A Comprehensive Disclosure Model in Iranian Commercial Insurance Companies Centered on International Financial Reporting Standards Using a Multi-Grounded Theory Approach

Javad Rahmaninia[1], Naghi Fazeli[2*], Arzoo Khosravani[2]

[1] PhD Student, Department of Accounting, Semnan Branch, Islamic Azad University, Semnan, Iran
[2] Assistant Professor, Department of Accounting, Semnan Branch, Islamic Azad University, Semnan, Iran

*** Corresponding author email address**: Fazeli.n@gmail.com

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Abstract

Voluntary disclosure of information is an indirect mechanism through which International Financial Reporting Standards (IFRS) generate benefits for capital markets. Managers typically employ voluntary disclosure as a substitute for mandatory reporting, thereby conveying confidential company performance information to investors. The aim of this study is to present a comprehensive disclosure model for Iranian commercial insurance companies, focusing on IFRS and utilizing the multi-grounded theory approach. The first step involves formulating research questions based on the dimensions of grounded theory. In the second step, the researcher systematically reviews published articles in reputable domestic and international scientific journals to identify credible and valid documents within an appropriate time frame. Initially, related keywords—both individually and in combination—were examined in Persian and English for the period 2013 to 2024, and for English-language articles from 1980 to 2024. As a result, 27 relevant articles were identified. Since data collection in the grounded theory approach is based on theoretical sampling, in this study, data were synthesized through meta-combination, followed by in-depth interviews. Subsequently, using grounded theory and integrating it through the multi-grounded approach, a comprehensive model for identifying the disclosure framework was developed. Reporting and information disclosure are the most critical tools companies use to communicate with shareholders. When information disclosure is mandated by a regulatory or legislative authority, it is referred to as mandatory disclosure. In contrast, if the disclosure is not influenced by specific regulations and is conducted voluntarily by the company, it is considered voluntary disclosure. The voluntary disclosure theory posits that managers will disclose company information under their control if the benefits of such disclosure outweigh the associated costs.

Keywords: *Comprehensive Disclosure, Multi-Grounded Theory Approach*

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1. Introduction

In today's increasingly complex and transparent financial landscape, the quality of financial reporting and the mechanisms of information disclosure have become critical focal points for scholars, practitioners, regulators, and policymakers alike. Financial statements serve as the primary communication tool between organizations and stakeholders, encompassing shareholders, creditors, regulators, and the public. The reliability, transparency, and comprehensiveness of financial disclosures significantly influence the decisions of these users. Recent developments in global financial regulations, environmental accountability, and digital transformation have collectively emphasized the importance of a comprehensive and adaptive disclosure framework that meets evolving standards and stakeholder expectations [1-3].

Disclosure practices, especially within emerging economies, often face systemic limitations, ranging from weak internal controls to low information symmetry. The evolution of the International Financial Reporting Standards (IFRS) has attempted to harmonize reporting practices across jurisdictions, enhancing comparability and accountability. Notably, IFRS 17 has been pivotal in transforming the measurement and disclosure of insurance liabilities, thereby improving report quality and reducing ambiguity in financial interpretation [1]. However, despite global convergence efforts, disparities remain in how disclosure is practiced across sectors and regions, largely due to differences in institutional infrastructures, legal systems, corporate governance models, and managerial incentives [4-6].

Scholars argue that voluntary disclosure and the effectiveness of internal control mechanisms are key levers in improving the transparency and quality of financial reports. Internal controls not only provide a safeguard against material misstatements but also enhance confidence in reported outcomes when robustly disclosed [7, 8]. A significant body of literature suggests that effective internal control systems—when disclosed—serve as a credible signal to the market, reducing information asymmetry and mitigating agency conflicts [9, 10]. In the absence of such mechanisms, the risk of earnings manipulation and opaque accounting practices increases, ultimately compromising the integrity of financial statements.

Recent empirical evidence also highlights the role of environmental, social, and governance (ESG) disclosures in shaping investment efficiency and enhancing the relevance of financial reports in the capital markets. ESG-driven transparency is increasingly regarded as a complementary dimension to traditional financial disclosure, particularly in aligning corporate behavior with broader sustainability goals [11, 12]. Firms that proactively disclose climate risk, for example, experience reduced stock price crash risks and enhanced investor confidence, underscoring the economic value of transparency [13]. In this context, non-financial disclosures—such as sustainability performance and environmental accountability—are no longer peripheral but integral components of a comprehensive reporting system [4, 14].

Technological innovation and the digitization of accounting systems have also redefined the landscape of financial reporting. The integration of intelligent systems, data analytics, and cloud-based accounting platforms has improved the accessibility, accuracy, and timeliness of disclosures [2, 15]. These advancements not only enable automated compliance with reporting standards but also facilitate customized reporting for diverse stakeholder groups. Consequently, organizational competencies in digital literacy and IT utilization have become determinants of disclosure quality, particularly in decentralized and public sector enterprises [16, 17].

Another vital consideration in disclosure research is the linguistic and rhetorical characteristics of financial texts. Tone management and the readability of annual reports significantly influence user perception and the overall interpretability of financial information. A thematic analysis of disclosure tone reveals that managerial intent and strategic messaging often shape the subjective interpretation of otherwise objective data [18]. Thus, the cognitive load imposed by complex language, technical jargon, or verbose narratives can obscure critical insights, making the case for simplified, user-oriented disclosures [19].

The institutionalization of disclosure norms is also significantly influenced by governance quality, organizational culture, and regulatory enforcement. Studies confirm that integrated financial reporting not only reduces profit forecast bias but also improves stock price informativeness, indicating higher quality decision-useful information [20]. Strong internal governance and professional competencies—particularly among finance and audit personnel—are crucial for ensuring adherence to disclosure norms and minimizing reporting discrepancies [16, 21]. Furthermore, the absence of standardization or inconsistencies across international frameworks may dilute the comparability of disclosures and create interpretation ambiguity [5].

While mandatory disclosure regulations serve as a foundation, voluntary disclosure decisions remain strategically motivated. Managers weigh the costs and benefits of disclosing sensitive or proprietary information, often aligning disclosure decisions with perceived market reactions and investor expectations [3]. Strategic disclosures may also be used to offset negative news or to influence stakeholder sentiment, indicating that managerial discretion plays a dual role—both as a tool for transparency and as a potential risk for misrepresentation [6, 10].

In public institutions and state-owned enterprises, disclosure quality is frequently shaped by bureaucratic efficiency, political accountability, and civic engagement.

The inclusion of local stakeholders and the use of participatory budgeting processes, for example, can foster greater transparency in fiscal reporting [17]. Likewise, enhancing the perceived relevance and social value of disclosures can elevate the quality of information shared with taxpayers and local communities [16]. In such settings, the alignment of reporting practices with citizen expectations is as critical as compliance with accounting norms.

Finally, the future trajectory of financial disclosure hinges on the adaptive capacity of firms and regulators to integrate emerging themes—such as climate risk, stakeholder capitalism, and digital transformation—into cohesive reporting models. As empirical accounting research continues to uncover new patterns, there is an increasing call for dynamic and integrated frameworks that encompass both quantitative accuracy and qualitative richness [5, 18, 19]. In this evolving context, developing countries, including Iran, face unique challenges in aligning domestic disclosure systems with international expectations, particularly in sectors like insurance, where actuarial estimates and risk assumptions are complex and highly context-dependent [1].

This study, therefore, aims to provide a comprehensive disclosure model tailored to Iranian commercial insurance institutions by leveraging a multi-grounded theory approach.

2. Methodology

As previously described, the theoretical-deductive analysis in the meta-synthesis phase represents the first step in the multi-grounded theory process. The purpose of this phase is to identify credible, reliable, and relevant documents within an appropriate time frame. To achieve this, articles, books, and the websites of reputable domestic and international organizations were reviewed.

The first step in the meta-synthesis process involves formulating research questions based on the what and who dimensions derived from grounded theory. In the second step, the researcher conducts a systematic search of articles published in various reputable domestic and international scientific journals, as well as general sources and websites of credible organizations, to identify valid and relevant documents within a suitable time frame. Initially, relevant keywords were searched in both Persian and English, either individually or in combination, for the period from 2013 to 2023 and for English-language articles from 1980 to 2024. Ultimately, 27 articles were retrieved.

In the third step of the search process, the researcher considers various parameters such as the title, abstract, content, and article details (e.g., author name, year) and excludes those that are not aligned with the research questions and objectives. The criteria for inclusion and exclusion of studies include language of the research, time frame, study conditions, target population, and research type. Based on these criteria, 26 articles were selected for identifying the model of tax noncompliance. Using the critical appraisal method, the research proceeds to the fourth step, which involves extracting information from the selected texts.

This appraisal method serves as a critical standard to assess the methodological quality of the selected studies, evaluating them based on ten specific characteristics. Through the application of the ten stated criteria and the input of five panel members in the qualitative phase, relevant components for enhancing the research variables were determined. This method utilizes a 50-point scale, and any article scoring below 30 points was excluded by the researcher according to the scoring system.

This system is an index that assists the researcher in determining the precision, credibility, and significance of the qualitative studies under investigation. Therefore, the first step is to identify the relevant studies from the previous phase using the scoring method and then determine the components corresponding to the core categories of grounded theory in the area of disclosure quality.

3. Findings and Results

At this stage of the meta-synthesis, findings from previous steps are presented. Using the Shannon Entropy method, the extent of support from prior studies for the present research findings is statistically demonstrated. In the Shannon Entropy method, the frequency of each identified category is first determined through content analysis.

Table 1. Importance and Emphasis of Previous Research on Dimensions of Grounded Theory

Dimension	Indicator	Frequency	Importance Coefficient (wj)	Overall Importance Coefficient	Rank in Dimension
Causal Conditions	Alignment with conventional norms	6	0.0624	0.01091859	3

	Perceived loss of main role model respect	5	0.0554	0.009694923	4
	Benefit theory	6	0.0624	0.01091859	3
	Unnecessary regulations and circulars	7	0.0687	0.012032764	2
	Inconsistency of directives with laws and legal systems	7	0.0687	0.012032764	2
	Lack of connectivity between disclosed information	6	0.0624	0.01091859	3
	Administrative bureaucracy and ineffective organizational structure	5	0.0554	0.009694923	4
	Technological incapacity for accurate recognition and recording of disclosed data	5	0.0554	0.009694923	4
	Perception of IFRS as unfair	7	0.0687	0.012032764	2
	Severe class disparity	5	0.0554	0.009694923	4
	Lack of proper understanding of the necessity and role of disclosure	7	0.0687	0.012032764	2
	Lack of social security and welfare stability	5	0.0554	0.009694923	4
	Pervasiveness of underground economy and smuggling	8	0.0746	0.013053204	1
	Financial pressure on commercial firms	6	0.0624	0.01091859	3
	Unlimited tax exemptions for commercial firms	5	0.0554	0.009694923	4
	Inappropriate tax violations and penalties system	7	0.0687	0.012032764	2
Core Category	Existence of tax havens for commercial firms	5	0.0712	0.012063597	3
	Decentralized company management	4	0.0618	0.010471374	4
	Goods/services transfer to branches in IFRS jurisdictions	3	0.0510	0.008646883	5
	Pricing disparities	4	0.0618	0.010471374	4
	Disclosure feasibility challenges	6	0.0795	0.013470724	2
	Lack of necessary information disclosure	5	0.0712	0.012063597	3
	Use of forged documents	4	0.0618	0.010471374	4
	Refusal to submit tax declaration	7	0.0869	0.014723927	1
	Using other firms' tax codes	6	0.0795	0.013470724	2
	Fictitious contracts	5	0.0712	0.012063597	3
	Data manipulation for fraud	4	0.0618	0.010471374	4
	Deleting/replacing output reports	5	0.0712	0.012063597	3
	Multiple software for separate financial statements	2	0.0384	0.006510034	6
	Fabricating records (fake buyers/sellers in accounting systems)	4	0.0618	0.010471374	4
	Fabricated software instructions for tax assessors	5	0.0712	0.012063597	3
Contextual Conditions	Government economic policies	8	0.0860	0.013826713	3
	Government revenue composition	6	0.0722	0.011614156	5
	Inflation	5	0.0643	0.010335526	6
	International impacts	4	0.0554	0.008911765	7
	Interest rate	6	0.0722	0.011614156	5
	Perceived fairness of tax system	5	0.0643	0.010335526	6
	Corruption (financial/administrative)	7	0.0794	0.012772095	4
	Equitable distribution of public costs	6	0.0722	0.011614156	5
	Trust in tax officials	6	0.0722	0.011614156	5
	Public participation in decision-making	8	0.0860	0.013826713	3
	Government transparency and accountability	9	0.0920	0.014790998	2
	Transparency in politicians' income and tax	10	0.0975	0.015675032	1
	Public trust in politicians	8	0.0860	0.013826713	3
Intervening Factors	Lack of comparative studies and global benchmarking	7	0.1004	0.01460485	3
	Inadequate knowledge of tax laws	8	0.1081	0.015723299	2
	Information asymmetry	6	0.0919	0.013356513	4
	Conflicts of interest among policy influencers	6	0.0919	0.013356513	4
	Politicization and superficiality in legislation	7	0.1004	0.01460485	3
	Lack of comprehensive tax policies	6	0.0919	0.013356513	4
	Complexity of taxpayer operations	8	0.1081	0.015723299	2
	Shortage of competent personnel	6	0.0919	0.013356513	4
	Frequent managerial turnovers	7	0.1004	0.01460485	3
	Low level of disclosure	9	0.1150	0.016728186	1

Strategies	Increasing participation in economic development	7	0.0555	0.010132477	3
	Improving workforce quality	8	0.0605	0.011046453	2
	Enhancing engagement with external stakeholders	6	0.0501	0.009146908	4
	Investing in infrastructure and public services	7	0.0555	0.010132477	3
	Reducing environmentally harmful practices	5	0.0442	0.008077711	5
	Automating disclosure processes	6	0.0501	0.009146908	4
	Communicating redistribution of commercial income	7	0.0555	0.010132477	3
	Educating the public on corporate regulations	8	0.0605	0.011046453	2
	Simplifying and clarifying legal texts	7	0.0555	0.010132477	3
	Ethical behavior of employees in disclosure	8	0.0605	0.011046453	2
	Enhancing justice and organizational performance	6	0.0501	0.009146908	4
	Penalties for nondisclosure	9	0.0652	0.011897836	1
	Financial and tax audits	7	0.0555	0.010132477	3
	Legal enforcement mechanisms	6	0.0501	0.009146908	4
	Interest rates for financial institutions	8	0.0605	0.011046453	2
	Third-party supervision	6	0.0501	0.009146908	4
	Use of ICT	7	0.0555	0.010132477	3
	Enhancing commercial firms’ knowledge	9	0.0652	0.011897836	1
Consequences	Reduction of IFRS non-compliance evasion	7	0.0700	0.011661708	3
	Facilitation of implementing new IFRS standards	6	0.0634	0.010570895	4
	Identification of new IFRS standards	7	0.0700	0.011661708	3
	Acceleration in debt collection processes	8	0.0760	0.012663381	2
	Promotion of self-disclosure culture	9	0.0815	0.01358712	1
	Optimal resource allocation	6	0.0634	0.010570895	4
	Delegation of authority	7	0.0700	0.011661708	3
	Outsourcing	7	0.0700	0.011661708	3
	Enhanced task efficiency and productivity	9	0.0815	0.01358712	1
	Business process reengineering	8	0.0760	0.012663381	2
	Promotion of organizational justice	6	0.0634	0.010570895	4
	Expansion of IFRS compliance culture	9	0.0815	0.01358712	1
	Service quality improvement for disclosure	7	0.0700	0.011661708	3
	Implementation of an integrated IFRS system	6	0.0634	0.010570895	4

As shown in Table 1, due to the low importance coefficients of two indicators under the core category and strategies dimensions (less than 5%), they were excluded from the study due to their insignificance in prior research.

In this study, to evaluate reliability, the results were provided to an expert so that the reliability of the extracted codes could be examined using the Kappa coefficient. Table 2 presents the agreement between the coding of two experts with respect to one of the texts.

Table 2. Calculation of the Kappa Agreement Coefficient for Category Coding

Measure	Value	Standard Deviation	Tb Statistic	Significance (p)
Kappa Agreement Coefficient	0.692	0.152	4.368	.000
Number of Items	14			

Given the significance level below 5% and a Kappa coefficient of 0.692, the reliability of the extracted codes is accepted. Researchers generally consider a Kappa agreement coefficient above 0.60 to indicate good reliability. Moreover, a significance level below 0.05 indicates that a coding relationship exists between the two documents under review.

After reviewing the literature through meta-synthesis, empirical data were collected and analyzed using grounded theory. In this phase, the interview analyses are presented. The data-analysis procedure involved open and axial coding. Because a multi-grounded theory approach was used, interviews were conducted based on concepts and categories identified during meta-synthesis. Semi-structured interviews were held, and the interview questions were drawn from the meta-synthesis phase. Following grounded-theory sampling, fifteen interviews were conducted until theoretical saturation was reached, with participants selected via snowball sampling. The sample comprised 15 individuals—all researchers, deputies, or experienced managers in industry, commercial institutions, and academia. Factors such as time constraints, availability, and participants' willingness influenced the sample size. In the first stage (open coding), data were described and classified; in the axial-coding stage, categories and concepts identified during open coding were re-combined and related, leading to selective coding in which an analytical model for the comprehensive-disclosure framework was extracted from the data. Categories and subcategories highlighted in a different color represent factors newly discovered during the expert interviews and subsequently added to the comprehensive-disclosure model.

Table 3. Concepts Extracted from Expert Interviews

Paradigm	Category	Subcategory	Key Concept	Frequency	Interviewee(s)
Causal Conditions	Social and individual anomalies	Alignment with conventional norms	Adherence to socially accepted behaviors regarding disclosure	8	P1, P3, P5, P6, P8, P11, P14, P15
		Perceived loss of respect for primary role model	Fear that one's principal role model will comply with the laws and be subject to judgment and mockery by others	5	P1, P2, P7, P9, P11
		Benefit theory	Taxpayers always seek to maximize their own utility	9	P1, P2, P5, P6, P8, P9, P11, P13, P15
		Risk-taking nature of disclosed information	Commercial firms strive to gain advantage through disclosure by accepting greater risk	7	P3, P4, P5, P10, P12, P14, P15
		Complexity and ambiguity in laws	Presence of multiple ambiguous circulars increases discretionary interpretation and related problems	6	P1, P6, P10, P12, P13, P14
		Loopholes in structural regulations	Lack of comprehensiveness in institutional circulars facilitates circumvention of structural laws	7	P2, P4, P5, P6, P9, P10, P11
		Unnecessary regulations and circulars	Inefficient circulars increase overall legal complexity	4	P8, P12, P13, P15
		Inconsistency of circulars with other laws and the legal system	Contradictions between tax laws and accepted accounting standards undermine legal effectiveness	5	P1, P2, P7, P9, P15
	Lack of information exchange and recognition of disclosures	Inability to detect false transactions and data	Main factor in noncompliance is tax auditors' failure to uncover concealments	11	P1, P2, P4, P5, P7, P8, P9, P10, P12, P13, P15
		Failure to establish connections among disclosed data	No exchange of information between disclosed items	4	P3, P4, P6, P7
		Administrative bureaucracy and ineffective structure	Lack of cohesion and accountability prevents enforcement of standards	5	P8, P9, P11, P12, P15
		Technological incapacity to accurately identify and record disclosures	Standards must evolve with technological advances; otherwise, gaps render laws ineffective	7	P2, P3, P4, P5, P7, P11, P14
	Lack of social capital	Perceiving IFRS as unfair	Firms feeling unfairly treated withhold disclosure to reclaim perceived rights	10	P2, P3, P5, P6, P8, P9, P10, P12, P13, P14
		Wide class disparities among social strata	Class gaps among firms lead to wealth redistribution and further inequality	9	P1, P4, P6, P7, P8, P9, P10, P13, P15
		Lack of understanding of disclosure's economic role	Some firms do not appreciate how standards drive national economic growth	6	P1, P4, P5, P6, P11, P14
		Instability in security and social welfare	Lack of investment security and welfare decreases firms' tax-paying willingness	4	P2, P3, P9, P11
		Maintenance of social status	Absence of decisive action increases propensity to withhold disclosures	7	P2, P5, P7, P8, P9, P10, P15
Economic Criteria		Pervasiveness of underground economy and smuggling	Prevalence of smuggling and money laundering leads to nondisclosure	6	P1, P4, P5, P9, P10, P14
		Ineffective auditing based on disclosure data	Lack of effective auditing results in failure to disclose	5	P1, P6, P7, P8, P13

		Weak oversight of financial flows	Insufficient monitoring fosters money laundering	4	P8, P10, P12, P13
		Financial pressure on commercial firms	COVID-19–induced financial distress increases nondisclosure likelihood	5	P6, P7, P8, P9, P13
		Unlimited tax exemptions	Broad exemptions facilitate tax avoidance	3	P11, P14, P15
		Inadequate penalties for tax violations	Lack of strict enforcement and heavy fines increases nondisclosure propensity	7	P2, P5, P7, P8, P9, P10, P15
Core Phenomenon	Comprehensive information disclosure	Profit management via discretionary accrual items	Overstating personnel service-year and annual-leave expenses	7	P3, P4, P6, P7, P8, P9, P10
		Recording fictitious bonuses and incentives	Posting fabricated bonuses and allowances in company records	5	P6, P7, P11, P12, P15
		Establishing excessive reserves beyond Social Security Article 38	Recording reserves beyond statutory requirements	7	P1, P2, P4, P5, P7, P11, P14
		Deferring current-period expenditures (e.g., insurance prepayments)	Charging future-period costs to the current period	8	P5, P6, P8, P9, P10, P12, P13, P14
		Deferring current revenues to future periods under Article 169 non-registration	Delaying revenue recognition when employers are not registered in the tax system	8	P1, P4, P6, P7, P9, P10, P13, P15
		Reverse deferral (bringing future expenses into current period)	Using account-washing techniques	6	P3, P4, P5, P6, P11, P14
	Transfer Pricing	Existence of tax havens	Operating in jurisdictions known as “tax havens”	4	P1, P3, P7, P11
		Decentralized company management	Managing company divisions independently	3	P9, P10, P12
		Transferring goods/services to IFRS jurisdictions	Routing transactions through branches in IFRS-mandated regions	4	P1, P4, P5, P9
		Pricing disparities	Applying different price structures across jurisdictions	4	P1, P4, P5, P9
Failure to Disclose	Criminal activity (Disclosure feasibility challenges)	Multiple forms of concealment	Various criminal techniques to evade disclosure	12	P2, P3, P4, P5, P6, P8, P9, P10, P11, P12, P13, P14
		Failure to provide necessary information	Omitting required disclosures	5	P6, P7, P8, P9, P13
		Reliance on forged documents	Using falsified documentation	3	P11, P14, P15
		Refusal to disclose information	Declining to submit disclosures	2	P1, P3
		Use of other firms’ tax codes	Filing under another entity’s tax identifier	2	P5, P7
		Creation of fictitious contracts	Executing sham agreements	4	P2, P5, P8, P10
Computer Violations		Deleting or altering input data for fraud	Modifying source data to conceal liabilities	3	P9, P11, P15
		Destroying or replacing output reports	Substituting genuine reports with fabricated versions	4	P2, P6, P8, P12
		Creating false records in master files	Fabricating buyers/sellers in accounting ledgers	4	P10, P12, P13, P15
		Providing fabricated software instructions	Supplying bogus programs or guides to tax officials	5	P1, P3, P8, P9, P13
Intervening Conditions	Knowledge and understanding	Lack of comparative studies	Leveraging foreign experiences to strengthen disclosure systems	6	P2, P5, P7, P8, P9, P10
		Inadequate understanding of mandatory disclosures	Uncertainty about what information must be disclosed	4	P7, P11, P12, P15
		Weak role of cultural/civil institutions	Insufficient promotion of disclosure’s economic role	5	P1, P4, P5, P11, P14
		Information asymmetry	Disparities in knowledge of IFRS requirements	6	P5, P6, P10, P12, P13, P14
Disclosure Policies		Conflicts of interest among influential groups	Lobbying by pressure groups undermines comprehensive tax laws	4	P7, P10, P13, P15

		Politicization and superficiality in legislation	Political considerations over technical soundness	4	P3, P4, P5, P6
		Lack of comprehensive disclosure policies	Fragmented or incomplete frameworks	4	P1, P3, P7, P11
		Conflicts among IFRS standards	Inconsistencies between international standards reduce their effectiveness	3	P9, P11, P12
Implementation Phase	Complexity of firm activities	Operational complexity and ambiguity	Complex operations reduce IFRS effectiveness	5	P5, P6, P7, P9, P13
		Shortage of skilled personnel	Insufficient qualified staff increases compliance risks	4	P8, P11, P13, P15
		Frequent managerial turnover	High leadership churn undermines stability	5	P6, P7, P8, P9, P13
		Low level of information disclosure	Persistent underreporting	3	P11, P14, P15
Contextual Conditions	Government economic policies	Fiscal policy shifts	Sanctions and reduced oil revenues have focused budget attention on non-oil revenues	7	P1, P3, P4, P6, P7, P11, P14
		Inflation	Inflation's broad socio-political effects influence disclosure behaviors	6	P2, P4, P6, P8, P9, P15
		International economic impacts	Global market dynamics affect tax-revenue collection	6	P3, P6, P10, P11, P13, P14
		Interest rate policies	Rates used to combat inflation or encourage investment influence revenues	5	P2, P4, P6, P8, P9
Social Factors	Perceived fairness of timely disclosure	Voluntary disclosure attracting financial resources	Voluntary reporting draws capital to firms	8	P5, P7, P10, P11, P12, P13, P14, P15
		Financial and administrative corruption	Corruption undermines efficient social-policy spending and hampers disclosure	6	P3, P5, P6, P8, P9, P11
		Distribution of public-expenditure benefits	Infrastructure and security improvements incentivize reporting	7	P3, P4, P5, P11, P12, P13, P15
		Trust in officials	Confidence in authorities promotes compliance	9	P6, P7, P8, P10, P11, P12, P13, P14, P15
Political Factors	Public participation in decision-making	Transparency in disclosure processes	Public engagement and leadership modeling drive disclosure culture	7	P2, P3, P4, P6, P8, P9, P15
Demographic Factors	Gender	Gender differences in compliance	Women's risk aversion and experience level influence reporting behaviors	10	P1, P3, P5, P7, P10, P11, P12, P13, P14, P15
	Education level	—	—	—	—
	Age of firm officials	—	—	—	—
Strategies	Voluntary disclosure spirit	Enhancing social responsibility	Increasing participation in national economic development	5	P5, P7, P8, P9, P13
		Improving workforce quality	—	3	P9, P14, P15
		Engagement with external stakeholders	—	7	P1, P2, P4, P5, P7, P11, P14
		Investing in infrastructure and public services	—	5	P3, P5, P7, P8, P9
		Reducing environmentally harmful practices	—	6	P2, P4, P6, P8, P9, P15
	Disclosure-culture enhancement	Automating disclosure processes	—	4	P3, P6, P10, P11
		Communicating redistribution mechanisms for disclosed information	—	5	P2, P3, P7, P8, P9
		Educating the public on disclosure laws and regulations	—	8	P5, P7, P10, P11, P12, P13, P14, P15
		Simplifying and clarifying disclosure legal texts	—	6	P3, P5, P6, P8, P9, P11
		Ethical conduct by firm employees	—	4	P8, P11, P13, P14
		Enhancing fairness and organizational performance	—	5	P6, P7, P8, P9, P13

	Religion and faith	Belief in the afterlife	—	3	P8, P14, P15
		Belief in zakat and khums	—	4	P1, P3, P4, P14
		Belief in eradicating poverty through wealth distribution	—	4	P3, P6, P10, P11
		Faith in God and performing righteous deeds	—	6	P2, P4, P6, P8, P9, P15
	Economic deterrents	Criminal penalties for disclosure violations	Heavy fines for nondisclosure act as a deterrent	6	P3, P6, P10, P11, P13, P14
		Financial and tax auditing	Audits reduce nondisclosure incidents	7	P3, P4, P5, P6, P7, P11, P14
		Administrative enforcement guarantees	Penalties for late filings ensure effective law enforcement	5	P1, P5, P7, P8, P9
		Tax rate	Extreme fluctuations in rates provoke taxpayer reactions	6	P2, P5, P6, P8, P9, P15
	Efficiency & effectiveness factors	Third-party oversight	Supervisor oversight enhances detection of nondisclosure factors	7	P3, P6, P7, P8, P9, P10, P11
		Use of ICT	ICT implementation increases disclosure capacity and financial resources	5	P2, P3, P7, P8, P9
		Increasing knowledge levels	Education improves control over disclosure anomalies	8	P5, P7, P10, P11, P12, P13, P14, P15
		Increasing commercial firms' budgets	Incentive schemes and facilities boost staff morale and reporting	7	P2, P5, P6, P8, P9, P10, P11
Outcomes	Increased attraction of financial resources	Reduction of nondisclosure	Optimal and effective resource mobilization	8	P1, P3, P5, P6, P8, P11, P14, P15
		Facilitation of voluntary disclosure types	—	5	P1, P2, P7, P9, P11
		Identification of financial resources	—	9	P1, P3, P5, P6, P8, P9, P11, P13, P15
		Acceleration of claims detection and collection	—	7	P1, P4, P5, P10, P12, P14, P15
	Reduced operational costs	Dissemination of self-reporting culture	—	6	P1, P6, P10, P12, P13, P14
		Optimal resource allocation	—	7	P2, P4, P5, P6, P9, P10, P11
		Delegation of authority	—	4	P8, P12, P13, P15
		Outsourcing	—	5	P1, P2, P7, P9, P15
		Increased efficiency and productivity	—	11	P1, P2, P4, P5, P7, P8, P9, P10, P12, P13, P15
	Increased stakeholder satisfaction	Business process reengineering	—	4	P2, P4, P6, P7
		Promotion of disclosure equity	—	5	P7, P9, P10, P11, P15
		Dissemination of disclosure culture	—	7	P1, P3, P4, P6, P7, P12, P14
		Improvement of services for disclosure	—	10	P1, P3, P4, P6, P8, P9, P10, P12, P14, P15
		Implementation of an integrated disclosure system	—	3	P7, P9, P11

According to the perspective of Sarmaad et al. (2008), the concept of validity answers the question of how well a measurement tool measures the intended attribute. Without knowledge of the validity of a measurement, the accuracy of the resulting data cannot be ensured. A measurement tool may be valid for assessing a specific characteristic in one population while having no validity for measuring the same characteristic in another. In this study, the validity of the interview protocol was assessed using expert judgment on face validity and content validity, based on the opinions of five university experts. The rating scale ranged from a minimum of 1 to a maximum of 5. The results of this analysis are presented in Table 4.

Table 4. Face and Content Validity of the Interview Protocol

Criterion	Expert 1	Expert 2	Expert 3	Expert 4	Expert 5
Clarity of question and item formulation	4	5	4	4	5
Alignment of items with the preliminary model	5	4	4	4	4
Consistency of items with the research axes	4	3	5	3	4
Adequacy of questions/items in covering goals	4	5	5	4	4
Average Scores	4.25	4.25	4.50	3.60	4.20
Overall Mean					4.15
Validity Coefficient					0.82

The face and content validity coefficient of the data collection tool in the interview section was calculated to be 0.82 (82%). According to Chin (2001), this is considered a desirable level of validity. Therefore, the validity of the instrument is supported.

To evaluate the reliability of the interview protocol, the "percentage agreement between two coders" method was used. Initially, a research assistant experienced in qualitative data coding and innovation was invited to participate in the study. Four interviews (the first, fifth, thirteenth, and fifteenth) were selected and coded independently by two coders (the main researcher and the assistant).

In each interview, codes identified by both coders were labeled as “agreement”, and differing codes were marked as “disagreement.” Then, the percentage of intra-topic agreement, used as the reliability index for analysis, was calculated using the following formula:

Intra-topic agreement percentage = (2 × number of agreements) / total number of codes × 100

The results of this calculation are presented in Table 5.

Table 5. Interview Protocol Reliability Evaluation

Selected Interview	Reliability Coefficient
First Selected Interview	0.81
Fifth Selected Interview	0.72
Thirteenth Selected Interview	0.73
Fifteenth Selected Interview	0.75
Overall Mean	0.75

Based on this evaluation, the reliability coefficient of the data collection tool in the qualitative section (interview protocol) was determined to be 0.75 in this study, which is considered an acceptable reliability level by researchers. Generally, a reliability coefficient above 0.60 is viewed as satisfactory for evaluating this technical feature of data collection tools.

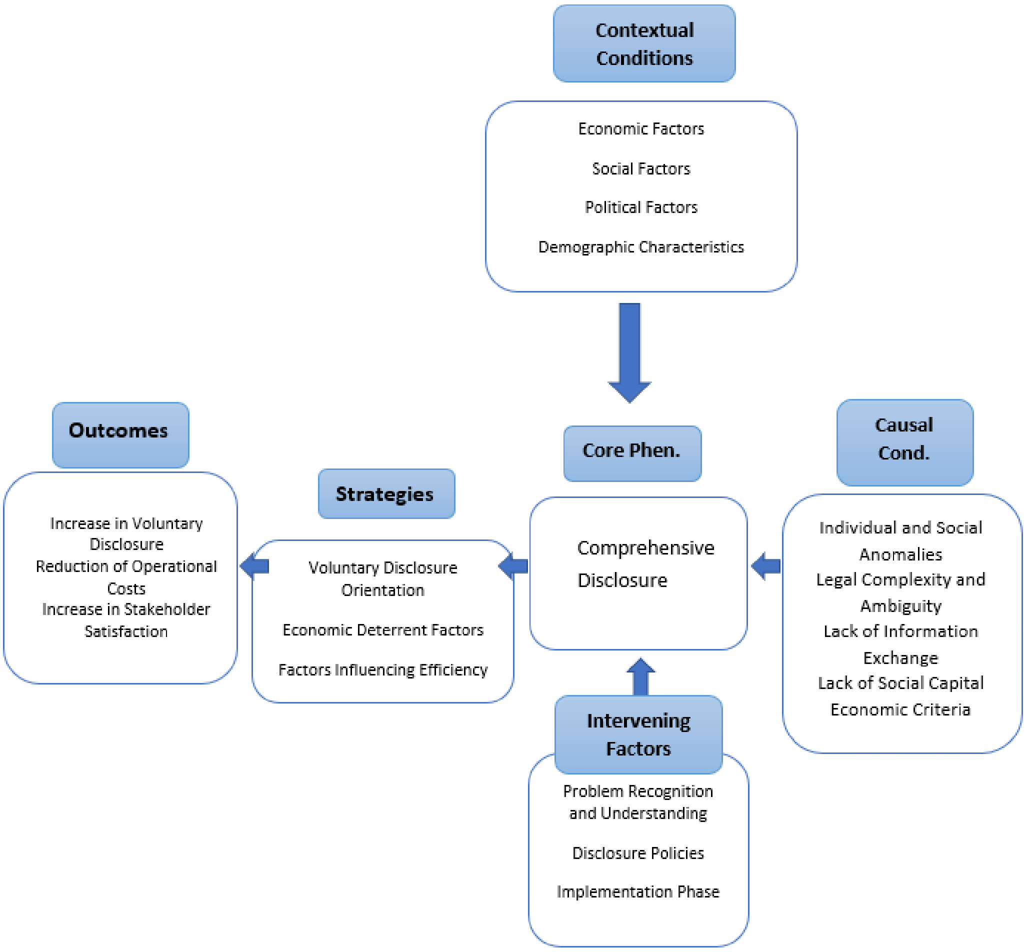

Figure 1. Final Research Model

4. Discussion and Conclusion

The findings of this study, derived from a multi-grounded theory approach, aimed at constructing a comprehensive disclosure model tailored to the specific conditions of Iranian commercial insurance institutions, reveal a multifaceted structure of antecedents, strategies, and consequences influencing disclosure quality. Based on meta-synthesis, expert interviews, and coding procedures, the research identified several core categories including internal control effectiveness, institutional trust, regulatory coherence, organizational capacity, information systems integration, and strategic tone management in disclosure narratives. These categories interact dynamically, forming the foundation for the proposed model.

The results highlight that internal control deficiencies, ambiguities in regulatory frameworks, and technological incapacity are among the most prominent causal conditions of weak disclosure practices. This aligns with the findings of previous studies emphasizing the role of internal control structures and regulatory clarity in improving disclosure credibility [6, 7]. The inability to detect fraudulent reporting or identify manipulated transactions, particularly in technologically underdeveloped contexts, compromises the overall reliability of financial statements [2, 9]. Furthermore, inconsistencies between domestic circulars and international accounting standards, as revealed in expert interviews, serve as a significant impediment to the effective integration of IFRS within Iran's insurance sector [1].

Organizational culture and managerial incentives emerged as important intervening variables. Participants in the interviews frequently referenced managerial reluctance to disclose sensitive information due to perceived reputational risks and competitive disadvantage. This finding is in line with the literature asserting that disclosure is not merely a technical compliance issue but a strategic choice often shaped by cost–benefit analyses by managers [3, 10]. Voluntary disclosures are frequently employed as tools to manage stakeholder perceptions, especially in contexts where financial forecasts are volatile or political-economic environments are unstable [5].

Technological capability and the use of integrated accounting information systems were also identified as key strategic enablers of high-quality disclosure. The interviews demonstrated that insurance firms with digital infrastructure and trained personnel were more likely to produce timely, accessible, and accurate disclosures. This finding echoes the work of Sidauruk et al. (2024), who documented how adoption of software-based accounting systems improved the efficiency and reliability of disclosures in private and public enterprises [15]. Moreover, the relevance of IT infrastructure was confirmed in village-owned enterprises, where organizational competencies in technology were decisive for effective reporting [2, 17].

Another key finding was the importance of non-financial and sustainability-related disclosures. Participants emphasized the increasing demand from stakeholders—particularly investors and regulators—for transparent reporting on environmental and social governance (ESG) performance. This trend supports earlier research that links ESG disclosure to improved investor confidence and long-term capital efficiency [11, 12]. Furthermore, the discussion on climate risk reporting in financial narratives, as observed by Lin and Wu (2023), reflects a global trend in which environmental transparency is becoming a core component of disclosure standards [13].

The tone and readability of disclosure reports were also raised in this study as significant factors that influence stakeholder interpretation and understanding. As supported by previous studies, the semantic structure and linguistic tone of financial statements impact investor perception, especially when firms use vague or overly technical language to mask risk or underperformance [18]. The findings align with Barzideh et al. (2023), who noted that enhancing disclosure quality requires both structural reforms and communication-focused improvements [19]. Moreover, the model constructed in this study suggests that training in strategic communication and user-oriented report writing is essential for improving overall reporting quality.

One of the more novel contributions of this study lies in the integration of religious and socio-cultural dimensions within the disclosure model. Respondents indicated that ethical considerations—rooted in Islamic beliefs about accountability, fairness, and social responsibility—subtly influence disclosure behavior among managers in the insurance sector. While not widely emphasized in Western-centric literature, this finding supports calls for more culturally sensitive financial models that reflect local institutional logics [14]. Such insights are particularly relevant for emerging economies, where religious and social norms shape the moral boundaries of economic activity.

In terms of strategic responses, the study found that mechanizing disclosure processes, training stakeholders, enhancing collaboration with external auditors, and simplifying regulatory texts were among the most frequently cited recommendations for improving disclosure quality. These practices correspond to a broader set of institutional reforms recommended in the literature, especially those emphasizing the role of audit systems and third-party oversight in strengthening disclosure accuracy [16, 21]. Likewise, studies by Vahdani and Mehr (2024) and Joshi and India (2023) reinforce the idea that integrated financial reporting frameworks—when coupled with rigorous audit standards—can significantly mitigate profit forecast bias and enhance investor trust [5, 20].

Furthermore, organizational commitment and human resource competency were identified as both prerequisites and consequences of effective disclosure practices. This echoes the work of Drilia (2025), who highlighted the interdependence between HR capacity and reporting quality in government institutions [16]. High-performing financial teams not only ensure compliance but also foster a culture of integrity and openness, critical for institutional legitimacy. Therefore, the training and empowerment of financial professionals is not a peripheral concern but a central axis around which disclosure effectiveness revolves.

Finally, this study sheds light on the long-term benefits of comprehensive disclosure. Participants linked quality reporting to greater stakeholder satisfaction, more informed strategic planning, and enhanced organizational resilience. These outcomes align with previous findings showing that high-quality disclosure positively affects organizational performance, stakeholder engagement, and decision-making efficiency [8, 11]. The model's inclusion of disclosure outcomes—ranging from improved cash flow forecasting to stronger regulatory compliance—reaffirms the transformative role of disclosure in organizational development and governance.

Despite the comprehensiveness of the model and methodological rigor, the study has several limitations. First, its context is confined to commercial insurance institutions in Iran, which may limit the generalizability of the findings to other sectors or jurisdictions. Second, the study employed a qualitative methodology relying heavily on expert interviews, which, while rich in insight, is inherently subjective and context-sensitive. Third, access limitations and data confidentiality constraints may have restricted the depth of disclosure by participants on sensitive operational practices. Lastly, cultural and regulatory nuances unique to the Iranian setting may not fully capture the complexities of disclosure environments in other emerging or developed markets.

Future research should extend this model to other sectors, including banking, energy, and manufacturing, to test the robustness and adaptability of the identified disclosure components. Quantitative validation using structural equation modeling (SEM) or fuzzy Delphi methods could provide statistical strength to the qualitative constructs. Moreover, cross-country comparative studies could reveal how different legal, technological, and cultural ecosystems influence disclosure frameworks. Researchers are also encouraged to explore the intersection of digital transformation and financial transparency more deeply, particularly with the rise of AI, blockchain, and real-time reporting tools in accounting systems.

Policymakers and regulators should prioritize the simplification and harmonization of disclosure regulations to minimize interpretive ambiguities. Insurance companies must invest in digital infrastructure and employee training to support real-time, accurate disclosures. A national initiative to promote a culture of ethical transparency—aligned with Islamic principles and global standards—can further elevate reporting integrity. Additionally, integrating ESG metrics into regular reporting and encouraging the use of plain language in financial documents can enhance stakeholder engagement and decision-making. Finally, collaboration with external auditors, technology vendors, and academic institutions should be institutionalized to foster continuous improvement in disclosure practices.

Authors' Contributions

Authors equally contributed to this article.

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Declaration of Interest

The authors report no conflict of interest.

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Ethical Considerations

All procedures performed in this study were under the ethical standards.

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