

SUSTAINABILITY REPORTING HARMONIZATION IN THE HOTEL INDUSTRY – WHAT IS NEXT?

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Abstract: The aim of this study is to examine the degree of external de facto harmonization of environmental and social information published in sustainability reports. Hotels sustainability reports are analyzed for data matching the GRI Standards indicators. C-index was used to calculate the degree of harmonization. Findings show that there is a low degree of harmonization of environmental and social information and differences in applying sustainability reporting frameworks. This is the first study examining the sustainability reporting harmonization in the hotel industry Findings also suggest a strong need for industry-specific standards and/or reporting formats.

Key words: sustainability reporting, harmonization, GRI Standards, hotel industry, sustainability reporting de facto harmonization

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INTRODUCTION

In these uncertain times of COVID -19 pandemic, stakeholders, especially shareholders, need comparable information from sustainability reports to make informed decisions, thus putting in focus the topic of harmonization. Harmonization of information disclosed in reports has been explored in the context of financial accounting and financial information (Baker and Barbu, 2007; Bowrin, 2004; Mcleay et al., 1999; Morris and Parker, 1998; Strouhal et al., 2011; Tay and Parker, 1990; Van der Tas, 1988). On the timeline of sustainability development, harmonization of sustainability reporting has only recently became the subject of research (Aureli et al., 2020; Brunelli and Di Carlo, 2020; Caputo et al., 2020). There is also very little research on the harmonization of sustainability (Jones and Comfort, 2019; Jones et al, 2014) in the hotel industry. The aim of this paper is therefore to investigate the degree of external harmonization of environmental and social information in terms of the GRI standards in the sustainability reports of the world's leading hotel groups. The research questions are: (1) what is the level of external harmonization of environmental information as defined by the GRI standards and (2) what is the level of external harmonization of social information as defined by the GRI standards? By exploring external harmonization of hotel sustainability reports, the aim is to identify any patterns present in sustainability reporting in the hotel industry. The paper is organized as follows: literature review, materials and methods, results, discussion, and conclusion.

LITERATURE REVIEW

Harmonization per se is an action or process of reducing differences and inconsistencies, which may refer to different measures (methods of measurement), methods, procedures, allocations, specifications or maintenance that are made uniform or compatible (Van der Tas, 1988:157), or rather “a state in which companies worldwide are able to use an internationally-recognized accounting method that is appropriate to their circumstances without being forced to do otherwise by local accounting rules for practices” (Mcleay et al., 1999:43). In the context of sustainability accounting, harmonization of sustainability reporting should be considered and approached from the perspective of the well-studied harmonization of financial reporting (Tschopp and Nastanski, 2013:151–152). The focus here is on identifying and clarifying the reasons for the discrepancy in accounting systems (Roberts et al., 2005: 225–284). The harmonization process is influenced by the cultural dimension, institutional structure of the country, the legal system, the tax system, the corporate finance system, the accounting profession, and other characteristics (Roberts et al., 2005:225–284), which is particularly evident in sustainability reporting. Compared to the level of harmonization of financial reporting, the harmonization of sustainability reporting is a somewhat more complicated process. It is driven by a large number of stakeholders and their multifaceted needs, and is under an even stronger influence of the cultural dimension, although it should adhere to the accounting heritage, such as standards, guidelines, frameworks, and different levels of regulatory frameworks. Therefore, sustainability reporting is even more susceptible to these corporate and accounting characteristics, because different countries have different interpretations and consequently different implementations of laws and codes as well as accounting heritage (Roberts et al., 2005:226).

There are two approaches to accounting harmonization:

- de facto harmonization – also referred to as material harmonization, referring to the harmonization of the application

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of accounting practices within the business entity, i.e. the practices that are being applied (Bowrin, 2004; Gaffikin, 2007; Tay and Parker, 1990:4). This harmonization can further be broken down to disclosure harmonization (the extent of disclosure) and measurement harmonization (harmonization of the applied accounting methods) (Van der Tas, 1988:158):

- de jure harmonization – referred to as formal harmonization, referring to the legal requirements regulation, meaning law and/or professional accounting standards (Gaffikin, 2007:6; Tay and Parker, 1990:73).

Often, harmonization (as opposed to diversification) is perceived as standardization (a movement towards uniformity, with a tendency towards universal application) or normization (a state between harmonization and standardization, marking different performance levels of standard setting) (Baker and Barbu, 2007:5; Ioannidoy, 2006:17; Mcleay et al., 1999:43). While financial reporting has already reached the level of standardization, accompanied by convenient accounting methods and generally accepted accounting practices and emphasizing their respective rigidity and uniformity, sustainability reporting is only on the verge of harmonization, making it vulnerable to multifaceted methods, accounting codes, insufficient experience and a non-existent consistent system to ensure optimal comparability of information disclosed in sustainability reports, creating an urgent need for a metric system (Daddi et al., 2011:846) needed in sustainability reporting. In creating such a system, it is important to understand and apply the knowledge and experience of the well established financial reporting and transfer it to sustainability reporting. Sustainability reporting has reached a point of numerous frameworks to report by, putting into question the purpose of the harmonization (Adams and Abhayawansa, 2021a), with each framework focusing differently on this subject, and then suggesting the GRI Standards as a mandatory framework for sustainability reporting (Adams et al., 2022). This has created a new trend in sustainability reporting present since the beginning of 2020 (Ernst and Young, 2021:5), i.e. harmonization of sustainability reporting, taking the topic of sustainability reporting to another extreme of having too many ongoing harmonization processes such as GRI and SASB's Collaboration on one hand, and then SASB and IIRC merging into Value Reporting Foundation, only to top it off with another harmonizing process titled "Shared commitment by Five Major Standard Setters", made of the boards for creating frameworks for sustainability reporting: GRI (Global Reporting Initiative), SASB (Sustainability Accounting Standard Board), IIRC (International Integrated Reporting Council), CDP (Carbon Disclosure Project), CDSB (Climate Disclosure Standards Board) (Xie and Schrader, 2021). The COVID-19 pandemic has also contributed to a possible new trend in sustainability reporting pertaining to risk reporting, focusing on several major themes: climate changes/vulnerability, natural environment, poverty, and pandemics, as a newly imposed risk caused by the pandemic itself (Abhayawansa and Adams, 2021; Adams and Abhayawansa, 2021b; Cho et al., 2021; Elmarzouky et al., 2021; Ikram et al., 2021). In such proliferative environment, we tried to make sense of and discover any kind of pattern in sustainability reporting in just one industry, i.e. hotel industry. One such attempt is this research, in which we sought to measure the level of de facto harmonization of sustainability reporting in the hotel industry by applying the methods used to measure harmonization of financial reporting.

MATERIALS AND METHODS

The aim of the research is to determine the level of the external de facto harmonization of external sustainability reports of the world's top ten hotel companies (Marriott International, AccorHotels, Wyndam Hotels and Resorts, Hilton, Hyatt Hotels Corporation, Jin Jiang International Hotel Management Company, Shangri-La Hotels and Resorts, Melia Hotels International, Intercontinental Hotel Group, NH Hotel Group) as determined by Jones and Comfort (2019:2). These hotel groups represent the global players in the hotel industry and it is expected they would be trendsetters in all things considered as significant, sustainability reporting being one of those. The applied methodology was content analysis including flowchart (Flowchart 1), codebook and coding form. Harmonization was operationalized with two variables:

- environmental dimension of sustainability reporting,
- social dimension of sustainability reporting.

The environmental dimension of sustainability reporting refers to the activities that relate to the improvement and protection of the environment. This dimension of sustainability reporting includes a hotel's impact on living and non-living systems (soil, air, water, ecosystem), impact of energy, water and other inputs, emphasizing outputs such as emissions, wastewater and all forms of waste (Črnjar and Črnjar, 2009; Global Reporting Initiative, 2016). The social dimension of sustainability reporting addresses social sustainability, providing self-monitoring and its own management policies for ensuring social justice and reduce social disorder. This dimension refers to the impact that the hotel has on the social systems in which it operates (Črnjar and Črnjar, 2009:84). Both variables were measured by the indicators (KPIs) as defined in the GRI standards. Operationalization of the environmental and social indicators is presented in Table 1.

GRI Standards' KPIs were chosen for couple of reasons. One, these are a globally recognized and applied framework in sustainability reporting, and two, GRI Standards provide multiple levels of details of information for each indicator, thus providing division of KPIs into: core indicators (three-digit number: 8 environmental KPIs, 19 social indicators), synthetic indicators (a more detailed elaboration of core indicators and are coded as decimal system by adding an ordinal number to the core indicator number), analytical indicators (the third level of core indicators and in the GRI Standards are further coded with a letter (a, b, c, etc.), depicting possible variations of synthetic indicators), and sub-analytical indicators (the lowest level or the most detailed segment of core indicators, further dissecting and coding it with lower case Roman letters (i, ii, iii, iv, etc.)). Such hierarchical approach to the GRI indicators in this research was motivated by the nature of harmonization per se, for the intention was, if the circumstances allowed, even to calculate the degree of harmonization of details of the disclosed indicators. As the research took place, we dismissed this approach as will be further elaborated in the discussion. Hotel management is free to choose the relevant GRI indicators and is not required to disclose information on all indicators nor all four indicator-

levels as defined in the GRI Standards. The sustainability reports were analyzed for all data consistent with the indicators of the GRI standards. Therefore, the external harmonizing assessment is based on the presence of the GRI core indicators, frequently reported in the GRI Content Index section of the sustainability reports. Indicators in sustainability reports that were not disclosed according to either GRI standards or earlier GRI guidelines, the authors recorded those resembling the GRI Standards indicators if a numeric metric was provided. The assessment approach was binary, i.e. if an indicator was disclosed, we coded it as 1 (disclosed), and if no indicator was disclosed, we coded it as 0 (zero; not disclosed). Although CATA (Computer Aided Text Analysis) is preferred in these types of analysis, due to a great diversity of sustainability information disclosed and various forms or no forms at all that the hotel companies used in reporting on sustainability, we determined that the human coding (Neuendorf, 2017:69) would be performed. Sustainability reports of the ten selected hotel groups in each of the last five available sustainability reporting periods provided a total of 50 reports and covering time span from 2014 to 2018. In this study were used sustainability reports of the ten selected hotel groups with a total of 15463 hotels from the last five available sustainability reporting periods, a total of 50 reports covering the period from 2014 to 2018. Although there are many methods to calculate the level of harmonization, we have chosen to calculate it using the C-index. The C-index is applied to measure the harmonization of compatible information by "measuring the number of pairs of statements that either apply the same accounting method or provide enough additional information to allow users to make comparisons themselves" and then "comparing them with the maximum number of possible pairs of reports (Roberts et al., 2005:240).

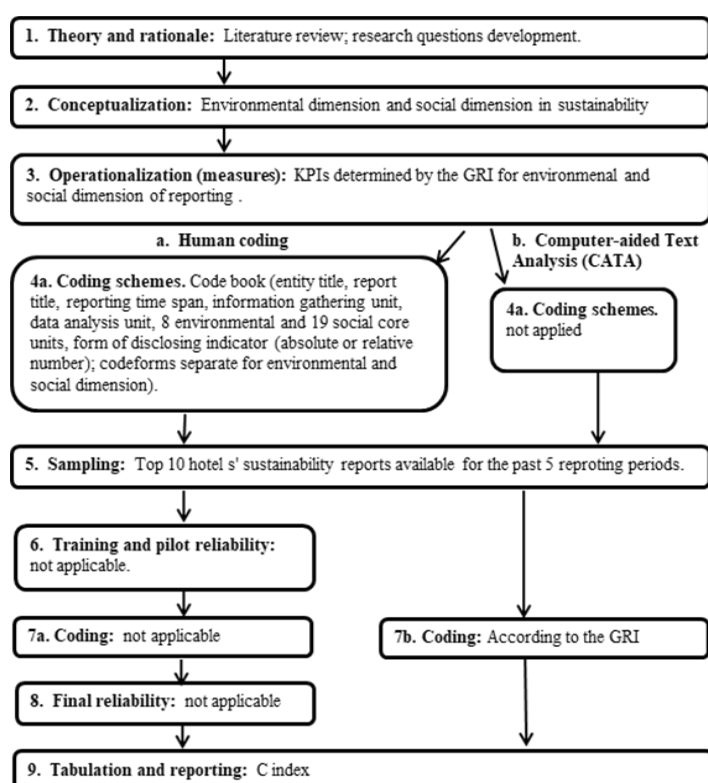


Figure 1. Content Analysis research flowchart (according to Neuendorf, K., 2017)

RESULTS

The GRI Guidelines preceded the GRI Standards and evolved in over more than 15 years from G1 to G4, giving a total of 5 generations of guidelines. The observed hotel companies began reporting on sustainability issues quite early, although the reporting framework varied over the years (Table 2).

The majority (54%) of these hotel companies apply some form of GRI framework in their sustainability reporting, a minority (32%) of these companies do not apply any framework, while very few (14%) use UN Global Compact as a framework for their sustainability report. IHG and Jin Jiang have maintained their free form of reporting over the years, while Marriott and Accor have tried multiple available frameworks over a 5 year period (2014 - 2018).

Table 1 Operationalization of environmental and social indicator of sustainability reporting (Source: Global Reporting Initiative, 2016)

Variables	Core GRI Standards indicators	
Environmental dimension of sustainability reporting (environmental indicators)	301	Material 2016
	302	Energy 2016
	303	Water and Effluents 2018
	304	Biodiversity 2016
	305	Emissions 2016
	306	Effluents and Waste 2016
	307	Environmental Compliance 2016
	308	Supplier Environmental Assessment 2016
Social dimension of sustainability reporting (social indicators)	401	Employment 2016
	402	Labor / Management Relations 2016
	403	Occupational Health and Safety 2016
	404	Training and Education 2016
	405	Diversity and Equal Opportunity 2016
	406	Non-discrimination 2016
	407	Freedom of Association and Collective Bargaining 2016
	408	Child Labor 2016
	409	Forced or Compulsory Labor 2016
	410	Security Practices 2016
	411	Rights of Indigenous Peoples 2016
	412	Human Rights Assessment 2016
	413	Local Communities 2016
	414	Supplier Social Assessment 2016
	415	Public Policy 2016
	416	Customer Health and Safety 2016
	417	Marketing and Labeling 2016
	418	Customer Privacy 2016
	419	Socioeconomic Compliance 2016

Table 2 Applied reporting frameworks in the world's top 10 hotel companies (source: processed by researchers, 2020)

Hotel company	Reporting framework					Total
	No framework (free form)	G3.1.	G4	GRI Standards	UNGC	
Accor	1			2	2	5
Hilton			3	2		5
Hyatt	3		2			5
IHG	5					5
Jin jiang	5					5
Marriott	2	1		2		5
Meliá			2	3		5
NH			3	2		5
Shangri-la					5	5
Wyndham		2	2	1		5
Total	16	3	12	12	7	50
	32%	6%	24%	24%	14%	100%

The majority of hotel companies stayed true to the trend of GRI reporting. We also calculated the number of both environmental and social indicators disclosed in the sustainability reports of each hotel company (Table 3). The hotel chains Meliá (38 environmental, 89 social) and Hilton (29 environmental, 50 social) disclose quantitatively the most sustainability indicators, while the hotel chain Jin Jiang (10 environmental, 16 social) discloses the least number of sustainability indicators. Other hotel chains disclose between 23 and 26 environmental indicators and 30 to 40 social indicators. Although the total number of indicators disclosed varies in certain reporting periods, hotel companies that disclose more environmental indicators also seem to disclose more social indicators and vice versa.

Table 3. Application of environmental and social GRI indicators in the hotel chains

Hotel chain // GRI indicator	Marriott	Accor	Wyndham	Hilton	Hyatt	Jin jiang	Shangri-la	Meliá	IHG	NH	Total
301	0	1	0	1	0	0	0	4	0	0	6
302	5	5	5	5	5	3	3	5	3	5	44
303	5	5	5	5	5	2	5	5	5	3	45
304	3	2	2	3	1	0	5	5	0	0	21
305	5	5	5	5	5	3	5	5	5	5	48
306	3	4	5	4	5	2	5	5	5	2	40
307	1	2	0	2	0	0	0	5	1	0	11
308	3	2	3	4	2	0	0	4	5	4	27
Total	25	26	25	29	23	10	23	38	24	19	242
401	3	4	5	5	2	0	0	5	0	4	28
402	0	0	0	1	0	0	0	5	0	0	6
403	2	4	2	2	1	0	5	5	0	0	21
404	4	4	5	5	3	3	4	4	5	5	42
405	4	5	5	3	4	2	0	5	5	5	38
406	0	2	0	1	0	0	5	5	0	0	13
407	0	1	0	3	0	0	5	4	0	0	13
408	1	1	2	3	1	2	5	5	0	0	20
409	1	1	2	3	0	0	5	5	0	0	17
410	1	0	0	3	1	0	0	4	0	0	9
411	0	0	0	1	0	0	0	5	0	0	6
412	3	1	1	2	1	0	5	4	2	1	20
413	3	5	3	4	5	3	0	5	4	3	35
414	2	3	4	4	0	2	0	4	2	4	25
415	3	0	3	2	0	2	0	5	0	0	15
416	2	4	2	1	4	2	5	5	0	0	25
417	2	0	3	3	0	0	0	4	0	1	13
418	0	2	3	3	0	0	0	5	0	0	13
419	0	2	0	1	0	0	0	5	0	0	8
Total	31	39	40	50	22	16	39	89	18	23	367

Table 4. Harmonization calculation based on the application of environmental and social GRI indicators

Topic standards	301	302	303	304	305	306	307	308	Total											
Marriott	0	5	5	3	5	3	1	3	25											
Accor	1	5	5	2	5	4	2	2	26											
Wyndham	0	5	5	2	5	5	0	3	25											
Hilton	1	5	5	3	5	4	2	4	29											
Hyatt	0	5	5	1	5	5	0	2	23											
Jin jiang	0	3	2	0	3	2	0	0	10											
Shangri-la	0	3	5	5	5	5	0	0	23											
Meliá	4	5	5	5	5	5	5	4	38											
IHG	0	3	5	0	5	5	1	5	24											
NH	0	5	3	0	5	2	0	4	19											
Total	6	44	45	21	48	40	11	27	242											
C index	0.15																			
Topic standards	401	402	403	404	405	406	407	408	409	410	411	412	413	414	415	416	417	418	419	Total
Marriott	3	0	2	4	4	0	0	1	1	1	0	3	3	2	3	2	2	0	0	31
Accor	4	0	4	4	5	2	1	1	1	0	0	1	5	3	0	4	0	2	2	39
Wyndham	5	0	2	5	5	0	0	2	2	0	0	1	3	4	3	2	3	3	0	40
Hilton	5	1	2	5	3	1	3	3	3	3	1	2	4	4	2	1	3	3	1	50
Hyatt	2	0	1	3	4	0	0	1	0	1	0	1	5	0	0	4	0	0	0	22
Jin jiang	0	0	0	3	2	0	0	2	0	0	0	0	3	2	2	2	0	0	0	16
Shangri-la	0	0	5	4	0	5	5	5	5	0	0	5	0	0	5	0	0	0	0	39
Meliá	5	5	5	4	5	5	4	5	5	4	5	4	5	4	5	5	4	5	5	89
IHG	0	0	0	5	5	0	0	0	0	0	0	2	4	2	0	0	0	0	0	18
NH	4	0	0	5	5	0	0	0	0	0	0	1	3	4	0	0	1	0	0	23
Total	28	6	21	42	38	13	13	20	17	9	6	20	35	25	15	25	13	13	8	367
C index	0.07																			

The next step in the research was to calculate the C-index and thus the degree of harmonization. The C-index allows the comparison of compatible reports of different business systems from different countries, how many use the same accounting method. This index ranges from 0 (zero) to 1, where 0 represents no harmonization and 1 represents absolute harmonization. The C-index measures the number of reports that are comparable to each other (number of business systems using a particular indicator relative to the total number of business systems included in the research). A formula for calculating the C-index is as follows (Van der Tas, 1988):

(1) $\frac{\sum[n_i*(n_i-1)]}{[N_i*(N_i-1)]}$ where: n_i is the number of companies using method I; N is the total number of companies.

The results of both, harmonization of environmental indicators and harmonization of social indicators are disclosed in Table 4. The C-index for harmonization of environmental indicators is 0.15, which means that the level of external harmonization of environmental indicators among the world's leading hotel chains is very low. The C-index for social indicators is even lower at 0.07, which means that there is almost no harmonization for the social dimension in sustainability reports among the top 10 global hotel chains. This could be related to the use of different reporting frameworks and different stages of alignment with the requirements of the GRI standards, which have been in force since 2018. The results show a rather low level of harmonization of reported environmental indicators and hardly any harmonization of social indicators in sustainability reports. The research results also show that majority of these hotel companies apply some form of GRI framework in their sustainability reporting, a minority of these companies do not apply any framework while very few use UN Global Compact as a framework for their sustainability report. The research results also showed that the respective hotel companies did not differ in the amount of indicators disclosed across the five sustainability reporting periods observed.

DISCUSSION

The research found that the comparability of external sustainability reporting in the hotel industry is very low. There are several reasons why we rejected the analysis of synthetic, analytical and sub-analytical level of GRI indicators. One such reason is the diversity in the level of information disclosed by a single hotel chain in the observed time period, implying that hotel companies have improved their sustainability, which was evident when we analyzed the reports. Another reason for rejecting this approach is that management did not consider it essential to disclose the same level of detail over the observed period, meaning that for certain indicators the level of detail was not disclosed over the five consecutive periods. The third reason for rejecting this approach is due to the differences in the frameworks that hotel chains use when preparing sustainability reports, as different frameworks require different levels of detail for disclosure in the report. However, it is expected that further research of this nature will discover a higher level of harmonization as the GRI standards are more widely applied as a basis for sustainability reporting and there is a greater number of sustainability reports available from these hotel chains, as well as a better experience that will inevitably emerge over time.

Although there are quite a number of studies that address the issue of harmonization of sustainability reporting in different sectors, to the best of our knowledge, this is a first study that examines and measures *de facto* harmonization in the hotel industry. Other studies have found that "adherence to global CSR standards 'reduces' differences in sustainability reporting (Fortanier et al., 2011), as well as a need for harmonization of sustainability reporting (Steinhöfel et al., 2019). Although there has been progress in harmonizing reporting on more traditional sustainability topics due to more experience and easier measurement techniques, such as water consumption, gas emissions and the like, this research shows that there is a low level of harmonization of sustainability reporting on sustainability topics in the hotel industry per se.

Harmonization of sustainability reporting as the newest trend involves at least 10 harmonization initiatives (Schrader, 2021), with essentially different types of key participant being involved, varying from independent sustainability reporting standard setters (GRI, SASB, IIRC, CDP, CDSB), over business coalitions (Big 4, BASF, BMW, SAP, Deutsche Bank, etc.), environmental NGOs (Value Balancing Alliance, WBCSD), down to financial standards setters such as International Financial Reporting Standards and supranational government, such as EU Commission and European Financial Reporting Advisory Group (EFRAG). Considering an example of the hotel industry and its low level of sustainability reporting harmonization, it might be unwise to solely rely on independent sustainability reporting standard setters, financial standard setters or regional government, although the latest two are likely to have high impact on the harmonization process. With all these ongoing harmonization initiatives focusing on *de jure* sustainability reporting harmonization, it is our opinion that a greater significance at this specific moment ought to be given to suggestions and solutions that business coalitions will inevitably provide, albeit their impact might seem unclear insofar. This our opinion is grounded in the fact that most of these sustainability reporting harmonization initiatives promote *de jure* sustainability reporting harmonization (Mion and Adai, 2019; Kinderman, 2019), whereas *de facto* sustainability reporting harmonization has been overlooked so far. We believe that a true or "sustainable" harmonization of sustainability reporting cannot be achieved without considering the needs and requirements of the companies in each and every industry that are to measure, create and disclose sustainability information.

When elaborating on harmonization, it is important to know what can be harmonized in sustainability reporting. Schrader (2021) suggests the following points of sustainability reporting harmonization to be considered: (1) nomenclature and unit definitions, (2) application of standards, (3) stakeholder interaction, (4) link between financial and non-financial information, (5) materiality methodology, and (6) timing and format of reporting. Many of these points have been the subject of countless, independent, uncorrelated researches (Asogwa et al., 2021; Bellantuono et al., 2016; Christensen and Leuz, 2021; Hahn and Kühnen, 2013; Hsu et al., 2013; Mio et al., 2019; Pasko et al., 2021; Rashed et al., 2022; Stocker et al., 2020). Perhaps the time has come for the key participants of sustainability reporting initiatives to come together around these six issues and, with the help of the worldwide academic community begin unraveling this complex subject of

sustainability reporting harmonization. Limitations of this research refer to almost all of the above mentioned points of sustainability reporting harmonization. Volatile application of the sustainability reporting standards (2nd point of sustainability reporting harmonization) has caused several obstacles in this research:

- the time frame differed not only between the hotel companies, but also within the companies themselves, causing the researchers to consider and observe the reporting periods and not the publishing years of the reports;
- throughout the observed timeframe, covering mainly a time span from 2014 to 2018, hotel companies would vary in application of different reporting standards (frameworks), making the content analysis extremely susceptible to the subjectivity of the researcher (Abhayawansa et al., 2019);

Timing and format reporting (6th point of sustainability reporting harmonization) would also vary even within a single hotel company. Some hotel companies would issue a sustainability report every two or three years, whereas in between they would yearly disclose a corporate responsibility scorecard. Needless to say, sustainability reports would contain and provide much more information than in-between-released scorecards, which caused us to change the flow of the research and to take into consideration only numeric indicators. This limitation led to the issues of materiality methodology (5th point of sustainability reporting harmonization) of the information disclosed in the analyzed sustainability reports. There is no doubt that the stakeholders' interests were one of the drivers for including or omitting certain sustainability indicators in different reporting periods (3rd point of sustainability reporting harmonization). Except for finding the solutions to these limitations, future research ought to focus on a correlation there might be between financial and non-financial information, and the impact these information might have on the quality of sustainability reports.

CONCLUSION

This paper is a contribution to the literature of sustainability accounting. To the best of our knowledge, this is the first study to examine the harmonization of sustainability reporting in the hotel industry. During this COVID -19 crisis, hotel companies need to place even more emphasis on sustainability. It is not enough to implement sustainable practices, but also to promote them through these reports. Stakeholders need to know what companies are doing to adapt their business to these challenging times. The low level of external harmonization in sustainability reporting in the hotel industry suggests that reports are difficult for users to compare, meaning that neither companies nor stakeholders can compare their results in the short or long term. The research findings also suggest that there is a great need for industry-specific standards and/or reporting formats. In today's world, sustainability reports are a very important tool for companies to disclose how they are adapting to new realities. Future research should include a larger sample in exploring the external harmonization of sustainability reporting. In addition, further research should focus on the development of industry-specific guidelines/standards to facilitate the reporting of sustainability issues in the hospitality industry.

The COVID -19 has affected many industries globally, with tourism and hospitality perhaps the most affected. Although the crisis has had some short-term positive impact on the environment (Jones and Comfort, 2020), it has had a far greater negative impact on the economic and social aspects of business. In a short period of time, companies had to deal with numerous risks ranging from health and safety risks to financial issues. This situation led investors to be particularly cautious with their investments (Ortmann et al., 2020), and hotel companies had to use persuasion to convince investors to continue investing in this industry. Sustainability reports can be seen as their 'business cards', in which companies present all aspects of their business, including the risks they face and how they manage them. This COVID-19 crisis can be seen as an opportunity to improve not only the sustainability of a hotel company and the industry in general, but also their reporting practices by providing a reasonably harmonized approach to reporting on sustainability issues.

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