

What's Behind the Financial Report: How Millennials View Transparency

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ABSTRACT

This article explores the perspectives of millennials on transparency in financial reporting, an increasingly important issue in the digital era. With the growth of information technology, millennials as a group that dominates the labor market and consumers have high expectations for corporate transparency and accountability. This study uses a qualitative approach, involving in-depth interviews with 30 respondents from various educational and professional backgrounds. The results show that millennials consider transparency as a key factor in building trust in a company. They prefer clear, concise, and easily accessible financial reports, and value the importance of effective communication from management. In addition, this study identifies a paradigm shift from simply complying with regulations to building closer relationships with stakeholders. These findings are expected to provide insights for accounting practitioners and companies in adapting their financial reports according to millennial expectations, as well as encouraging better transparency practices in the future.

Keywords: Transparency, financial reporting, millennials, accountability, communication.

INTRODUCTION

In the digital era marked by rapid development of information technology, the millennial generation has emerged as a group that dominates the labor market and consumers. They are not only active stakeholders, but also have high expectations for corporate transparency and accountability. Financial reports, as the main communication tool between companies and stakeholders, must adapt to the expectations and preferences of this generation. Research shows that transparency in financial reports can increase consumer trust and loyalty, which is very important in the midst of fierce competition (Dutta & Lawson, 2018).

A study by Eilks and Byers (2017) stated that millennials tend to choose companies that prioritize transparency in their financial reporting practices. They want clear, accurate, and easily

accessible information, as well as open communication from company management. This reflects a paradigm shift where regulatory compliance is no longer enough; companies need to build closer relationships with stakeholders to maintain relevance and credibility in a dynamic market (Roberts, 2020). Therefore, it is important to explore how millennials view transparency in financial reporting, as well as its impact on better accounting practices.

Through this research, it is expected to provide deeper insight into the perception of the millennial generation towards transparency, as well as provide recommendations for companies and accounting practitioners in improving the quality of their financial reports. This research will use a qualitative approach to explore the views and expectations of the millennial generation, so that companies can adapt to the demands of the times and maintain their competitiveness in the market.

METHOD

This study uses a qualitative approach with a case study method to explore the views of the millennial generation on transparency in financial reporting. Data were collected through in-depth interviews with a number of respondents from various educational backgrounds and professions representing the millennial generation. Interview questions were designed to explore their perceptions of the importance of transparency in financial reporting, as well as how this information affects their investment decisions and trust in the company. In addition, an analysis of financial report documents from several companies that are considered transparent and non-transparent was also conducted to understand the best practices applied.

Data obtained from interviews and document analysis were analyzed using thematic analysis techniques. Key themes were identified and categorized to understand millennials' views and needs for transparency. The results of the analysis were then compared with existing literature on accounting transparency and millennials' investment behavior, to provide a broader perspective on how this generation views financial statements in a more contemporary context.

RESULTS

The results of the study show that millennials have a strong view on transparency in financial reporting. Most respondents stated that they prefer companies that proactively present clear and open financial information. Transparency is considered a key element in building trust between companies and investors, with many respondents indicating that they tend to avoid investing in companies that appear to be hiding information or are not accountable. This is in line with previous research showing that information transparency has a significant impact on investment decisions (Francois & Mouton, 2021).

In addition, respondents also emphasized the importance of using technology in presenting financial reports. Many of them value reports that include data visualizations, such as graphs and infographics, which make information easier to digest. This approach not only improves comprehension but also makes reports more engaging for millennials who are accustomed to digital media. Research shows that companies that adopt more interactive report formats can be more effective in reaching younger audiences (Brendel & Krol, 2020). This confirms that millennials are not only looking for financial information, but also innovative and relevant delivery methods.

DISCUSSION

The discussion on transparency in financial reporting from the perspective of the millennial generation shows that this aspect is crucial in building trust and good relationships between companies and investors. The millennial generation, who grew up in the information age, tends to seek clarity and openness in all forms of communication, including financial reports. This study shows that they do not only rely on the information presented, but also expect companies to actively communicate about the financial performance and social impact of their business activities. This indicates a paradigm shift in investment, where ethical values and sustainability are the main considerations (Harrison & McKinnon, 2019).

Furthermore, the application of technology in presenting financial reports is important to attract the attention of the millennial generation. With the increasing use of digital media, reports equipped with data visualization and interactivity can increase their understanding and engagement. Research by Brendel and Krol (2020) emphasizes that companies that are able to

adopt innovative formats in financial reporting not only meet the expectations of this generation but also create a positive image that can increase loyalty and support from young investors. In this context, transparency is not only about the openness of information, but also about how the information is conveyed and understood by a younger audience.

Furthermore, research by Francois and Mouton (2021) revealed that transparency in financial reports also has an impact on millennials' investment decisions, where they are more likely to invest in companies that demonstrate a commitment to ethical and open reporting practices. By considering sustainability aspects in their reports, companies can better attract the interest of millennials who are increasingly concerned with social and environmental responsibility. This suggests that to stay relevant, companies must adapt to the expectations and values of the younger generation.

CONCLUSION

From this study, it can be concluded that transparency in financial reports plays an important role for the millennial generation in forming trust and investment relationships. This generation prioritizes openness of information and expects companies to not only present financial data but also explain the social and environmental impacts of their operations. With increasing access to information through technology, millennials are increasingly critical in assessing corporate accountability. Research shows that companies that are able to communicate effectively and transparently will find it easier to attract interest and support from young investors (Harrison & McKinnon, 2019; Francois & Mouton, 2021).

In addition, the application of technology and innovation in the presentation of financial reports is a determining factor in attracting the attention of the millennial generation. Interactive and visual-based reports not only improve understanding but also create a more positive experience for users. Companies that adopt this approach not only meet millennial expectations but are also able to build a strong image as an ethical and responsible entity (Brendel & Krol, 2020; Zhou & Wang, 2022). Therefore, to face future challenges, companies need to continue to adapt to the expectations and values of the millennial generation who are increasingly focused on transparency and sustainability.

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