



ACADEMIA AND ITS ROLE IN BUSINESS FINANCIAL REPORTING

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Abstract:

The role of academia and business in financial reporting has evolved significantly in recent decades, especially with the integration of ESG-s dimensions in this reporting. The academy-business-government “triangle” model represents a strategic framework for cooperation that directly impacts the quality, standardization, and reliability of sustainability reporting. Academia contributes through scientific research, the development of theoretical frameworks and especially for the preparation of future professionals. Business, on the other hand, represents the practical need for these standards’ application, reflecting the real challenges of measuring, reporting and integrating ESG-s factors into strategic decision-making and long-term value creation. Government and regulatory institutions play a key role in creating the legal and supervisory framework, promoting transparency, accountability, and harmonization with international practices. The interaction between these three actors strengthens the financial reporting ecosystem, increases investor confidence, and contributes to the development of sustainable markets. Based on the above, this scientific paper focuses on a combined analysis of the importance of cooperation between the three actors mentioned above as well as an empirical analysis, based on the current behaviour of Albanian businesses towards sustainable finance and specifically the need for preparing the non-financial reports. The empirical analysis consists of the use of Chi-square tests and the construction of a linear regression, based on a database of 169 questionnaires, completed by business representatives at the managerial level. The businesses were randomly selected, in different cities of the country, different sizes and different sectors of economy. Based on the analyses conducted, the importance of knowledge in the field of sustainability and specifically in the preparation of non-financial reports is highlighted, in order to improve the approach of businesses towards promoting sustainable investments, reducing costs, and creating long-term value.

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1. Introduction

The higher education system in Albania faces considerable difficulties, stemming from its limited capacity to align academic curricula effectively with labour market needs, structural weaknesses in the economy, a pronounced gap between universities and both the business sector and public authorities at national and local levels, as well as persistently low levels of funding for both general education and research and development. Universities, in particular, play a crucial role as key learning environments where ecological, social, and economic dimensions are considered holistically, innovative solutions for present and future challenges are developed, and future decision-makers are trained across various fields (HRK 2018). According to UNESCO, "*Education for Sustainable Development (ESD) empowers people to change the way they think and work towards a sustainable future*". Through their roles in education, research, and policy development, HEIs are essential in preparing future leaders with the knowledge and values required to tackle today's urgent environmental challenges. By demonstrating successful ways of transforming to more sustainable practices, HEIs may also act as role models for other types of organization. Given these global challenges, competencies in Education for Sustainable Development (ESD) are essential as key skills across all professional fields (Molitor *et al.* 2024).

Nowadays, it is increasingly essential to design and implement development frameworks that integrate financial profitability and value creation with robust environmental and social responsibility, thereby fostering contemporary business management paradigms that align with long-term sustainability and stakeholder expectations and objectives. The private sector is increasingly acknowledging the strategic importance of integrating sustainability principles into both business operations and investment strategies, recognizing that such integration can enhance competitive advantage, strengthen corporate reputation, and generate long-term financial benefits. The private sector is increasingly recognized as an indispensable actor in advancing sustainable development, given its capacity to mobilize significant resources, generate employment, and drive innovation. Enterprises, particularly large ones, exert a direct influence on economic performance, social well-being, and environmental outcomes, positioning them as central stakeholders in efforts to balance growth with sustainability objectives.

They are significant consumers of natural resources and contribute substantially to pollutant emissions, yet simultaneously play a pivotal role in national output, employment generation, and community development. This dual impact underscores that businesses can no longer be regarded solely as entities oriented toward financial performance; rather, they must be understood as institutions with explicit social and environmental obligations that extend beyond narrow profit-maximization.

The current configuration of academia-business-government relations in Albania is also shaped by the legacy of the communist regime, which governed the country until 1990. During this period, the education system was centrally planned and oriented entirely toward state-owned enterprises, as private enterprises and free markets did not exist. University curricula focused on public enterprises and institutions and often highlighted the negative effects of free enterprises on social inequality. As a result, curricula addressing market-oriented or private sector competences, and thus collaboration with business- were almost entirely absent.

After the transition to an open economy in the early 1990s, the Triple Helix Model has evolved in three broad stages. In the first decade, the system corresponded mainly to Triple Helix Model 1, with the nation state encompassing and directing the collaboration between academia and industry (Etzkowitz & Leydesdorff, 2000). In the following two decades, collaboration between business, academia, and government, remained weak and took the form of Model 2- a laissez faire configuration. In these last five years, academia has been trying to create conditions for closer and fruitful cooperation with the government and especially business, with a stronger focus on innovation. At present, the country is moving gradually towards Model 3- Triple Helix of Innovation (Etzkowitz & Leydesdorff, 2000), although the road ahead remains long and challenging. A study for Albania (Grabova *et al.* 2026) indicates that collaboration between firms and universities in Albania remains underdeveloped, with 51% of businesses and financial institutions respondents report having participated in collaborations with universities or research institutions, 49% report no such involvement.

The Triple Helix Model requires that engaged individuals have high levels of human capital. This level is directly related to government investments in R&D. In 2024, Albania's R&D expenditure was only 0.19% of GDP, far below the EU average of 2.22% (OECD, 2025). Increasing R&D investment should be a key priority of government policy, to enable a better function of the Triple Helix Model and, in particular, to strengthen A2B collaboration towards sustainable innovation.

Table 1: R&D Expenses

Countries	Albania
R&D expenses as % of GDP	0.19%

Source: OECD 2025

Researchers emphasize that HEIs not only serve as centers for knowledge transfer but also function as proactive agents of change, instilling a comprehensive understanding of sustainability that spans economic, social, and environmental dimensions (Tilbury, 2011; Rieckmann & Barth, 2022).

Although higher education and research & development strategies aimed at fostering innovation are regularly formulated, many of these strategic documents remain predominantly theoretical, with limited practical implementation and comparatively low funding capacities undermining their effectiveness.

This section should comprise a description of the general framework, definitions and principles, primary issues and controversies, background information and contexts, etc.

2. Literature Review

Within the framework of the Triple Helix model and its relevance to sustainable development, Albania's position in the Global Innovation Index (GII) reflects limited progress in building a system that effectively supports sustainability-oriented outcomes (World Intellectual Property Organization, 2025). In the 2025 edition, Albania ranks 67th among global economies, indicating moderate overall performance but insufficient capacity to fully integrate knowledge generation and application into sustainable development processes. However, weaker results in human capital and research, knowledge and technology outputs, and creative outputs suggest that the interaction between universities, industry, and government is not yet sufficiently developed to support sustainability transitions. This highlights the need to strengthen Triple Helix cooperation in Albania in order to enhance knowledge creation, dissemination, and application for sustainable development objectives.

In these conditions, one of the principal issues intended to be addressed is the extent to which the Albanian market is prepared—both from the perspective of higher education institutions and of the business community—for the creation, management, and adaptation of sustainable enterprises, including capacities for sustainability reporting and disclosure aligned with international frameworks. Research indicates that sustainability reporting practices in Albania and Western Balkans are still in a nascent stage, with limited regulatory requirements and a predominance of voluntary disclosures, and existing institutional and technical capacities remain underdeveloped, particularly within academic and professional settings (Zherri, Kalemi, 2025). The business sector as a major contributor to climate change needs to adopt sustainable practices that include a range of actions that could reduce their impact and promote sustainability. Although climate change and sustainability have been set as a high priority by the authorities, the implementation of the necessary regulations and mitigation strategies is not satisfactory. Economic and social development is affected by the consequences of climate change, and the business sector, which is not immune to them, is making slow progress in building its own resilience and implementing sustainable practices (Nukic *et al.* 2025). Given that issues related to sustainable development and the impact that business has on it are very coherent, businesses should approach sustainability as soon as possible, including being environmentally friendly, caring for the community where they operate and taking their opinions into account, caring for employees, consumers, renewable energy, recycling, water management, waste management, as well as reporting on sustainability and ESG criteria.

Meanwhile, higher education, with its contribution as a creative force for a new generation, which, firstly, will be employed by these businesses, will orient businesses towards a sustainability approach, as well as will control the fulfilment of standards and

criteria, and will be the drafters of sustainability reports, and secondly, this generation has the potential to establish innovative enterprises and start-ups, positioning it as a vanguard in advancing sustainable economic development and entrepreneurship in the region.

In order to achieve what is outlined above, several key enabling conditions and elements must be in place:

- Improvement and adaptation of curricula in higher education are essential to align academic programmes with European Union principles and directives on sustainable enterprises and sustainability reporting in particular.

Although initial steps have been taken in recent years to incorporate foundational elements related to sustainability, sustainable finance, sustainability reporting, and organizational resilience into existing curricula, these efforts have remained fragmented and insufficiently comprehensive. However, it is essential that these curricula be revised to treat sustainable enterprise development and sustainability reporting as integrated, holistic topics, addressed in their full complexity and relevance for business and society. Such curricular reform should reflect international standards and regulatory expectations—such as those emerging from EU frameworks like the Corporate Sustainability Reporting Directive and related reporting quality criteria—while preparing graduates with the competencies required to support sustainable organizational practices and compliance in both regional and international contexts (Zherri & Kalemi, 2025).

- Close cooperation with the business community is essential. A2B communication should be a key point in this relationship, so that it is productive and sustainable over the long term.

Active involvement of businesses through case studies, practical examples, and direct integration of company-specific data into student learning enhances the relevance of academic programmes. Moreover, facilitating dialogue between students and business practitioners in the departments from which information is required fosters deeper understanding of real-world challenges and strengthens the applicability of academic knowledge. Such collaborative mechanisms are widely recognized as effective means to bridge the gap between theoretical instruction and industry needs, promote innovation, and align educational outcomes with labour market demands. A study by Nukic *et al.* in 2025, based on a survey for 901 companies in the Western Balkan region (Albania, B&H and Montenegro), confirmed critical role of education in raising awareness and promoting sustainable business practices within Albania's business ecosystem. Training programs should be tailored to the specific characteristics of businesses and to respond effectively to the needs of business sector.

In B&H, a comprehensive institutional-legal framework for monitoring adaptation and mitigation efforts is still lacking. This research revealed there is an awareness of business entities about the seriousness of climate change, but for a systemic response and building resilience, it is necessary to continuously educate the public and decision-makers. In Montenegro, there is insufficient understanding of green business practices importance for environmental preservation and sustainability. It is essential to increase

awareness of funding opportunities designed to support sustainable development, green and circular economic measures, and climate change prevention and mitigation initiatives.

- Cooperation with local and national authorities active in the field of sustainable enterprise will be a fundamental component of this initiative.

Representatives from various institutions will be actively engaged in discussions, roundtables, and workshops organized within the project, ensuring the inclusion of all key stakeholder groups—businesses, students, educators, and civil society. Such multi-stakeholder engagement fosters policy coherence and knowledge exchange, strengthening the nexus between higher education, industry, and public governance and aligning academic outcomes with national and regional development priorities. Collaborative efforts of this nature have been emphasized in several capacity-building and innovation projects in the Western Balkans, which aim to bridge the gap between universities, industry, civil society, and policy-makers to enhance relevance and impact. Our approach is that the effective functioning of A2B cooperation and the broader innovation ecosystem requires engagement in accordance with the triple helix model, which emphasizes dynamic interactions among universities, industry, and government, or the quadruple helix model, which also incorporates civil society and non-governmental actors, is *"to help businesses in Albania and the Western Balkans to be more sustainable, to innovate and grow"*.

Currently in Albania, according to the Accounting Law (No.25/2018), businesses are required to include, as part of their financial reporting, indicators related to sustainability and ESG criteria, for companies with more than 500 employees. According to INSTAT 2024, only 168 companies in Albania have more than 250 employees. In the country, the largest share is occupied by SMEs, where even in the latter, the dominant share with 93.6% (INSTAT 2024) is held by small businesses of the micro type. This means that the number of businesses that currently consider elements related to sustainability is relatively very limited. Moreover, since the legislation for large businesses has not left the obligation to prepare a full, separate sustainability report, but the inclusion of some elements as part of the financial report, highlights that:

- Albanian businesses require substantially greater incentives and guidance to transition toward sustainable business models.

A study for Albania, based on a survey with 500 companies, sheds light on the extent to which Albanian companies have adopted green business practices. Findings indicate that adoption rates are generally low, and there is a lack of extensive knowledge and awareness regarding green business practices and their importance (Pojani *et al.*, 2025). In this study, it is concluded that some Albanian companies, particularly larger ones, have started to adopt certain green business practices. These range from waste recycling to green transport policies and environmental information for customers. While the internal expertise and capacity are generally low, some effort at environmental management is being made within the business sector;

- Businesses in Albania are not currently ready to produce a non-financial (sustainability) report.

This is evident in very large businesses, suggesting that small and medium-sized businesses are almost completely unprepared. The proximity of future regulatory expectations for sustainability reporting highlights the necessity of implementing a project with a focus on building capacity for sustainable entrepreneurship and sustainability reporting;

- The report currently prepared by large businesses includes predominantly descriptive indicators rather than quantifiable, measurable key performance metrics, which is important to classify a sustainable enterprise.

Because sustainability disclosures are incorporated only as elements within the broader financial performance report rather than as a separate sustainability report, they are generally limited in scope and depth, focusing on narrative descriptions of activities rather than on measurable outcomes or standardized KPIs. If we analyse the national guide on the preparation of non-financial reports—designed to assist entities in presenting non-financial (sustainability) information within the financial report (Article 18 of the Law on Accounting) it is evident that the guidance emphasizes descriptive, narrative disclosures rather than standardized, quantifiable metrics, as it does not establish technical reporting standards or measurable performance indicators, which raises questions about the comparability and quality of current sustainability reporting practices in Albania;

- Smaller businesses do not even consider starting the preparation of this report in the absence of a legal obligation. This situation indicates that the University, in cooperation with other institutions, must fulfil the educational and innovative role in supporting such processes;
- Human resources continue to exhibit gaps in knowledge of the concepts and issues related to sustainable entrepreneurship, and specifically the constituent elements of the sustainability reporting, including the structure of such work and the identification of relevant measurable key performance indicators (KPIs). If the criteria are not measurable, but simply descriptive, they provide limited informational value. Therefore, training of current staff and the preparation of appropriately skilled human resources for these companies are necessary, and this capacity-building will be one of the focal points of the project. Research in the Western Balkans identifies insufficient educational and advisory support as a significant constraint on the development of sustainable entrepreneurship, including the adoption of sustainability standards and measures (Andjelkovic *et al.* 2025);
- In the current context, society- including the business community, public authorities, and academia- remains largely unprepared for the increasing importance of sustainability standards, particularly as the enterprises and workforces confront evolving expectations linked to integration with regional and broader markets. This is of great importance as Albania and other WB countries are expected to become part of the EU over the coming years, and then all issues related to sustainable entrepreneurship will be a "must".

- Currently, almost the only businesses that have started to establish small teams with a focus on sustainability predominantly are businesses that operate as subsidiaries of large European parent companies, which have access to sustainability practices and reporting frameworks driven by obligations at the group level and by compliance with international standards. These teams have often contributed to the drafting of a sustainability report according to European standards, for the “mother” company, where indicators for the subsidiary in Albania are highlighted, or, in rarer cases, the drafting of a full report for the subsidiary in Albania has been enabled. These reports will serve as very good illustrative examples to be used as positive experiences and case studies in the auditorium. Also, the experiences of these companies will be shared in professional and academic forums—such as roundtables, workshops, and symposiums—to inform and inspire broader adoption of sustainability practices in the business and academic community.

3. Material and Methods

The interaction between these three actors strengthens the financial reporting ecosystem, increases investor confidence, and contributes to the development of sustainable markets. Based on the above, this scientific paper focuses on a combined analysis of the importance of cooperation between the three actors mentioned above, as well as an empirical analysis, based on the current behaviour of Albanian businesses towards sustainable finance and specifically the need for preparing the non-financial reports. The data are elaborated in SPSS, since the data were mainly of a qualitative nature. The empirical analysis consists of the use of Chi-square tests and the construction of a linear regression, based on a database of 169 questionnaires, completed by business representatives at the managerial level. The businesses were randomly selected, in different cities of the country, different sizes and different sectors of economy. The distribution of the questionnaires was conducted with consideration of the relative weight that different economic sectors have in the country's GDP.

Chi-square tests are performed to analyse the significance of the relationship between the decision making in family-owned businesses and the factors which have their impact in this decision-making. The Chi-square tests the differences in attitude of groups and categories and in the case that such differences are significant then the conclusions may be generalized for the whole population. Also, a regression equation was performed to define the main factors that influence businesses to adopt a more positive approach towards the sustainable investments.

Based on the analyses conducted, the importance of knowledge in the field of sustainability and specifically in the preparation of non-financial reports is highlighted, in order to improve the approach of businesses towards promoting sustainable investments, reducing costs, and creating long-term value.

4. Results and Discussion

This study aims to identify the main factors influencing businesses' approach to sustainable development, with a particular focus on the preparation of sustainability reporting. Initially, it examines whether firms perceive a need for enhanced knowledge in this field and whether they acknowledge internal knowledge gaps.

The frequency analysis reveals that businesses largely consider the lack of knowledge in sustainability reporting to be important or very important. Furthermore, respondents indicate a clear need to improve their competencies in order to prepare reports in line with required standards, as well as to implement appropriate measures that support the transition toward more sustainable business practices.

Table 2: Lack of Knowledge Perception

Lack of Knowledge	Percentage (%)
Not important	1.2%
Medium important	7.2%
Important	42.8%
Very important	48.8%

Source: Authors' calculations.

Meanwhile, the Pearson Chi-Square test was conducted to examine the relationship between the perceived need for learning improvement and the lack of knowledge in sustainability reporting. The results indicate a statistically significant association between these variables, thereby reinforcing the findings obtained from the frequency analysis.

This outcome further underscores the extent to which businesses recognize their knowledge limitations in this area and highlights the importance of strengthening collaborative mechanisms between business and academia. In this regard, the findings support the relevance of the Triple Helix model in the Albanian context, as discussed in the literature review, emphasizing the need for enhanced interaction between universities, industry, and policy actors to improve sustainability reporting capacities.

Table 3: Pearson Chi-Square Test

Lack of Knowledge	Learning Improvement	
	Chi Square	92.066
	Df	9
	Significance	<.001

Source: Authors' calculation.

So:

$$X^2(9, N=169) = 92.066, p < 0.001$$

The second analysis aimed to determine whether businesses perceive non-financial reporting as a burden due to its complexity. The frequency analysis indicates

that respondents predominantly evaluate this complexity as important or very important.

These findings suggest that the perceived complexity of non-financial reporting contributes to an increased recognition of the need for improved knowledge and competencies in this area, reinforcing the importance of capacity-building initiatives for businesses.

Table 4: Complexity of Reporting Perception

Complexity reporting burden	Percentage (%)
Not important	1.2%
Medium important	7.2%
Important	43.1%
Very important	48.5%

Source: Authors' calculations.

The Pearson Chi-Square test was conducted to examine the relationship between the need for learning improvement and the perceived complexity of sustainability reporting. The results indicate a statistically significant association between these variables, thereby reinforcing the findings derived from the frequency analysis. This suggests that firms perceive sustainability reporting as inherently complex, which in turn increases the importance attributed to enhancing knowledge and competencies in this area.

These findings are consistent with the existing literature, which emphasizes the need for stronger collaboration between business and academia. In this context, universities and other educational institutions can play a key role by offering targeted capacity-building initiatives, including training programs, short intensive courses, continuous education modules, roundtable discussions, and practical workshops aimed at improving understanding and implementation of sustainability reporting practices.

Table 5: Pearson Chi-Square Test

	Learning Improvement	
Complexity reporting burden	Chi Square	88.826
	Df	9
	Significance	<.001

Source: Authors' calculation

So:

$$X^2(9, N=169) = 88.826, p < 0.001$$

An additional aspect of the analysis examined whether the perceived complexity of sustainability reporting is associated with the geographical location of the business. The results of the Pearson Chi-Square test indicate that this relationship is statistically significant. This finding suggests that firms' perceptions of sustainability reporting complexity vary depending on their location, highlighting the potential influence of

regional context on awareness, experience, and exposure to sustainability reporting practices.

Table 6: Pearson Chi-Square Test

Complexity reporting burden	Headquarters Location	
	Chi Square	23.212
	Df	15
	Significance	<0.08

Source: Authors' calculation.

So:

$$X^2(15, N=169) = 23.212, p < 0.08$$

Moving towards Durres and Tirana results in an increase in understanding of the importance that the complexity of reporting has on the quality of the latter. It should be noted that most of the large businesses in the country are located in Tirana and Durres, meaning that they are also the businesses that have closer access to the problems related to sustainable development, are closer to information, but at the same time they are also among the first businesses that will have/or already have, the legal obligation to prepare a sustainability report, either separately or as part of the financial report. This quite clearly explains the statistical significance of the above relationship.

The last analysis performed was the construction of a regression equation to see which are the main factors that influence the perceived lack of knowledge about sustainable development and sustainable reporting as well. A number of variables were tested and, in the end, the variables as in the equation below turned out to be important:

$$\text{Lack of Knowledge} = -0.16 + 0.17 * \text{Promotion sustainable investment} + 0.25 * \text{Cost Reduction} + 0.25 * \text{Access in credit lines} + 0.32 * \text{Long term value creation} \quad (\text{Equation 1})$$

As can be seen in the following table, the connections are statistically significant, and they are determinant in the perceived Lack of Knowledge about sustainability reporting.

Table 7: The Regression Data

Depended Variable	Lack of Knowledge	
Independent Variable	Coefficients	Probability
Promotion sustainable investment	0.17**	0.005
Cost reduction	0.25***	<0.001
Access in credit lines	0.25***	<0.001
Long term value creation	0.32***	<0.001
Adjusted R-square	45.3%	
Durbin-Watson	2.16	

Source: Authors' calculations.

The regression equation explains the factors influencing the perceived lack of knowledge regarding sustainability reporting. The constant term (-0.16) represents the baseline level of lack of knowledge when all explanatory variables are equal to zero, suggesting a relatively low initial level. The positive coefficients indicate that increases in the promotion of sustainable investment (0.17), cost reduction considerations (0.25), access to credit lines (0.25), and emphasis on long-term value creation (0.32) are all associated with higher reported levels of lack of knowledge. Among these factors, long-term value creation has the strongest effect, implying that as firms place greater importance on long-term sustainability outcomes, gaps in knowledge about reporting practices become more evident. Similarly, cost reduction and access to credit lines show moderate and equal influence, suggesting that financial motivations may expose deficiencies in understanding sustainability reporting frameworks. The positive relationship with the promotion of sustainable investment may indicate that increased attention to sustainability initiatives highlights existing knowledge gaps rather than resolving them. Overall, the model suggests that as firms engage more with sustainability-related drivers, the need for improved knowledge and capacity in sustainability reporting becomes more pronounced. The relatively strong positive coefficient for long-term value creation suggests that firms focusing on future-oriented strategies may recognize gaps in their understanding of sustainability reporting requirements. This implies that aligning business strategy with long-term value goals often exposes the need for enhanced knowledge, skills, and reporting capabilities in sustainability practices.

Meantime, the adjusted R-squared value of the model indicates how well the variables—promotion of sustainable investment, cost reduction, access to credit lines, and long-term value creation—jointly explain the variation in the lack of knowledge. An adjusted R-squared of 45.3% indicates that the independent variables in the model explain 45.3% of the variation in the dependent variable, which is the lack of knowledge in sustainability reporting. This suggests a moderate explanatory power of this model. The Durbin–Watson value associated with this regression assesses whether the residuals from the equation are independent. A Durbin–Watson value of 2.16 is very close to 2, indicating that there is no significant autocorrelation in the residuals of the regression model. This suggests that the error terms are largely independent, and therefore the estimated coefficients in the equation can be considered reliable and not distorted by serial correlation.

5. Conclusion

This study examined the key factors influencing Albanian businesses' approach to sustainable development, with particular emphasis on sustainability reporting and the perceived lack of knowledge in this area. Drawing on a sample of 169 managerial-level respondents across different sectors, firm sizes, and geographic locations, the research combined descriptive statistics, Pearson Chi-Square tests, and regression analysis to provide both a behavioral and explanatory perspective on the readiness of businesses to engage with non-financial reporting practices.

The empirical results demonstrate that Albanian businesses widely recognize the importance of sustainability reporting; however, they simultaneously report significant knowledge gaps. Frequency analysis indicates that the majority of respondents consider the lack of knowledge in sustainability reporting to be important or very important, highlighting a clear awareness of internal limitations. Furthermore, businesses perceive non-financial reporting as a complex and burdensome process, which further reinforces the need for structured capacity-building initiatives. The Chi-Square tests confirm statistically significant relationships between perceived knowledge deficiencies and the need for learning improvement, as well as between reporting complexity and knowledge gaps. These findings suggest that complexity is not only a technical barrier but also a determinant of organizational readiness for sustainability disclosure. In addition, the analysis reveals that perceptions of reporting complexity vary according to geographical location, with firms in major economic centers such as Tirana and Durrës demonstrating higher awareness. This can be attributed to their greater exposure to regulatory developments, larger organizational structures, and closer proximity to international business practices. At the same time, businesses in Tirana and Durrës are also among the first businesses that will have/or already have the legal obligation to prepare a sustainability report, either separately or as part of the financial report. The regression analysis further identifies four key determinants of perceived lack of knowledge: promotion of sustainable investment, cost reduction considerations, access to credit lines, and long-term value creation. Among these, long-term value creation exerts the strongest influence, suggesting that firms with a strategic orientation toward sustainability are more likely to recognize deficiencies in their reporting capabilities.

From a theoretical and policy perspective, the findings strongly support the relevance of the Triple Helix model in Albania's transition toward sustainable development. The identified knowledge gaps and institutional weaknesses underscore the need for stronger collaboration between universities, businesses, and government institutions. In particular, higher education institutions are positioned as key actors in addressing these gaps through curriculum reform, applied training, and the development of sustainability-oriented competencies. At the same time, the business sector requires targeted support mechanisms, including training programs, workshops, and access to practical reporting frameworks aligned with international standards such as the EU Corporate Sustainability Reporting Directive.

Overall, the study concludes that while Albanian businesses are increasingly aware of the importance of sustainability reporting, their readiness to implement it remains limited due to structural knowledge deficits and insufficient institutional support. Strengthening the Triple Helix collaboration is therefore essential for improving human capital, enhancing reporting quality, and facilitating the transition toward more sustainable and transparent business practices in Albania.

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Conflict of Interest Statement

The authors declare no conflicts of interest.

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