigate how professionals embedded in SME-based business ecosystems perceive and prepare for the SR transition. The unit of analysis is the professional practice perspective of CAs. In most cases, responses reflect the individual respondent's professional experience; however, where the questionnaire was completed on behalf of a firm or associated practice, the response was treated as representing the collective professional practice of that firm. This choice is consistent with the study's focus on service provision, client portfolios, competencies, and perceived future opportunities, which are often organised at the practice level rather than solely at the individual level.

A total of 159 valid responses were collected from the survey. Although the survey was distributed individually to all CAs listed on the professional registers of the three Local Orders, numerous responses were submitted collectively, representing multiple CAs collaborating in the same firm, thereby impeding the determination of the survey's overall response rate, and simultaneously giving a representation of respondents higher than the total number of responses collected. Indeed, in the Italian context, CAs usually hold their professional qualifications as independent practitioners, even though they often collaborate informally with other firms.

As a result, on the one hand, limiting the survey distribution to firms rather than to individual professionals would have excluded a significant number of practitioners without formalised or structured collaborative arrangements; on the other hand, the determination of the response rate by reporting the number of questionnaires completed to the number of questionnaires submitted would yield a nonsensical response rate. For this reason, we do not report a conventional response rate. The denominator would be misleading because the invitation was distributed to individual professionals, while some answers represented more than one CA working within the same practice. Reporting completed questionnaires over invited individuals would therefore underestimate effective professional coverage, whereas treating each firm as the denominator would exclude informal and non-structured collaborations that are common in the Italian profession. We therefore report the total number of valid questionnaires and transparently acknowledge this as a methodological limitation. Notably, the number of responses in this study is much higher than in similar research [15], [16].

Regarding the analysis undertaken to generate the findings, this research adopts a descriptive statistical approach, integrating frequency analysis and cross-tabulations to identify patterns across respondent demographics, firm characteristics, and ESG-related engagement. Qualitative insights from semi-open responses were also analysed thematically to enrich the interpretation of quantitative data. The mixed-method design supports a comprehensive understanding of the evolving professional landscape, offering empirical grounding for the conceptual and regulatory discussions presented in subsequent sections. This analytical strategy aligns with the study's aim of identifying not only the current level of engagement but also the barriers that shape it. Frequency analysis captures the diffusion of SR-related practices and competencies; cross-tabulations help identify differences across professional and organisational characteristics; and thematic reading of semi-open answers supports interpretation of structural, market, professional, and cultural barriers. In this way, the methodology is suitable for connecting empirical findings to the broader theoretical framing of sociology of professions, providing evidence on professional identity, jurisdictional change, and the evolving role of CAs in SR.

## 4 | Empirical Findings and Discussion

In the following, we present the main findings, organised by the four sections of the questionnaire and linked to our research questions.

**Section A.** Characteristics of the CAs and firms.

As shown in *Table 2* most respondents have a medium-high average age (mainly over 51 years old), while only 17% are under 40. Accordingly, most CAs have a seniority in the profession of at least 20 years of work. This prevalence could influence most respondents' position on the identity of the profession, and their perceptions and skills regarding SR, as they grew up in a cultural and educational context strongly linked to traditional accounting, which is perceived as exclusively focused on economic and financial performance, hence shaping the idea that the identity of the profession is just linked to economic and financial issues. This was then reinforced by their long practical experience as CAs in a traditional context. On the contrary, young professionals who grew up in a cultural and regulatory context characterised by a debate on the redefinition of accounting in moral and social terms, and by rules on SR, are probably more open to the ongoing change/transition in the role of CAs.

This perception is reinforced by the dimensions of CAs' firms, which deal with individual and small firms, while only 23% work in medium-sized firms and 3% in large-sized firms. Typical individual or small CAs firm dimensions prevent or slow the entry of young professionals, who are usually bearers of new competencies and cultural openness to ESG topics.

**Table 2. Age, seniority, and firms' size of respondents.**

Age	%	Seniority (Years)	%	Firms' Size	%
>65	20%	>20	63%	Individual (sole CA)	45%
51-65	53%	11-20	20%	small-sized	29%
41-50	18%	<10	17%	medium-sized	23%
31-40	14%			large-sized	3%
<30	5%				

## **Section B.** Characteristics of client companies

In our survey, 42% of client companies are micro-enterprises, 34% are small, 16% are medium-sized, and 8% are large firms<sup>1</sup>. This confirms that CAs predominantly serve the SME segment, which, as the literature repeatedly stresses, is the backbone of the European economy but also the segment least directly exposed to mandatory sustainability disclosure [19]. Given that firm size is one of the most robust predictors of SR adoption, our size distribution already suggests a structurally limited level of engagement with formal SR in the typical Italian CA's current practice. In this respect, the first explanation for limited engagement is structural (i.e., a structural barrier): CAs mainly serve micro and small clients that remain outside mandatory SR obligations, thereby generating few opportunities for accountants to develop routine exposure to SR engagements.

This picture is fully consistent with our empirical evidence: in 86% of cases, respondents report that no clients are currently preparing SRs, while in the remaining 14%, fewer than 10 client firms are producing such reports. These figures align with broader international evidence on SMEs, which shows that only a small minority draft SRs, despite high awareness of ESG issues. For example, a recent UN survey [54] estimates that roughly 7–8% of SMEs undertake SR. The literature on European and Italian SMEs highlights several reasons for the low diffusion of SR, including limited financial and human resources, a lack of internal expertise, perceived complexity and fragmentation of reporting standards, and the non-mandatory nature of SR for most smaller firms. Furthermore, studies on SMEs' SR also show that, when reports do exist, they are often short, template-based and more common in larger SMEs, confirming the strong size effect our data implicitly reflects [19].

<sup>1</sup> This classification is based on art. 2 of the EU's Recommendation 2003/361/EC [56], which stated "1. The category of micro, Small and Medium-Sized Enterprises (SMEs) is made up of enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million. 2. Within the SME category, a small enterprise is defined as an enterprise which employs fewer than 50 persons and whose annual turnover and/or annual balance sheet total does not exceed EUR 10 million. 3. Within the SME category, a microenterprise is defined as an enterprise which employs fewer than 10 persons and whose annual turnover and/or annual balance sheet total does not exceed EUR 2 million".

From a regulatory standpoint, the low current diffusion of SR among CAs' clients is not surprising. Indeed, in the first season of regulatory imposition by the EU NFR Directive 2014/95/EU [55], it introduced mandatory disclosure of non-financial information only for certain large undertakings and groups, mainly public-interest entities above specific size thresholds. Accordingly, Italy transposed the Directive, requiring only large public-interest entities (e.g., listed companies, large banks, and insurers) to prepare a non-financial statement from 2017 onwards. The overwhelming majority of micro and small clients in our sample, therefore, fall outside the direct scope of these obligations, which explains why CAs mostly do not engage in SR in their day-to-day work.

However, the regulatory landscape is changing rapidly and has clear implications for our respondents' expectations about the future. The 2022 CSRD initially marked a significant expansion of mandatory SR, extending reporting obligations to all large undertakings in the EU and to listed SMEs, excluding micro-enterprises, with phased implementation from financial years 2024 onwards. Italy implemented the CSRD through Legislative Decree 125/2024, thereby embedding SR and assurance requirements within the national corporate reporting and audit framework. However, subsequent European regulatory developments have recalibrated this expansion. The "stop-the-clock" Directive postponed the application of certain reporting obligations, while the Omnibus simplification process has aimed to narrow the scope of mandatory reporting, reduce administrative burdens, and limit indirect value-chain pressures on smaller companies. At the same time, the ongoing ESRS revision and the development of the VSME signal a move towards a more proportionate and tiered reporting architecture. Thus, although the pace and scope of mandatory SR are being adjusted, the broader direction of travel remains towards more standardised, assured, and decision-useful sustainability information for larger entities, with continuing indirect implications for SMEs through supply chains, banking relationships, and stakeholder expectations [56].

In this context, our finding that 45% of CAs report having clients who will be required to produce SRs in the future is particularly revealing. Although current engagement is low, professionals anticipate a sizeable growth in demand, likely driven by three intertwined forces: 1) the direct extension of CSRD obligations to some of their larger or listed clients; 2) indirect 'trickle-down' pressures on non-listed SMEs from banks, lead firms and multinational customers requiring ESG data for financing and supply-chain purposes; and 3) the increasing use of sustainability performance by financial institutions as a factor in credit access for Italian SMEs [57]. This anticipated expansion of SR demand, in contrast to its current low incidence, provides a natural bridge to our three research questions, suggesting both the need for current CAs to receive training and for universities to place greater focus on ESG education to equip current and new professionals with adequate competencies.

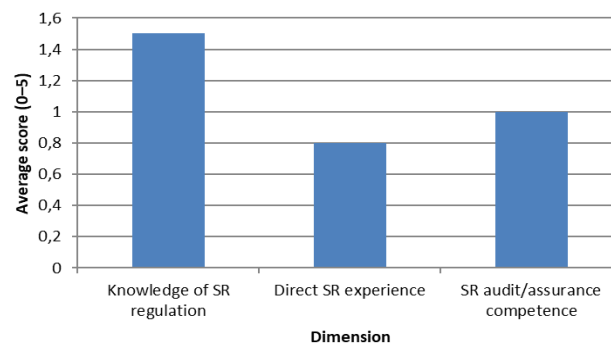
Therefore, in relation to our RQ1 (What is the current engagement of CAs in SR?), the evidence suggests that engagement is presently limited and highly concentrated. Most CAs operate in an ecosystem of micro and small clients who have not yet been touched by SR obligations, and only a small minority of practices support even a handful of SR-preparing clients. This is consistent with international surveys of accountants [15], which find that professionals are mostly unfamiliar with existing frameworks, while only one-third have direct experience in SR. In regulatory terms, Italian CAs' SR activities are still largely confined to a niche: large, listed entities and a few early-adopter SMEs. As a result, their current role is more peripheral than central in the Italian SR landscape, despite the profession being widely recognised in the literature as a key potential actor in producing, assuring and interpreting sustainability information [18].

With reference to our RQ2 (What are the future perspectives of CAs in relation to SR?), our findings, along with the evolving regulatory framework, indicate a significant expansion of opportunities and responsibilities. The expectation that 45% of respondents' client portfolios will soon include companies obliged to prepare SRs indicates that many CAs foresee a rapid transition from marginal to mainstream engagement. CSRD not only broadens the number of reporting entities but also introduces requirements for standardised ESRS and mandatory external assurance by statutory auditors [57], as well as voluntary standards tailored for SMEs (VSMEs). This architecture embeds professional accountants structurally, both as preparers (through their advisory and accounting roles) and as assurers of sustainability information, into the new reporting ecosystem.

From a market perspective, the literature on SMEs suggests that SR can enhance competitiveness, facilitate access to sustainable finance and respond to growing stakeholder expectations, especially in sectors with strong environmental and social impacts. Italian SMEs that invest in more sustainable business models have been shown to benefit in terms of credit conditions, further reinforcing the business case for better sustainability disclosure [58]. If this demand materialises, Italian CAs are likely to see their role evolve from predominantly tax compliance and traditional financial reporting to a broader advisory and assurance mandate spanning ESG data systems, materiality analysis, and integrated reporting practices.

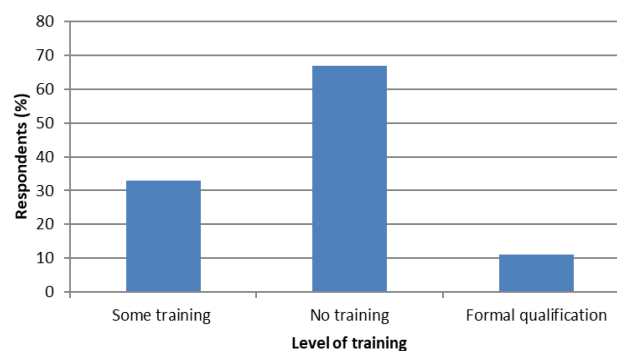
### Section C. Current engagement in SR

This section further explores our RQ2 (What are the future perspectives of CAs in relation to SR?) and confirms that, currently, the engagement of Italian CAs in SR is structurally low and still at an embryonic stage. On the competence side, CAs' average self-assessed scores on a 0–5 scale is very modest *Fig. 1*.



**Fig. 1.** Average CAs' self-assessed scores on competences (on a 0–5 scale).

These averages are consistent with the more detailed distribution: approximately 50% report having very low or limited knowledge of SR regulation (0–2), and nearly 80-90% evaluate their knowledge, experience, and assurance competence at 3 or below. This indicates that most professionals have, at best, a basic awareness of normative developments and very limited hands-on involvement in SR and related assurance activities. Such a picture aligns with prior international studies, which show the need for an educational and cultural change in accounting [16], [23]: Many accountants still perceive SR as outside their core practice and often lack specialised competencies in SR frameworks and non-financial assurance. Accordingly, the data on training *Fig. 2*, show that 67% of respondents have never undertaken any ESG training, and only 11% hold a formal qualification attesting to their competencies in SR. This echoes findings in the literature that professional education and continuing professional development in sustainability topics often lag regulatory change, leading to a ‘competence gap’ between what is expected of accountants and what they have been formally trained to do [30]. This evidence points to a professional barrier: many CAs have not yet incorporated ESG-related knowledge into their abstract professional knowledge base, and their training pathways remain fragmented and insufficiently aligned with the new reporting and assurance expectations.



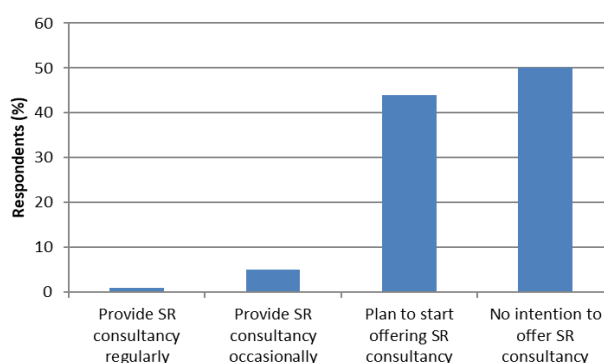
**Fig. 2. Training on ESG and SR undertaken by respondents.**

Based on the joint analysis of the data reported in *Figs. 1* and *2*, an apparent contradiction emerges, possibly reflecting a form of ‘cognitive bias’ or, more fundamentally, the persistence of an unresolved cultural issue among Italian CAs. While respondents report very low levels of ESG-related competence *Fig. 1*, they do not appear to invest accordingly in ESG-focused training *Fig. 2*. This is particularly striking, given that professional bodies provide mandatory continuing professional development through a credit-based system that covers a wide range of topics, including ESG. Had CAs sought to enhance their knowledge related to sustainability, they would have had the institutional opportunity to do so; instead, they appear to have prioritised other areas of mandatory training.

This pattern suggests that the main barrier may not be the availability of training on ESG-related topics, but rather a resistance to ‘redefining professional identity’, which remains firmly anchored in a predominantly financial conception of accounting. Such resistance underscores the need for a more profound cultural transformation to effectively implement the CSRD. In the absence of such a shift, SR risks remaining perceived as a peripheral or ancillary activity rather than a core component of accounting and accountability practices. Driving this ‘cultural change’ requires interventions at a foundational level. These include rethinking accounting as a discipline that extends beyond a purely economic-financial dimension, investing in universities and early-stage education to embed ESG perspectives in the formation of future professionals, and promoting the dissemination of empirical evidence and case studies that demonstrate the successful integration of financial performance and ESG considerations. The publication and circulation of such research may play a critical role in legitimising SR as an integral element of contemporary accounting practice. We therefore interpret this as a cultural barrier: the continued dominance of a traditional economic-financial understanding of accounting makes SR appear peripheral to many CAs, rather than part of the profession's core public-interest mandate.

Read through the sociology of professions, this contradiction can be interpreted as a sign that the ESG domain has not yet been fully incorporated into CAs’ abstract professional knowledge. Larson’s [21] perspective suggests that professional groups maintain authority by controlling specialised knowledge, while Abbott’s [20] framework indicates that professional jurisdictions are vulnerable when competing occupations are better able to claim and operationalise emerging expertise. The limited investment in ESG training, therefore, signals more than a skills deficit: it reveals a fragile jurisdictional claim over SR, especially if other professionals are perceived by clients as more competent in sustainability-related data, metrics, environmental issues, and assurance preparation.

On the practice side *Fig. 3*, client demand for ESG issues remains weak. Indeed, only 6% of respondents currently provide SR consultancy (1% regularly), while half of the sample do not provide SR consultancy and have no plans to start. The most frequently requested service is consultancy (48%), followed by report drafting, with assurance services marginal and almost a quarter of clients requesting any SR-related service at all.



### Fig. 3. Consultancy experience on ESG and SR.

The relatively low level of engagement with ESG issues observed among CAs can also be explained by the structural characteristics of their client base. As highlighted at the outset of the survey, CAs predominantly provide services to small firms, which are not yet subject to mandatory SR. These firms typically exhibit limited internal awareness of ESG issues and lack the necessary competencies to manage and report sustainability-related information. As a result, demand for ESG-related services does not currently arise from an internal recognition of the strategic relevance of ESG management and disclosure, nor is it yet driven by external regulatory pressures. However, this situation is likely to change rapidly once such external obligations become effective. When SR requirements are extended, demand for ESG-related services directed at CAs is expected to increase sharply and simultaneously. This anticipated surge underscores the importance for CAs to proactively develop the necessary competencies and service offerings. Failure to do so may result in ESG-related engagements being captured by large audit and advisory firms, thereby further marginalising smaller practices within the evolving SR and assurance market. This identifies a *market barrier*: client demand remains weak because many SMEs neither perceive ESG reporting as strategically valuable nor face immediate mandatory requirements, limiting the incentives for CAs to invest in sustainability-related service development.

Perceptions of the regulatory environment and client interest are also revealing. The overall opinion on the effectiveness of current sustainability regulations and guidance (CSRD, CSDDD, etc.) is rated low, with mean scores ranging from 1.6 to 2.0 out of 5. Similarly, the importance that clients attribute to SR is perceived as low (mean around 1.3–2.0). The literature on SMEs [47] and SR frequently highlights this same pattern: SMEs often see SR as costly and complex, with unclear benefits, and only a minority perceive it as a strategic tool for competitiveness or access to finance.

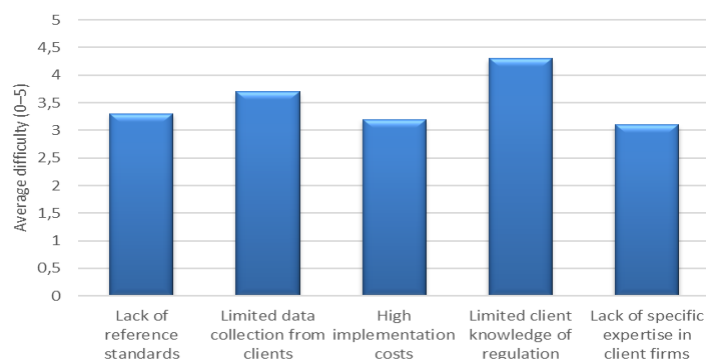
Taken together, these elements clearly answer RQ1: The current engagement of Italian CAs in SR is low, with limited knowledge, very little direct experience, weak assurance competencies, and only a small share of CAs actively offering SR-related services. The profession is still positioned at the margins of the SR field.

Moving on to RQ2, the findings indicate expectations of significant growth in the near future, although this growth should now be understood within a more recalibrated European regulatory framework. First, although only 6% currently provide SR advisory services, an additional 44% of respondents plan to start offering SR consultancy in the coming years; this means that almost half of the sample sees SR as a service area they are likely to expand into. This aligns with the earlier result that 45% of respondents already have clients who may be required, directly or indirectly, to produce sustainability information in the future. While the original CSRD framework pointed to a broader extension of mandatory reporting to large companies and listed SMEs, recent developments, including the “stop-the-clock” Directive, the Omnibus simplification process, the ESRS revision and the introduction of the VSME, indicate a more proportionate and tiered implementation path. Nevertheless, these reforms do not eliminate the relevance of SR for SMEs; rather, they shift part of the pressure from direct legal obligation to indirect market, supply-chain and financial expectations. In the academic debate [18], CAs are increasingly recognised as ‘natural’ intermediaries in the SR ecosystem, both as preparers/advisors and as assurers of ESG information, particularly in countries such as Italy, where the profession plays a strong regulatory role.

Second, perceived client demand is evolving. While the current perceived importance of ESG reporting among client firms is still low, respondents report growing interest, particularly in consultancy and report drafting. Even under a simplified CSRD architecture, larger entities, banks, lead firms and multinational customers are likely to continue requesting ESG data from smaller companies. This may prompt many SMEs to collect sustainability information even when they are outside the direct mandatory scope. In this scenario, Italian CAs, who predominantly serve SMEs, are well placed to become key translators of regulatory and market expectations into actionable reporting practices for smaller firms. Third, the survey highlights collaboration and multidisciplinary approaches as key elements of future perspectives. A large majority (86%)

consider collaboration with other professionals, such as environmental engineers and sustainability specialists, to be often or occasionally necessary to address sustainability issues. This is consistent with international research [3] showing that high-quality SR and assurance often emerge from multidisciplinary teams, where accountants collaborate with other experts to address the environmental, social and technical dimensions of ESG performance.

Section C data also underline key barriers that may shape these future perspectives *Fig. 4*.



**Fig. 4. Perceived barriers to SR implementation.**

Perceived barriers can be grouped into three vectors: limited knowledge and expertise among firm clients, structural limitations in data collection systems, SR reference standards and expected high implementation costs. These constraints mirror those discussed in the literature on SME reporting [47], indicating that information systems are not designed for ESG data, that SR standards are fragmented, and that perceived complexity and cost are high [60]. They also suggest that the expansion of SR services will not be automatic: it will depend on whether CAs and their clients can overcome these practical and cognitive obstacles. Overall, these findings show that limited engagement is produced by the interaction of four barriers: structural barriers linked to the SME-dominated client base, market barriers arising from weak client demand, professional barriers related to insufficient ESG knowledge and training, and cultural barriers associated with the persistence of a narrow financial conception of accounting.

In summary, for RQ2, the data indicate that Italian CAs perceive a substantial future expansion of their involvement in SR, driven by regulatory changes and emerging client demand, but this trajectory is conditional on addressing both internal competence gaps and external barriers related to clients and regulation.

Section C also addresses RQ3 (How are CAs preparing to drive the change towards SR?) by focusing on training, perceived needs, and organisational strategies that underpin change preparation.

From a training perspective, the current situation remains weak, but there are clear signs of mobilisation. While 67% of respondents have not yet attended SR-related training, a substantial share intend to do so soon, mainly through programmes organised by the professional orders (56% of those without prior training), followed by seminars, internal training, and external experts. This central role of the professional orders is consistent with the literature [18] that stresses the importance of professional bodies in updating competencies and legitimising new domains, such as ESG reporting, within the profession.

In terms of training topics, respondents highlight environmental issues as the main one requiring training (around 38–40%), followed by governance and social issues. This reflects the growing complexity of climate-related and environmental requirements under the EU's standards, aligning with research that shows environmental indicators and climate risk keep on being perceived as the most technical and challenging components of ESG reporting [25]. Only about 6% of respondents say they do not need additional training, suggesting a high level of awareness of the need to upgrade skills.

At the organisational level, preparation takes the form of both service development and collaboration strategies. As mentioned, 44% of CAs plan to start offering SR consultancy, and the propensity to engage in

this field is higher in medium- and large-sized CA firms, which already demonstrate greater involvement to expand services. Larger firms are also the ones most frequently reporting systematic collaboration with external experts, indicating an awareness that driving the SR transition requires more than internal resources alone. This pattern is consistent with studies suggesting that large audit and advisory firms tend to be early movers in SR [3], building dedicated sustainability teams and partnerships, while smaller firms often follow later.

The survey also highlights how CAs see their role in overcoming client-side barriers. The main obstacles to involving firms in SR are a lack of specialised staff in companies, inadequate data and systems, and a lack of awareness of the value of ESG reporting. This aligns with the literature, which portrays CAs as potential 'change agents' who can help SMEs design data-collection systems, interpret standards, and clarify the business case for SR (e.g., better risk management, improved access to capital). The fact that many respondents identify consultancy as the main service requested or expected (48%) indicates that they are preparing to occupy precisely this educational and advisory role.

Finally, the critical view of existing regulation and guidance (low perceived effectiveness and clarity) suggests that CAs see an important part of their preparatory role as translating complex and evolving regulatory requirements into operational guidance for their clients. This is consistent with academic analyses of the CSRD implementation phase, which emphasise the need for intermediaries capable of interpreting ESRS, sector-specific guidelines and materiality assessments for companies that often lack internal expertise [47].

In conclusion, for RQ3, the Section C findings indicate that Italian CAs are still in the early stages of preparing to drive the SR progression, but the foundations are being laid. Training plans, recognised needs for new competencies (especially environmental), willingness to collaborate across professions, and intentions to develop SR consultancy services all point to a profession that is aware of the impending change and beginning to equip itself to lead it, provided that educational initiatives and institutional support keep pace with regulatory and market developments.

#### **Section D.** Future perspectives

Finally, Section D shows that Italian CAs' ethical values and perceptions are more advanced than their actual practice in sustainability yet remain marked by uncertainty.

Regarding RQ1, we can identify an ethical and professional dimension. A clear majority feel a responsibility to promote sustainability: 72% express at least some ethical duty to promote sustainability topics (values 3–5), with 45% strongly agreeing; 69% feel a professional duty to promote SR (values 3–5), with 40% strongly agreeing. Mean scores confirm this pattern: 3.3 for ethical duty and 3.1 for professional duty on a 0–5 scale. This suggests that, even though actual SR engagement remains limited, many CAs already view sustainability as consistent with their professional identity and ethical mandate. This aligns with international work arguing that sustainability challenges are reshaping accountants' ethical responsibilities and public-interest role, not just their technical tasks [3].

However, when respondents assess the practical role of CAs in SR, the picture becomes ambivalent: the statement "CAs will contribute practically to the evolution of SR" has a mean of 2.9, with 36% strongly agreeing but 32% sceptical (0–2); at the same time, the statement "CAs will only apply regulations" also scores 2.9, with 32% strongly agreeing and 38% disagreeing (0–2). This "double positioning", seeing themselves both as potential change agents and as mere enforcers, confirms that Italian CAs' current engagement is still in a state of transition. The literature describes a similar tension [16]: accountants can either remain compliance-focused (ticking ESG boxes) or evolve into a broader, strategic sustainability role, involving the interpretation, integration, and assurance of ESG information. Our data show that many CAs have not yet fully internalised a proactive SR role, which aligns with previous evidence that only a minority of accountants currently work extensively with SR and that familiarity with the framework is often low.

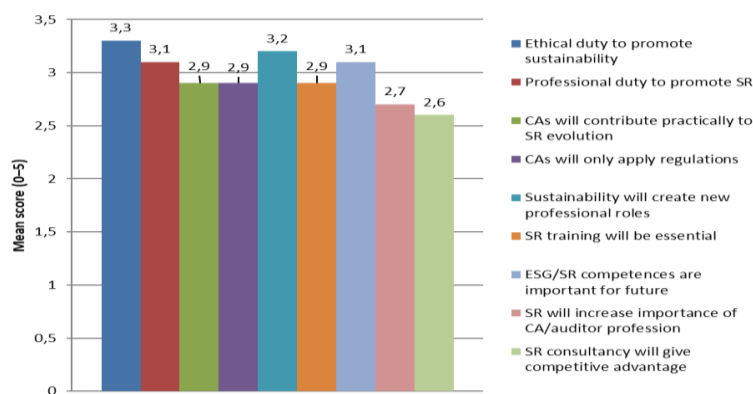
Finally, perceptions on competitive positioning also reveal a current cautious engagement: the mean score for "SR will give greater importance to the CA/auditor profession" is 2.7; the mean for "SR consultancy will

offer a competitive advantage to my firm” is even lower, at 2.6, and 43% are openly sceptical (0–2). This contrasts with much of the international discourse [3], which frames ESG and SR as a growth area for the profession, particularly in advisory and assurance services.

In terms of RQ1, Section D therefore reinforces the idea that Italian CAs are ethically sensitised but strategically hesitant: they recognise sustainability as important but are not yet convinced that SR will translate into a clear competitive advantage or a central role for them.

This ambivalence is theoretically meaningful. In professional identity terms, it suggests that CAs recognise the ethical relevance of sustainability but have not yet fully integrated SR into the core image of what their profession does. Consistent with Brouard [32], professional identity is shaped by multiple publics and by relationships with professional bodies, firms, employers, clients, and society. The heterogeneity observed in our data can therefore be read as evidence of intra-professional differentiation: some CAs may begin to construct an ESG-oriented professional identity, while others remain attached to tax, financial reporting, or traditional compliance sub-identities. This helps explain why the transition appears uneven rather than linear.

Section D also sheds light on how CAs perceive future opportunities arising from the expansion of SR obligations *Fig. 5*. So, if we consider our RQ2 there is widespread expectation of structural change: the mean agreement with “Sustainability will create new professional roles within CA firms” is 3.2, the highest among the “future role” items; 46% strongly agree (values 4–5) that sustainability will generate new professional profiles in firms, and 75% overall see a significant impact on organisational structure. This echoes literature describing SR as a trigger for new specialisations. Accordingly, only 19% of respondents state that SR obligations will not open new opportunities for their firm. This is consistent with international studies suggesting that SR can shift accountants from pure compliance to strategic advisory services, supporting clients in integrating ESG into their business models, risk management, and funding strategies [47].



**Fig. 5. Sustainability and future prospects of the role of the CAs (mean agreement score).**

At the same time, Section D highlights important sources of scepticism that qualify these future perspectives. Mean scores for the expected importance of ESG competences for the future (3.1) and the indispensability of SR training (2.9) show that, although around two-thirds recognise their relevance, only a minority is fully convinced. Answers also reveal a split between those who see SR as an opportunity to diversify services and those who fear an increase in bureaucracy with limited economic benefit, especially in small CAs firms and those serving micro and small firms. This ambivalence aligns with the literature, which describes SR as both an opportunity and a threat [57]: it can create new markets for advisory and assurance services, but also intensify competition (e.g., from large audit networks) and add complexity for smaller CA firms. In summary, for RQ2, Section D shows that CAs expect SR to open concrete growth opportunities (consultancy, new roles, collaborations), but they are divided about the value and centrality SR will bring to their profession. Future perspectives are therefore positive but cautious, heavily conditioned by firm size, client base and perceived ability to adapt.

Regarding RQ3, Section D also offers insight into the preparatory dynamics behind this transition, complementing the training and competence gaps observed in Section C. First, the data show that CAs

recognise the need for new competences and training, even if not unanimously. The statement “SR training will be indispensable in the CA profession” has a mean of 2.9, with 66% attributing at least some importance to such training (values 3–5), but only 13% fully convinced (value 5). Similarly, “For the future of the CA it is important to have competencies in sustainability and ESG reporting” scores 3.1 on average, and almost 70% see these competencies as important (values 3–5). These results echo international calls by IFAC [26] and other bodies to integrate sustainability into both initial education and continuing professional development of accountants, stressing that SR, climate risk, and ESG assurance must become core components of the professional skill set. At the same time, the relatively modest mean values signal that not all Italian CAs are yet fully mobilised around this training agenda, confirming the competence gaps already documented in Section C.

Second, Section D reveals important generational and structural nuances in the preparation process. Younger professionals (<30 years) systematically assign scores of 3–4 to their sense of professional duty to promote SR, whereas older cohorts show more polarised responses, with some assigning zero. This aligns with research [24] [15] showing that younger accountants tend to be more supportive of SR and more open to redefining their roles in relation to sustainability issues. Larger and more structured firms are also those that perceive more opportunities from the expansion of SR obligations, while individual and small to medium-sized practices are more likely to see no significant opportunities. This suggests that preparation for driving change is uneven: larger firms and younger professionals are more ready to invest in SR-related competencies and services.

Third, responses show that many CAs view the future of the profession as characterised by: greater specialisation in ESG reporting and assurance; collaboration with other technical experts (engineers, sustainability consultants, legal experts), and the need to update skills to remain competitive. This resonates with the literature, which views the accounting profession as evolving towards multidisciplinary, technology-enabled teams in SR and assurance [12]. Yet a non-trivial minority believes that SR will be mainly handled by large audit firms and specialised ESG consultancies, leaving traditional practitioners at the margins. This highlights a crucial challenge for RQ3: not all CAs are preparing to drive the change; some expect to remain spectators.

When preparing to drive the change, our empirical evidence on current reporting volumes suggests that preparation is ahead of practice: CAs are starting to gear up for SR, even though relatively few clients report today. Several developments support this interpretation. At the professional level, the Italian National Order for CAs has recently invested in sustainability-related education and training, including partnerships with specialist groups and dedicated programmes to prepare practitioners for CSRD-related assurance engagements. Accountancy Europe academic and professional events in Italy increasingly focus on the domestic transposition of CSRD and the implementation of ESRS, often organised or accredited by Orders of CAs, signalling that the profession recognises SR as a strategic competency area.

At the international level, bodies such as IFAC and ACCA explicitly call for an expanded skill set for professional accountants in SR, covering topics such as climate-related risk, ESG metrics, data quality and assurance methodologies [26]. These guidelines reinforce the expectation that CAs take a proactive role in designing reporting systems, integrating sustainability and financial information, and providing independent assurance. In Italy, tools such as guidelines for SME SR by the Italian General Confederation of Industry and emerging research on ESG disclosures of Italian listed SMEs further enrich the knowledge base that CAs can draw upon when advising their clients [60].

## 5 | Conclusion and Future Research Avenues

This study set out to examine the current and prospective roles of Italian CAs in the SR transition, with particular focus on SMEs, given the peculiar characteristics of the Italian context, and to address three interrelated research questions concerning: 1) their current engagement, 2) the future perspectives, and 3) the

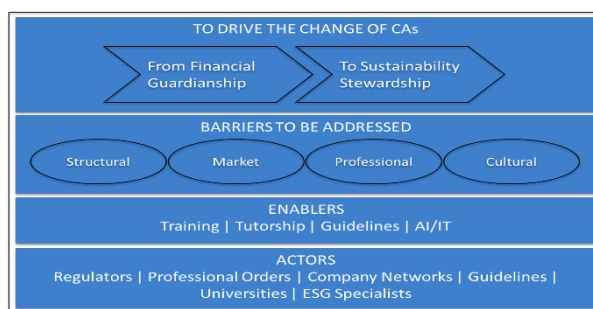
readiness to drive change. Taken together, the empirical evidence and the regulatory and institutional context converge on a coherent narrative that highlights both structural constraints and transformative potential.

In relation to the current engagement of Italian CAs in SR, our findings indicate that professionals are currently only marginally engaged. This limited engagement is closely linked to the structural characteristics of their client base. Given that firm size is one of the most robust predictors of SR adoption, the predominance of micro and small enterprises among CA clients implies a structurally low exposure to formal SR practices. Most of these client firms remain outside the scope of mandatory SR requirements and display limited internal awareness and capabilities in ESG matters. As a result, demand for ESG-related services has remained weak and sporadic to date.

This structural explanation is reinforced by the survey evidence. CAs report low levels of knowledge of ESG regulation, scarce hands-on experience with SR, and underdeveloped assurance competencies. Only a small minority of CAs currently offer SR or assurance services, confirming that the profession remains positioned at the margins of the ESG field. These findings are fully consistent with international evidence showing that many accounting professionals remain unfamiliar with ESG frameworks and have limited direct involvement in SR and assurance engagements [18].

At the same time, Italy offers a relevant and paradoxical context. Historically, the CA has played a central advisory and governance role within SMEs, often compensating for limited internal accounting capabilities by acting as an intermediary between firms, regulators, and other stakeholders. Italian CAs are therefore deeply embedded in firms' governance, risk management, and information systems, making these areas the most affected by the ESG transition. The transformation of the accounting profession in response to ESG imperatives should mirror broader shifts in corporate governance and public expectations. Accountants are increasingly expected to act not only as financial stewards, but also as mediators of sustainable value creation. This dual role requires a new skill set spanning data analytics, stakeholder engagement, and systems thinking. This positioning suggests a substantial latent potential for CAs to influence ESG adoption and reporting practices. However, our findings indicate that this potential remains largely unrealised, due to capability gaps, weak client demand, and persistent adherence to a predominantly financial conception of accounting. In other words, the conclusions confirm that the current marginality of CAs in SR cannot be explained by a single factor; it reflects the combined effect of structural, market, professional, and cultural barriers that jointly slow the incorporation of sustainability into accounting practice.

*Fig. 6* synthesises the paper's conceptual contribution by showing how CAs' transition from financial guardianship to sustainability stewardship depends on addressing structural, market, professional, and cultural barriers through targeted enablers and multi-actor support.



**Fig. 6. Conceptual framework.**

Regarding future perspectives on demand for ESG services, findings indicate an expected expansion in demand for SR-related services, albeit within a more gradual, proportionate regulatory environment than initially envisaged by the original CSRD framework. EU and Italian regulatory developments, along with market and financial-sector pressures, continue to point to increasing demand for sustainability information, particularly among larger entities and firms embedded in value chains. Based on our survey, while current

engagement remains low, a significant share of respondents anticipate that their clients will need to prepare or provide sustainability information in the near future. This expectation reflects three intertwined dynamics: the recalibrated implementation of CSRD obligations, now increasingly focused on larger undertakings; indirect trickle-down pressures from banks, lead firms, and multinational customers requesting ESG data from suppliers and business partners; and the growing integration of sustainability performance into credit allocation decisions [61]. Therefore, even where smaller firms may remain outside the direct mandatory scope, they are likely to face increasing ESG information demands through financial, commercial, and supply-chain relationships.

Notably, listed companies have already been producing SR under the first wave of European regulation and as documented in prior research, tend to rely on large audit firms for both reporting and assurance services [3]. The real challenge, and opportunity, therefore, lies in the SME segment, which constitutes most Italian and European firms. For these companies, large audit firms are often financially inaccessible, positioning CAs as the key actors capable of diffusing ESG strategies and reporting practices. Our findings, therefore, suggest a critical juncture: if CAs do not proactively assume this role, SR reforms may struggle to extend effectively to the SME sector, reducing such reporting to a largely symbolic or marginal activity rather than a substantive governance mechanism. By contrast, if CAs capitalise on their close relationships with SMEs, they can act as pivotal intermediaries in operationalising regulatory requirements and influencing how sustainability is interpreted, implemented, and governed in the real economy.

In conclusion, professionals currently appear to be in a preparatory yet fragmented phase. On the one hand, CAs increasingly recognise the strategic relevance of ESG and express a strong interest in training related to sustainability frameworks, ESG data management, and assurance practices. Collaboration with other experts, such as environmental specialists and legal advisors, is also widely perceived as necessary to deliver credible and comprehensive sustainability services. On the other hand, consistently with previous literature [14], [17], a clear readiness gap persists. Professional education and continuing professional development in sustainability continue to lag behind regulatory change, resulting in a competence gap between what is increasingly expected of CAs and their current skills [30]. This gap is particularly evident in the assurance domain, where professionals face challenges related to limited training, evolving standards, and the complexity of ESG data governance systems [3]. Consequently, our findings reflect both barriers and opportunities. While awareness is growing, the profession must accelerate its efforts to build internal competencies, supported by institutional initiatives and regulatory guidance.

Crucially, our analysis suggests that these challenges cannot be addressed solely through regulation. The apparent contradiction between low self-assessed ESG competencies and limited investment in available ESG training suggests deeper issues with professional identity. Many CAs remain anchored to a predominantly financial conception of accounting and appear reluctant to redefine their role in broader social and environmental terms. This finding reinforces the argument that the success of the CSRD and the broader previous NFRD reform process depends on a 'cultural change' of the accounting profession, rather than on compliance-driven change. In this respect, the Italian case is particularly instructive. Unlike some professional contexts, the Italian National Order of CAs has not opposed the ESG transition; rather, it has actively supported it through guidance, training initiatives, and professional publications [59]. Our findings, therefore, highlight the crucial role of professional bodies in legitimising sustainability as a core domain of accounting practice and in supporting CAs who were trained at a time when ESG topics were largely absent from university curricula.

The sociology-of-professions lens strengthens this conclusion by showing that cultural change is also a jurisdictional issue. If CAs do not internalise ESG as part of their professional knowledge base, SR may be appropriated by other professions or concentrated within large audit and advisory networks, leaving smaller CA practices peripheral to a field that is increasingly central to corporate accountability. Conversely, when supported by professional bodies and universities, the incorporation of ESG into professional education and

continuing development may enable CAs to defend and extend their jurisdiction, particularly in SMEs where their advisory proximity remains difficult for other professional groups to replicate.

From a practical implications perspective, overall, our results suggest that the involvement of CAs in SR extends beyond a technical or regulatory matter. Rather, it reflects a deeper reorientation of the profession's identity: from guardians of financial information to facilitators of sustainable and transparent value creation. This shift mirrors broader changes in corporate governance and societal expectations, where accountants are increasingly called upon to mediate between financial performance, sustainability objectives, and stakeholder accountability.

The Italian profession currently sits at a critical inflexion point. European regulation has transformed sustainability disclosure into a comparable, assured, and decision-useful corpus; national transposition has embedded these requirements within the audit framework; and international assurance standards have reduced methodological ambiguity. Regulators, however, must consider the absorptive capacity of SMEs and practitioners. Policies like the Omnibus Package and VSME, which delay and simplify certain requirements, reflect a necessary balance between ambition and feasibility. Still, the direction of travel is clear: ESG reporting will continue to expand in scope, precision, and enforcement. What remains uneven is professional capability and market maturity, particularly among SMEs. The integration of ESG into mainstream accounting is not a passing trend, but a structural transformation of the profession's role in society. The evidence suggests a growing alignment between regulatory expectations, market demands, and the evolving mission of CAs. However, to meet these expectations, significant investment is required in training, collaboration, and regulatory clarity. Addressing this asymmetry requires sustained investment in training and capacity-building initiatives, as well as interdisciplinary collaboration and clearer regulatory guidance, which are areas in which professional bodies (e.g., the Italian National Order of CAs) and universities must play a pivotal role.

In conclusion, a cultural change in accounting is needed, starting with viewing it as a broader spectrum encompassing not only economic-financial and managerial aspects but also non-financial information. Nonetheless, our survey shows that Italian CAs are currently ethically sensitised but strategically hesitant: they recognise sustainability as important but are not yet convinced that SR will translate into a clear competitive advantage or centrality for their role. However, missing this cultural change would close new windows of business opportunity to CAs and simultaneously deny the milestones of accounting, which is conceived as a social science and hence continuously changing to address business changes driven by societal change. In this respect, several moderating factors appear to be particularly relevant, including the support of professional bodies in providing in-depth guidance and practice-oriented documentation on sustainability-related issues, the upskilling of senior CAs through training initiatives promoted by local professional orders, and the establishment of dedicated ESG committees that actively involve both junior and senior professionals. In addition, stronger linkages with universities may play a crucial role in intensifying ESG-related education from the early stages of professional training.

## 6 | Limitations and Future Research

This study is subject to several limitations that also open avenues for future research. First, the sample is characterised by a predominance of senior professionals with long-standing experience. While this provides valuable insight into established professional practices, it may also reflect a more traditional accounting culture that focuses on financial accounting rather than accounting as a social and moral practice oriented towards sustainable development. Emerging perspectives on accounting's broader societal role, currently gaining traction in academic debates and only gradually entering university curricula, may therefore be underrepresented.

Second, the study relies on survey data collected in a single national context. Although Italy offers a particularly relevant SMEs-dominated setting, caution is required in generalising the findings to other countries with different professional traditions, regulatory environments, or firm demographics. Comparative

cross-country studies could shed further light on how institutional contexts shape accountants' engagement with SR.

Another limitation is that the findings should not be interpreted as statistically representative of all Italian CAs, but rather as theoretically informative evidence from a professional setting, especially relevant to the SR transition. Moreover, the presence of collective responses limits the ability to fully distinguish between individual- and practice-level perceptions. These aspects are considered in interpreting the results and are explicitly acknowledged in the limitations section.

Future research could also move beyond perceptions and self-assessments to examine causal relationships between ESG disclosure quality, assurance practices, and corporate performance outcomes. In addition, in-depth qualitative studies could explore how professional identity, institutional logics, and educational pathways influence accountants' willingness and ability to act as agents of change in the sustainability transition. The development of best practices in professional education to prepare accountants for a sustainability-driven future can also represent a subsequent research step.

Future research could also examine how different subgroups within the accounting profession construct ESG-related professional identities and jurisdictional claims. For example, comparative studies could explore whether younger professionals, larger firms, or CAs with ESG training are more likely to interpret sustainability as part of the profession's core mandate. Qualitative approaches, including interviews, professional narratives, and case studies of CA firms, would be particularly useful to investigate how identity, perceived legitimacy, and competition with other expert groups shape the profession's response to SR and assurance.

In conclusion, although the integration of ESG into accounting practice remains uneven, it represents a structural and irreversible transformation of the accounting profession's role in society. Whether this transformation will be successfully realised, particularly within the SME sector, ultimately depends on CAs' capacity to embrace a broader conception of accounting and actively participate in shaping sustainable business practices.

## **Conflict of Interest**

The authors declare no conflict of interest.

## **Data Availability**

All data are included in the text.

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