**What I need; see below for instructions and all the things you need (I added references and a example thesis as well)**

I added a conceptual model and research questions and hypotheses; but all these have to be backed with literature ;

So I need this;

-Introduction ; research backgrond

-Research problem

-Research significance ( why is this research interesting? ; look at my model ; gender is a hot topic , but also accounting, because big4 firms and accountancy are not that popular lately…)

-Research questions ; see below

-Theoretical Framework :

-short description of IFRS15 and research theme

-Overview of existing literature on research variables

-Conceptual framework and hypotheses(needs to be backed with literature) (both see below)

But First a short introduction:

**Research theme 1: Quality of revenue disclosures of European listed companies**

In May 2014, the International Accounting Standards Board (IASB) issued IFRS 15 Revenue from Contracts with Customers. IFRS 15 established principles for reporting information about the nature, amount, timing, and uncertainty of cash flows arising from an entity’s contract with customers. IFRS 15 superseded former standards like IAS 18 Revenue and IAS 11 Construction Contracts and became effective for financial statements beginning on or after 1 January 2018.

Since 2018, IFRS issuers publish financial statements including the application of IFRS 15. In particular, industries with long term, more complex contracts are significantly affected by the introduction of IFRS 15. Examples of these sectors are the construction, information technology and telecommunications industry. These industries are known for more complex contracts including variation in contract work, claims and price discussion. Within these industry complex contracts, including the promise of multiple goods and services and various contract clauses (e.g. bonus and malus agreements) affecting the transaction prices. This all requires significant judgements in the application of IFRS 15. In order to provide users with useful information more extensive revenue-related disclosures are required by IFRS 15.

Early research on the quality of IFRS 15 disclosures in the financial statements over 2018 and 2019 indicated that there is room for improvement in particular related to disclosures of accounting policies for revenue recognition and on significant judgements applied. Furthermore, disclosures on revenues are usually high on the agenda of regulatory bodies such as the ESMA. In that regard, the ESMA highlighted the importance of further improving disclosures on IFRS 15 given the prominence of revenue in the financial statements. In particular, ESMA highlights the importance of disclosures on accounting policies, significant judgements, disaggregation of revenues and contract balances.

With IFRS 15 into operation, this research aims to provide a contribution on the quality of disclosure of IFRS 15 based on a sample of 2020 financial statements. The expanded disclosures of IFRS 15 aims to help investors better understand the nature, timing and uncertainty of revenues recognized. For the years 2020, it might be interesting to research the overall disclosure quality and investigate whether the disclosure quality has improved compared to the previous year. In particular, this research will be relevant for standard setters, regulators and auditors. It might also give an indication of the absorption time to apply a major standard.

Hence, in this bachelor thesis project, the quality of financial reporting on revenue recognition (IFRS 15) is our key research area. We will research the quality of revenue recognition disclosures for European listed companies by collecting data from recently published financial statements. We identify qualitative and quantitative disclosures by means of a disclosure index based on IFRS 15 disclosure requirements. We will investigate determinants of disclosure quality: is disclosure quality dependent upon size; governance structure; risk appetite; leverage; collectability of receivables etc. Another interesting aspect of this research is the development of the disclosure quality compared to previous years. As a result of peer learning effects, one might assume that good practices will be shared and used in the subsequent financial statements. The current body of literature will be examined to formulate hypotheses in this area.

Structure of board (man/woman) (moderator)

Structure of audit committee (man/woman)

Quality of revenue disclosures regarding IFRS15

Size (of audit committee and size company (in terms of value or revenue))

(control variable)

Theories you can use; agency theory and stakeholder theory

Main research question:

Research question : What is the influence of the structure of the Audit committee on the quality of revenue discloures regarding IFRS15 ? And what role plays board structure, size of the audit committee and size of the firm in this relation?

Subquestions:

1; What influence has the structure of the audit committee on the quality of revenue disclosure?

2; What influence has the size of the audit committee on the relationship between the audit committee and the quality?

3; What influence has the size of the firm on the relationship between the audit committee and the quality?

4; What is the influence of the structure of the board on the quality of revenue disclosure ?

5: What is the influence of the structure of the board on the relationship between audit committee and quality of the disclosure?

6: Is IFRS15 put better to use in the year 2020 then 2019?

Hypotheses ; back up with literature ! motivation and explanation

H1; structure audit committee on quality revenue disclosure ; positive relation(strengthens) ; more women, better quality (agency theory)

H2; size audit committee on relation between audit committee and quality ; positive relation ; bigger audit committee , better quality (stakeholder theory)

H3; size company on relation audit committee and quality ; positive relation ; bigger company , more stakeholders, better quality (stakeholder theory)

H4; structure board on quality ; positive relation ; more women, better quality (agency theory)

H5; structure board on relation audit committee and quality ; positive relation ; (agency theory)

H6: IFRS15 is put better to use , due to more experience and there are more peer reviews

**Example thesis**

# Introduction

## Research background

The link between soft controls and ethical decision-making underpins management dynamics' role in influencing workers' inspiration, motivation, and loyalty. Soft controls underpin measures of control that appeal to the personal performance of workers. Soft controls are considered as mechanisms that affect the transparency, motivation, and values of workers (Van der Kolk 2015, p. 174). Soft controls are vital from an audit and control perspective, and a correct blend of hard and soft controls guarantees an efficient internal control system (van Biene-Hershey and Strous 2013, p. 45). Such a system motivates and empowers workers through internal or innate mechanisms. Although soft controls are hard to conceptualize, measure, and apply, there are frameworks for measuring perceptions.

 Among the key concepts that have, gained transaction is the recent years are the issues of sustainability where the ability of an organization to operate in an efficient manner while conserving the environment has been reviewed. As a way of operating sustainably, some of the key operational concepts such as the need of having clarity and transparency within the organization operations are used. The concept of clarity requires the operations and the activities that an organization is taking to be clear to all of the stakeholders who are affected by such activities. Transparency on the other hand refers to the discloser of organization information to stakeholders such as the discloser of the key supply chain material sources to customers as part of an organization operating in a sustainable manner.

The review of some of the existing studies such as the research by Schnackenberg et al., (2020) indicates that there is a link between organization clarity and organization transparency. According to Harper, (2019), where there is a strong clarity within an entity, the transparency is also likely to be high as the key functions that are being carried out by an entity are disclosed. Clarity also implies that an organization clearly understand its processes enabling it to disclose such processes to stakeholders who are involved. The current research has hence reviewed how the change of clarity due to the use of interactive controls is likely to affect the transparency of an organization.

## Research problem

 The research by Albu&Flyverbom (2016) asserts that the use of interactive controls ensures that employees’ feedback, opinions and beliefs are incorporated to the management of a given entity. The research also asserts how the use of interactive controls affects the organization clarity as successful implementation of such controls leads to more clarity being realized within an entity. As transparency is among the key concepts of sustainable entities, the current study is interested in understanding whether a change in organization clarity leads to a change in organization transparency. The huge costs that are utilized in implementation of interactive controls within an entity also explains why there is a need of understanding the impact of such controls on clarity and how the change in clarity that is realized affects the transparency of an entity. If there is a positive change in clarity that leads to a positive change in transparency due to interactive controls, then a case on the need of use of such controls within an entity can be made.

## Research significance

The implementation of the current research has huge significance to the different stakeholders such as managers, shareholders, employees and researchers who are interested in understanding the operations of modern entities. The organization stakeholders can benefit from the research by understanding how clarity change that is caused by the use of interactive controls is likely to affect the organization transparency. The effect of transparency can affect the brand identity of the organization showing why the organization stakeholders are interested in activities that can affect the transparency that is conducted within an entity. Researchers on the hand can utilize the current research to understand the link between clarity and transparency within an organization environment and come up with new theories or concepts on how the two constructs affect each other.

The study contributes to theory by evaluating the relationship between two essential constructs, namely clarity and transparency. Therefore, the study may lead to the emergence of a new theory on the relationship between the two constructs and interactive controls' role on this relationship. According to Mulder (2008, p. 23), soft controls are necessary, but there is not much research. Hofstede (1998, p. 7) implicates that there are subcultures in a company with different cultures and values, questioning how these affect the employees' standards. I want to investigate this further. Furthermore, the question is, how do you measure the values of the employees? Alternatively, how are these influenced by controls or different cultures, and this is a question from De Jong and De Graaf (2020, p. 231). Through my model, I hope to clarify the above questions.

**Research Questions**

1. What is the impact of change in clarity on the transparency of organization employees?
2. How does the use of interactive controls affect the clarity of organization employees
3. What is the impact of interactive controls on the relationship between clarity and transparency?

# Literature review

## Theoretical framework

 Among the key theories that are, relevant to the current study is the conceptualization model that helps in defining, and building a system that shows the relations between different concepts. The application of conceptualization model helps a researcher in understanding the key factors that affect an organization and how such factors relate with each other (Carius-Munz, 2020). In the current study, the conceptualization model can be utilized in understanding the key relationship between clarity, interactive controls and transparency within an organization employees setting.

Moreover, the current study applies the systems management theory to explore the correlation between the variables of the research. The systems management theory was developed in the 1940s and it gives perspectives about communication (Johnson et al., 1964). The theory is an alternative to the management and planning of institutions. The theory proposes that businesses or organizations have various components that work in an integrated manner to ensure the success of the larger system. The systems management theory states that the success of an organization is dependent on synergy, interdependence, and how the smaller systems interact - all these elements build up organizational clarity and transparency. As the research hypothesizes, organization clarity has a significant direct relationship with the transparency of organization employees, system management theory helps in the exploration organization clarity as a component of organization management.Also, the theory helps in the understanding of the synergy between clarity and transparency as influenced by interactive controls in an organization.

In light of the systems management theory, there comes systems thinking which is the giving of attention not only to the subsystems, but also the entire larger system (Checkland, 1997).The interactions between components of an organization and the process that are produced due to these interactions become essential and result in the argument that “system elements are rationally connected” (Luhmann, 1990) to achieve a specific objective. This study looks at the systems management theory from the perspective of smaller organizational components acting together to achieve specific organizational goals. The smaller components include the interactive controls which are the independent variable, and organizational clarity and transparency, which are the dependent variables. Systems thinking is linked to the second hypothesis of the research which is: Implementation of interactive controls has a significant change on the clarity of organization employees. The theory grounds the research to interactive controls as a subsystem of a larger system.

## Overview of existing literature on the research variables

Transparency refers to honest and open communication among team members and the development of a culture in which information flows openly between teams and people (Carius-Munz, 2020). The benefits of transparency are tangible because it improves the relationships among organizational members hence enhancing employee productivity and organizational performance. Transparency plays an essential role in influencing communication and relationships in workplaces and teams since information flows openly and issues can be discussed and addressed amicably. Transparency emanates from several factors within organizations like clarity in goal setting and communication from management(Schnackenberg et al., 2020). When employees understand the goals and vision of a firm as communicated by their seniors, they become transparent in their articulation of issues. Therefore, management has a role to play in enhancing the transparency of workers.

Clarity underscores the simplicity, clearness, and lucidity of perception, communication, and understanding. It underpins the freedom from ambiguity and indistinctness and is a vital competency for managers or leaders (Harper, 2019). In communication, clarity underpins the lucidity of articulating organization goals, vision, and objectives to members. The ability of workers to understand the vision and objective of a firm lies in how a manager or leader embraces clarity in communication.

Interactive controls are management systems that are used to track new ideas, positioning a firm for the future, providing strategic feedback, and generating new organizational learning. Interactive controls are also used to integrate process data into management interaction and physical meetings with workers (Albu&Flyverbom, 2016). Interactive controls have a direct relationship in the relationship between clarity and transparency since they influence the communication between management and workers.

Clarity and transparency are linked because the ability of managers to communicate with clarity increases the transparency of workers. Communication is a two-way process, and the activities of one party influence those of the other party (Albu&Flyverbom, 2016). Managers inspire workers to communicate transparency by embracing clarity. The absence of clarity impairs workers' ability to communicate with transparency.

## Conceptual framework and the research hypothesis



**Figure 1: Conceptual Framework**

The dependent variables include transparency, while the independent variable is clarity. Interactive controls are the intervening variables in that the study will investigate how clarity leads to the transparency of workers through interactive controls. Based on the conceptual framework the three-research hypothesis that is being tested in the current research as shown below

H1: A lack of organizational clarity does not have influence on the transparency of organizational employees.

H2: Missing interactive controls has an influence on the clarity of organizational employees.

H3: Implementation of interactive controls has a significant effect on clarity and transparency in organizations.

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