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THE IMPACT OF IFRS ADOPTION ON GLOBAL COMPETITIVENESS

UFRS'YE UYUMUN KÜRESEL REKABET GÜCÜ ÜZERİNDEKİ ETKİSİ

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ABSTRACT

Global adoption of International Financial Reporting Standards (IFRS) represents a significant transformation that enhances the harmonization of accounting practices and the comparability of financial statements. In this study, the relationship between countries' levels of IFRS adoption and global competitiveness indicators is investigated using Multivariate Analysis of Variance (MANOVA) and discriminant analysis to comprehensively examine this transformation. Data from 86 countries are analyzed, revealing significant differences in several competitiveness indicators based on IFRS adoption levels. The MANOVA results indicate that countries with full or partial IFRS adoption generally exhibit higher institutional quality, infrastructure, and information and communication technology adoption rates. The discriminant analysis classifies countries based on their IFRS adoption levels with an accuracy rate of 77.9%, demonstrating that these adoption levels play a critical role in determining the relevant indicators. The findings suggest that adopting IFRS can enhance economic performance and institutional quality providing valuable insights for policymakers.

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ÖZ

Uluslararası Finansal Raporlama Standartlarına (UFRS) küresel uyum, muhasebe uygulamalarının harmonizasyonunu ve finansal tabloların karşılaştırılabilirliğini artıran önemli bir dönüşümü temsil etmektedir. Bu dönüşümün kapsamlı bir incelemesini sağlamak amacıyla çalışmada, ülkelerin UFRS'ye uyum seviyesi ile küresel rekabet edebilirlik göstergeleri arasındaki ilişki, çoklu varyans analizi (MANOVA) ve diskriminant analizi kullanılarak incelenmiştir. 86 ülkeden elde edilen veriler analiz edilerek, UFRS'ye uyum seviyelerine göre çeşitli rekabet edebilirlik göstergelerinde önemli farklılıklar saptanmıştır. MANOVA sonuçları, tam veya kısmi UFRS uyumuna sahip ülkelerin genellikle daha yüksek kurumsal kalite, altyapı ve bilgi ve iletişim teknolojisi uyum oranlarına sahip olduğunu göstermektedir. Diskriminant analizi, ülkeleri UFRS uyum seviyelerine göre %77.9 doğruluk oranıyla sınıflandırarak, bu uyum seviyelerinin belirlenmesinde ilgili göstergelerin kritik bir rol oynadığını göstermektedir. Bulgular, UFRS uyumunun ekonomik performansı ve kurumsal kaliteyi artırabileceğini göstermekte ve politika yapıcılar için değerli bilgiler sunmaktadır.

Keywords: IFRS, Global Competitiveness, MANOVA, Discriminant Analysis, Institutional Quality, Economic Performance

Anahtar Kelimeler: UFRS, Küresel Rekabet Edebilirlik, MANOVA, Diskriminant Analizi, Kurumsal Kalite, Ekonomik Performans

INTRODUCTION

The adoption of International Financial Reporting Standards (IFRS) has become a critical aspect of financial reporting and corporate governance worldwide. IFRS, developed by the International Accounting Standards Board (IASB), aims to create a common accounting language that enhances transparency, comparability, and consistency in financial statements across different jurisdictions (IFRS Foundation, 2018: 17; De George et al., 2016: 898; Whittington, 2005: 128). This global movement towards uniform accounting standards is expected to facilitate better decision-making by investors, regulators, and other stakeholders, thereby fostering global economic integration and stability (Horton et al., 2013: 388; Oppong and Aga, 2019: 792).

The adoption of IFRS has increased with the completion of the first core standards in 1988, the European Union's call to adopt IFRS for listed companies in 2002, and the subsequent mandatory use of IFRS in many capital markets since 2005 (Nobes, 2006: 243; Shima and Yang, 2012: 277). Despite all of this positive early momentum toward the widespread acceptance of IFRS, the extent and manner of its adoption vary significantly across countries

(Clements et al. 2010: 124). Some countries have fully embraced IFRS, making it mandatory for all public interest entities, while others permit or even restrict its use (IFRS Foundation, 2024). This diversity in adoption practices raises important questions about the impact of IFRS on economic and institutional outcomes. Specifically, does the adoption of IFRS contribute to a country's global competitiveness? And if so, to what extent does the type of IFRS adoption influence key competitiveness indicators such as institutional quality, infrastructure development, information and communication technology adoption, market efficiency, and economic performance?

This study contributes to the literature by addressing the above questions to investigate the relationship between the type of IFRS adoption and global competition indicators. To this end, the study employs multivariate analysis of variance (MANOVA) and discriminant analysis. MANOVA, a member of the general linear model, is a powerful statistical technique used to analyze the differences in multiple dependent variables simultaneously across levels defined by an independent variable (Warne, 2014: 2). In this context, MANOVA is particularly useful for examining how various global competitiveness indicators collectively differ based on the type of IFRS adoption. In addition to MANOVA, discriminant analysis is employed to predict level membership based on the observed characteristics of each case. Discriminant analysis helps in identifying the underlying structure of the data and understanding how different competitiveness indicators influence the likelihood of a country adopting a particular type of IFRS.

By combining MANOVA and discriminant analysis, this study aims to offer a comprehensive examination of the impact of IFRS adoption on global competitiveness. The findings are expected to provide valuable insights into how variations in accounting standards can influence a country's economic performance, institutional quality, and market dynamics. Ultimately, this research contributes to the broader discourse on the role of standardized accounting practices in enhancing global economic integration and competitiveness. Through a detailed analysis of the relationship between IFRS adoption and global competitiveness indicators, this study seeks to inform policymakers, regulators, and practitioners about the potential benefits and challenges of adopting IFRS. It also aims to highlight the importance of considering local economic and institutional contexts when implementing global accounting standards, thereby ensuring that the adoption of IFRS aligns with the specific needs and priorities of different countries.

The remainder of this paper is structured as follows. The second section focuses on the conceptual underpinnings of IFRS adoption and gives a detailed prior literature. This is followed by the theoretical framework section, where data, descriptive statistics and methodology are presented. The fourth section presents the statistical results. In the last section, the results on the impact of IFRS adoption on global competitiveness are discussed.

1. CONCEPTUAL UNDERPINNINGS AND PRIOR LITERATURE

Known as a common accounting language, IFRS has gained significant traction globally, with varying levels of adoption among countries, ranging from mandatory implementation to complete prohibition (Jeanjean and Stolowy, 2008: 480). When this interest is combined with studies on the development of accounting systems in different countries, it can be said that the difference between IFRS and national accounting systems is the adoption of a "self-sufficient" or "dominant" system economically, institutionally or culturally (Tyrrall et al., 2017: 84). That is, cross-country differences in cultures, institutional approaches and political systems are likely to influence IFRS interpretation at the local level (Kohler et al., 2021). Nowadays, IFRS adoption can be categorized into four distinct types: not allowed, permitted, required partially, and required.[3] Countries, where IFRS is not allowed, have explicitly prohibited using the standards in financial reporting. Permitted countries allow the use of IFRS but do not mandate it, giving companies the option to choose between national accounting standards and IFRS. Required partially countries mandate IFRS for certain types of entities, typically public interest entities such as listed companies, while other entities may continue to use local standards. Finally, required countries have fully adopted IFRS for all relevant entities, making it the standard for financial reporting.

Over the past five decades, many steps have been taken to harmonize accounting standards, with standards modified and updated according to sector and accounting needs (Sharma et al., 2017: 409). However, the transition to IFRS is not without challenges. Implementing these standards requires significant changes to existing accounting practices, which can be costly and time-consuming (Jermakowicz and Gornik-Tomaszexski, 2006:

3- The website of the IFRS Foundation provides a detailed analysis of jurisdictions' use of IFRS accounting standards around the world. Please refer to https://www.ifrs.org/use-around-the-world/

173). Companies may need to invest in new accounting systems, retrain staff, and adjust internal controls to comply with IFRS requirements (Uyar and Güngörmüş, 2013: 78). All these compliance costs, training, and adjustments are likely to vary depending on how IFRS is implemented (Christensen et al., 2015: 37). Additionally, the complexity of IFRS can pose difficulties for smaller companies and entities in developing countries, which may lack the resources and expertise to implement these standards effectively (Liviu-Alexandru, 2018: 156).

Despite the aforementioned challenges, many countries have successfully transitioned to IFRS, recognizing the long-term benefits of improved financial reporting (Ball, 2006: 5). Because at the national level, the perceived benefits of IFRS encourage better reporting in favor of allowing or mandating IFRS (Shima and Gordon, 2011: 482). Thus, in connection with the adoption of IFRS, numerous studies have stated that companies result in higher net income, higher share value, and lower cost of capital (O'Connell and Sullivan, 2008; Callao and Jarne, 2010; Elbakry et al., 2017; Habib et al., 2019). Besides, the process of adoption often involves a phased approach, starting with larger, public interest entities before extending to smaller companies. Regulatory bodies play a crucial role in facilitating this transition, providing guidance and support to ensure a smooth implementation. Although the task of international harmonization of financial reporting is considered to be at the core of the IASB, it has not undertaken the initiative on the supply side of financial reporting regulation alone. On the demand side, regulators have been important actors in supporting the IASB as a common financial reporting framework (Pope and McLeay, 2011: 237).

The rationale behind adopting IFRS varies across countries and regions. One of the primary motivations is to improve the quality of financial reporting, enhance investor confidence and attract more capital (Armstrong et al. 2010: 31; Mensah, 2019: 2890). In this context, there are many studies in the literature supporting the argument that IFRS is an important driving force of foreign direct investment flows (Gordon et al., 2012: 376; Mameche and Masood, 2021: 610; Owusu et al., 2017: 43). By adopting a globally recognized set of accounting standards, countries can attract foreign investment, as investors are more likely to trust financial statements that are comparable and transparent. Francis et al. (2016) suggested that it is advantageous to

adopt similar accounting standards within the scope of cross-border merger and acquisition activities. Leuz and Verrecchia (2000) determined that better quality reports were prepared with the transition to internationally accepted accounting standards and that transaction volume and liquidity increased after the adoption of IFRS.

In addition to improving financial transparency, IFRS adoption is linked to enhanced economic performance and institutional quality. Countries that adopt IFRS tend to exhibit better governance practices, as the standards require more rigorous disclosure and accountability mechanisms. This, in turn, can lead to a more robust institutional environment, fostering economic stability and growth. For example, according to the study by Owusu et al. (2017), IFRS adoption should not be considered a stand-alone strategy; it should be addressed together with institutional reforms aimed at improving institutional quality. Jamani et al. (2022) have articulated the synergistic impact of IFRS adoption and institutional quality improvements, especially in emerging IPO markets. Cieślik and Hamza (2022) stated that IFRS is a crucial element of institutional quality in alleviating information asymmetry and reducing information processing costs. Emphasizing the positive relationship of foreign direct investment inflows with IFRS, it was stated that institutional quality factors in economies should be improved to attract more investments. Akisik et al. (2020) have shown that IFRS adoption holds the promise of promoting economic growth through the impact of foreign direct investments.

Prior literature indicates that the harmonization of accounting standards through IFRS also supports the integration of global financial markets, enabling more efficient capital allocation and risk management. Having internationally acceptable accounting standards eliminates the need to revise financial statements, allowing cross-border movement of capital and thus facilitating the integration of global financial markets (Cai and Wong, 2010: 25). Dhaliwal et al. (2019) stated that in the presence of integrated financial markets, country risk is assumed by foreign and domestic investors as a result of foreign investments investing in domestic markets. Therefore, it has been stated that allowing cross-border investment contributes to risk management. Shah and Wan (2024) expressed the need to improve cross-country harmonization of financial reporting standards and regulatory oversight to prevent manipulation of financial reporting quality.

Overall, IFRS adoption represents a critical step towards achieving greater harmonization in global accounting practices. While the transition may be challenging, the IFRS benefits of improved transparency, comparability, and therefore the effective functioning of financial statements makes it a worthwhile endeavor (European Parliament and Council, 2002). Given that IFRS focuses on improving financial reporting standards, it is not surprising that to date, much of the existing IFRS research has been based on studies that contribute to countries better positioning themselves in the global economic environment. However, IFRS adoption can also have significant effects within the scope of global competitiveness. This study explores how different levels of IFRS adoption influence key competitiveness indicators, such as institutional quality, infrastructure, ICT adoption, market efficiency, labor market flexibility, financial system development, market size, GDP growth, and profit tax rates. These global competitiveness indicators collectively can support the effective implementation of international accounting standards, facilitating enhanced transparency and comparability in financial reporting. It is believed that these insights will inform policymakers and regulators considering the adoption and implementation of IFRS to improve their countries' global competitiveness and financial reporting standards.

2. THEORETICAL FRAMEWORK

2.1. Data

The IFRS Foundation monitors practices in countries to assess progress toward the global adoption of IFRS accounting standards (IFRS Foundation, 2024). Using this information, countries were first categorized into four levels based on their IFRS adoption types: not allowed (NA), permitted (P), required partially (RP), and required (R). Table 1 provides a detailed breakdown of the countries' IFRS adoption status and income levels. It can be seen that 86 countries are categorized according to the type of IFRS adoption from the table. Accordingly, 5 countries have adopted IFRS at the not allowed level, 6 countries at the permitted level, 37 countries at the required partially level, and finally 38 countries at the required level.

Table 1: Countries' Adoption Status and Income Levels

Country	Income	IFRS	Country	Income	IFRS
Bolivia	Lower middle income	NA	Spain	High income	RP
China	Upper middle income	NA	Sweden	High income	RP
India	Lower middle income	NA	Türkiye	Upper middle income	RP
Indonesia	Lower middle income	NA	United Kingdom	High income	RP
Vietnam	Lower middle income	NA	Uruguay	High income	RP
Guatemala	Upper middle income	P	Albania	Upper middle income	R
Japan	High income	P	Armenia	Upper middle income	R
Nicaragua	Lower middle income	P	Australia	High income	R
Paraguay	Upper middle income	P	Austria	High income	R
Switzerland	High income	P	Azerbaijan	Upper middle income	R
United States*	High income	P	Bahrain	High income	R
Argentina	Upper middle income	RP	Belgium	High income	R
Brunei Darussalam	High income	RP	Bosnia-Herzegovina	Upper middle income	R
Canada	High income	RP	Botswana	Upper middle income	R
Czechia	High income	RP	Brazil	Upper middle income	R
Denmark	High income	RP	Bulgaria	Upper middle income	R
Estonia	High income	RP	Chile	High income	R
Finland	High income	RP	Colombia	Upper middle income	R
France	High income	RP	Costa Rica	Upper middle income	R
Germany	High income	RP	Croatia	High income	R
Greece	High income	RP	Cyprus	High income	R
Hong Kong	High income	RP	Dominican Republic	Upper middle income	R

Country	Income	IFRS	Country	Income	IFRS
Hungary	High income	RP	Ecuador	Upper middle income	R
Iceland	High income	RP	Georgia	Upper middle income	R
Iran	Upper middle income	RP	Jamaica	Upper middle income	R
Ireland	High income	RP	Jordan	Upper middle income	R
Israel	High income	RP	Kuwait	High income	R
Italy	High income	RP	Malaysia	Upper middle income	R
Kazakhstan	Upper middle income	RP	Mauritius	High income	R
Latvia	High income	RP	Montenegro	Upper middle income	R
Lithuania	High income	RP	Namibia	Upper middle income	R
Luxembourg	High income	RP	New Zealand	High income	R
Malta	High income	RP	North Macedonia	Upper middle income	R
Mexico	Upper middle income	RP	Oman	High income	R
Netherlands	High income	RP	Qatar	High income	R
Norway	High income	RP	Russia	Upper middle income	R
Panama	High income	RP	Saudi Arabia	High income	R
Peru	Upper middle income	RP	Serbia	Upper middle income	R
Poland	High income	RP	Singapore	High income	R
Portugal	High income	RP	South Africa	Upper middle income	R
Romania	High income	RP	Thailand	Upper middle income	R
Slovakia	High income	RP	Trinidad & Tobago	High income	R
Slovenia	High income	RP	United Arab Emirates	High income	R

*: The adoption level of the United States is included in the analysis as permitted, while it is permitted partially.

Source: Created by authors according to the data from IFRS Foundation.

The Global Competitiveness Index 4.0 2019 dataset published by the World Economic Forum was used to examine the impact of IFRS adoption on global competitiveness. The countries' 2019 profit tax and 2022 GDP growth data from the World Development Indicators database published by the World Bank were also considered to determine the economic and tax impact. Table 2 provides a detailed breakdown of the global competitiveness indicators along with GDP growth and profit tax.

Table 2: Selected Global Competitiveness Indicator

Label	Indicator
INS	Institutions assess security, property rights, social capital, checks and balances, transparency and ethics, public-sector performance, future orientation of government, and corporate governance.
INF	Infrastructure assesses the quality and extension of transport infrastructure (road, rail, water and air) and utility infrastructure.
ICT	Information and Communication Technology (ICT) adoption assesses the degree of diffusion of specific ICTs.
PM	Product market assesses the extent to which a country provides an even playing field for companies to participate in its markets. It is measured in terms of extent of market power, openness to foreign firms and the degree of market distortions.
LM	Labor market assesses the flexibility of the labor market, namely, the extent to which human resources can be reorganized and
FS	Financial system assesses the depth, namely the availability of credit, equity, debt, insurance and other financial products, and the stability, namely, the mitigation of excessive risk-taking and opportunistic behavior of the financial system.
MS	Market size assesses the size of the domestic and foreign markets to which a country's firms have access. It is proxied by the sum of the value of consumption, investment and exports.
GDPG	GDP growth (annual %) expresses the annual percentage growth rate of GDP at market prices based on constant local currency
PTAX	Profit tax (% of commercial profits) is the amount of taxes on profits paid by the business.

Source: Created by authors according to the Global Competitiveness database and the World Development Indicator database.

2.2. Descriptive Statistics

Table 3 presents the descriptive statistics of the global competitiveness indicators along with GDP growth and profit tax, including the mean, standard deviation, median, minimum, maximum, 25th percentile, 75th percentile, skewness, and kurtosis for each indicator.

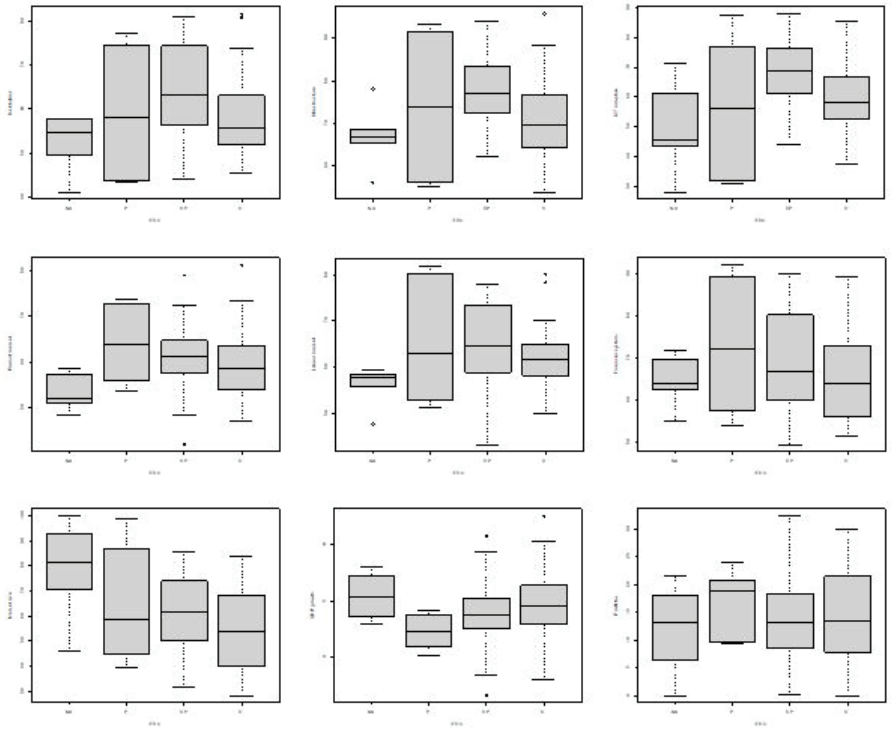
Table 3: Descriptive Statistics of the Global Competitiveness Indicators

	Mean	Std. dev.	Median	Minimum	Maximum	25th	75th	Skewness	Kurtosis
INS	60.581	10.411	58.011	41.212	81.554	52.717	69.531	-0.918	0.335
INF	74.149	10.180	74.145	53.916	95.704	66.748	81.538	-0.658	0.127
ICT	62.553	13.768	64.757	27.978	87.931	53.667	72.369	-0.418	-0.295
PM	87.558	13.317	89.949	44.896	100.000	74.439	100.000	-0.393	-0.723
LM	85.813	11.312	86.393	43.218	100.000	79.676	95.298	2.571	-1.285
FS	68.890	9.656	68.666	45.549	87.878	60.999	74.394	-0.641	0.039
MS	60.312	7.147	60.893	42.020	81.230	55.190	64.050	0.444	0.371
GDPG	63.034	8.394	62.477	43.122	81.885	57.960	67.701	-0.384	0.236
PTAX	67.658	12.174	64.522	49.377	92.117	57.482	78.217	-1.014	0.462

Source: Created by authors according to the data from Global Competitiveness Report and World Development Indicator.

These descriptive statistics highlight the variations and distribution trends among different countries' competitiveness indicators, providing insights into the areas where countries excel or face challenges. Figure 1 presents a series of boxplots for various global competitiveness indicators, providing a visual representation of the distribution, central tendency, and variability of each indicator.

Figure 1: Boxplots of Global Competitiveness Indicators



Source: Created by authors according to the data from Global Competitiveness Report and World Development Indicator.

For example, the boxplot of the institution indicator reveals a median value slightly lower than the mean, indicating a left-skewed distribution with moderate variability among countries. The wide interquartile range (IQR) and the presence of outliers on the lower end suggest that a few countries have significantly lower institution scores. These boxplots provide valuable insights into the distribution and variability of global competitiveness indicators across different countries.

2.3. Methodology

MANOVA, a member of the general linear model, is a robust statistical technique used to understand the differences between levels when there are multiple dependent variables (Warne, 2014: 2). It extends the ANOVA (Analysis of Variance) by accommodating multiple continuous dependent variables simultaneously, thus providing a more comprehensive understanding of the relationship between these variables and the independent variable (in this case,

IFRS adoption type). Instead of using a MANOVA, a series of ANOVAs can be used. However, since this increases the possibility of type I error, MANOVA should be used, which provides better protection against the increase in this error rate (Pituch and Stevens, 2016: 250). Consequently, MANOVA can be described as an extended version of ANOVA in mathematical terms (Emerson, 2018: 125).

By using MANOVA, this study assesses whether the means of the dependent variables (seven global competitiveness indicators GDP growth, and profit tax) differ significantly across the levels of the independent variable (IFRS adoption types). Thus, MANOVA helps to determine whether the adoption of IFRS is associated with variations in these economic and competitiveness measures. The countries included in the MANOVA analysis, representing the independent variable of IFRS adoption types, are shown in Table 1. Meanwhile, the global competitiveness indicators along with GDP growth and profit tax, which serve as the dependent variables in the MANOVA analysis, are listed in Table 2.

For describing MANOVA effects, the discriminant analysis is utilized in this study (Huberty and Olejnik, 2006: 6; Gürler, 2023). The discriminant analysis aims to classify countries into the predefined IFRS adoption levels based on their global competitiveness indicators. This approach helps in identifying the underlying structure of the data and understanding how different global competitiveness indicators influence the likelihood of a country adopting a particular type of IFRS. In discriminant analysis, the type of IFRS adoption serves as the dependent variable, while the metric global competitiveness indicators function as the independent variables. This methodological approach contrasts with MANOVA, where the IFRS adoption type is the independent variable, and the global competitiveness indicators are the dependent variables. Because the type of IFRS adoption, which is the only dependent variable in discriminant analysis, turns into an independent variable in MANOVA (Çilan et al., 2009: 102).

Ultimately, the study aims to shed light on the relationship between IFRS adoption and global competitiveness, providing insights into how accounting standards influence economic and institutional performance across different countries. Through the combination of MANOVA and discriminant analysis, the research seeks to offer a comprehensive analysis of the impact of IFRS adoption on global competitiveness, highlighting how variations in accounting standards can influence economic performance, institutional quality, and market dynamics across different countries.

3. STATISTICAL RESULTS

3.1. Assumptions

The normality assumption is a fundamental prerequisite for various multivariate statistical analyses, including MANOVA and discriminant analysis. Ensuring that the data follows a multivariate normal distribution is crucial for the validity and reliability of these methods. In this study, Mardia's test indicates that the data does not significantly deviate from a multivariate normal distribution, thereby satisfying the normality assumption required for the subsequent analyses. Furthermore, a chi-square plot shows that most data points align closely with the straight line, suggesting that the data largely adheres to the expected chi-square distribution. Despite these minor discrepancies, the overall conformity to the chi-square distribution supports the assumption of multivariate normality. By confirming the normality assumption through Mardia's test and the chi-square plot, this study establishes a robust foundation for the application of MANOVA and discriminant analysis, ensuring that the results derived from these techniques are both valid and reliable. This rigorous examination of normality underscores the methodological integrity of the research and enhances the credibility of the findings regarding the relationship between IFRS adoption types and global competitiveness indicators.

Table 4 presents the results of Mardia's test for multivariate normality, specifically examining skewness and kurtosis. Mardia's test is a statistical test used to assess whether a dataset follows a multivariate normal distribution.

Table 4: Mardia's test results

Test	Statistic	p-value
Mardia Skewness	174.945	0.283
Mardia Kurtosis	-0.949	0.343

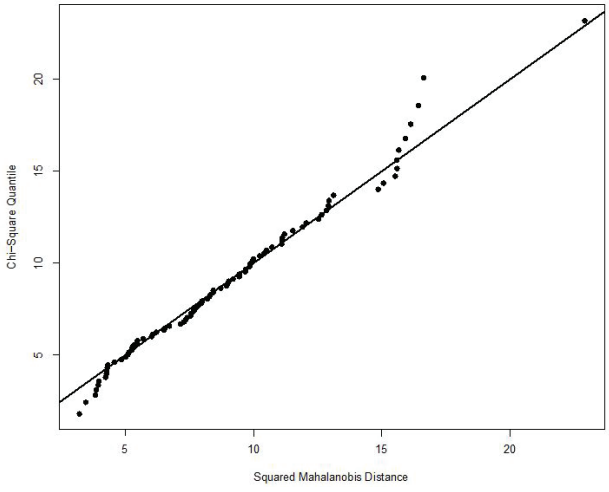
Source: Authors' computations.

The table shows two components of Mardia's test: skewness and kurtosis. The Mardia skewness statistic is 174.945 with a p-value of 0.283. The Mardia kurtosis statistic is -0.949 with a p-value of 0.343. A p-value greater than 0.05 typically indicates that the null hypothesis cannot be rejected, suggesting that the data do not significantly deviate from multivariate normality. In this case, both the skewness and kurtosis components of Mardia's test have p-values

(0.283 and 0.343, respectively) greater than 0.05. This implies that there is no significant evidence to reject the null hypothesis of multivariate normality for the dataset. Therefore, the results indicate that the data likely follow a multivariate normal distribution in terms of both skewness and kurtosis, as the observed deviations are not statistically significant.

Figure 2 depicts a chi-square plot, which is used to assess the multivariate normality of a dataset by comparing the squared Mahalanobis distances of the data points to their expected values under a chi-square distribution. The straight line represents the ideal case where the squared Mahalanobis distances match the chi-square quantiles perfectly. From the figure, it can be observed that the majority of the points lie close to the straight line, indicating that the data follows a chi-square distribution reasonably well. However, there are some deviations from the line at the higher end of the squared Mahalanobis distances, where a few points appear to be above the line. These deviations suggest the presence of potential outliers or departures from the multivariate normality assumption. In summary, the chi-square plot suggests that the data largely conforms to the multivariate normal distribution, with some potential outliers or deviations at the higher end of the distance spectrum.

Figure 2: Chi-Square Plot



Source: Created by authors according to the data from Global Competitiveness Report and World Development Indicator.

The equal covariance assumption, also known as homogeneity of covariance matrices, is a critical prerequisite for MANOVA and discriminant analysis. This assumption states that the covariance matrices of the dependent variables should be equal across the levels defined by the independent variable. To test this assumption, Box's M test is commonly used. Box's M test evaluates whether the covariance matrices are equal across the levels. The test statistic for Box's M is provided, along with its corresponding p-value.

Table 5: Box's M Test Results

Test	Statistic	p-value
Box's M test statistic	99.978	< 0.001

Source: Authors' computations.

The p-value is significantly less than 0.05, indicating that the null hypothesis of equal covariance matrices is rejected. This suggests that the covariance matrices are not equal across the levels defined by the IFRS adoption types. A p-value less than 0.001 strongly indicates that there are significant differences in the covariance structures between the levels. This violation of the equal covariance assumption can affect the robustness and reliability of the MANOVA and discriminant analysis results. In practice, if the equal covariance assumption is violated, it may be necessary to consider alternative statistical methods or adjustments that are robust to this violation. For example, using a more flexible MANOVA approach that does not assume homogeneity of covariance matrices, such as Pillai's Trace, or employing regularized discriminant analysis, which can handle unequal covariances more effectively.

3.2. Results of MANOVA

The results from the MANOVA are summarized in Table 6, which provides multivariate test statistics for evaluating the level differences. Each test provides a different perspective on the multivariate significance. Pillai's Trace indicates a value of 0.713 with an F-statistic of 2.634 and a significance level of less than 0.001, suggesting that the combined dependent variables significantly differ across the IFRS adoption levels, with a partial eta squared of 0.238 indicating a moderate effect size. Wilks' Lambda shows a value of 0.434, an F-statistic of 2.656, and a significance level of less than 0.001. This result also supports the conclusion that there are significant differences in the combined dependent

variables among the levels, with a partial eta squared of 0.243. Hoteling's Trace reports a value of 0.990, an F-statistic of 2.664, and a significance level of less than 0.001, indicating significant multivariate differences with a partial eta squared of 0.248, reflecting a moderate effect size. Roy's Largest Root shows a value of 0.544, an F-statistic of 4.590, and a significance level of less than 0.001, suggesting the presence of a significant difference, with the largest effect size among the tests (partial eta squared of 0.352). Overall, these multivariate tests collectively indicate that there are statistically significant differences in the mean values of the global competitiveness indicators, GDP growth, and profit tax across the four IFRS adoption levels. The partial eta squared values suggest that the effect sizes range from moderate to large, with Roy's Largest Root showing the strongest effect. These results highlight the impact of IFRS adoption on a country's economic performance and competitiveness.

Table 6: Multivariate Test Statistics

	Value	F	Sig.	Partial eta squared
Pillai's Trace	0.713	2.634	< 0.001	0.238
Wilks' Lambda	0.434	2.656	< 0.001	0.243
Hoteling's Trace	0.990	2.664	< 0.001	0.248
Roy's Largest Root	0.544	4.590	< 0.001	0.352

Source: Authors' computations.

Table 7 presents the descriptive statistics of seven global competitiveness indicators, along with GDP growth and profit tax, across different levels of IFRS adoption. A significant pattern emerges when examining the income levels of countries across different IFRS adoption statuses. Higher-income countries tend to adopt IFRS either fully (required) or partially (required partially). For example, many European nations like the United Kingdom, Germany, and France, which are high-income countries, have required partial adoption of IFRS. This trend suggests that wealthier nations might have more resources to implement and maintain IFRS standards, including the infrastructure, training, and regulatory frameworks required. Countries that have adopted IFRS either fully or partially tend to have higher institutional quality scores. This is reflected in the mean values of the institutions indicator, where required partially countries have a mean of 63.751 and required countries have a mean of 58.802, compared to not allowed countries, which have a mean of 52.221. This trend indicates that

countries with better governance, property rights, social capital, and public sector performance are more likely to embrace IFRS. The adoption of IFRS also correlates with better infrastructure. The mean infrastructure scores are highest for required partially (78.252) and permitted (74.018) countries, compared to not allowed countries (67.059). This suggests that countries with more developed transport and utility infrastructure are more inclined to adopt IFRS, likely due to the enhanced economic activities and international business engagements facilitated by better infrastructure. ICT adoption is notably higher in countries that have embraced IFRS. Required partially countries show the highest mean ICT score (68.289), indicating that advanced ICT infrastructure supports the complex reporting requirements of IFRS. This highlights the role of technology in facilitating the implementation and compliance with international accounting standards. Countries with full or partial IFRS adoption exhibit higher market efficiency and labor market flexibility. The product market and labor market indicators show higher mean values for permitted and required partially countries, reflecting more competitive markets and adaptable labor forces. This aligns with the expectation that more open and efficient markets would adopt international standards to attract global business and investments. Interestingly, while the financial system indicator does not show significant differences across IFRS adoption categories, the market size indicator varies significantly. Not allowed countries have the highest mean market size score (78.276), which is somewhat counterintuitive. This could suggest that some larger economies with significant internal markets may not feel the immediate need to adopt IFRS, relying instead on their domestic standards. GDP growth rates are higher on average for not allowed countries (mean of 5.433), while permitted countries have the lowest (mean of 2.234). This might indicate that rapidly growing economies are focusing on expanding their economic base and may adopt IFRS as their economies mature. The profit tax indicator shows no significant differences across IFRS adoption statuses, suggesting that tax policies might not be directly influenced by the adoption of IFRS.

Table 7: Descriptive Statistics and MANOVA Results

	IFRS	NA	P	RP	R	Sig.	Partial eta squared
INS	Mean	52.221	59.260	63.751	58.802	0.046	0.092
	Median	54.564	58.217	63.178	55.897		
	Std. dev.	7.043	16.558	10.289	8.977		
INF	Mean	67.059	74.018	78.252	71.107	.006	.139
	Median	66.828	73.885	77.046	69.686		
	Std. dev.	7.833	19.119	8.074	9.247		
ICT	Mean	49.927	56.697	68.289	59.554	.003	.159
	Median	45.740	56.342	68.649	58.160		
	Std. dev.	16.830	24.766	11.136	11.491		
PM	Mean	53.474	64.061	61.415	59.546	.053	.089
	Median	52.100	63.938	61.234	58.723		
	Std. dev.	4.312	8.466	6.726	7.156		
LM	Mean	55.710	65.342	64.858	61.856	.077	.079
	Median	55.799	62.819	64.688	61.778		
	Std. dev.	4.769	14.168	8.791	6.649		
FS	Mean	64.505	72.856	68.808	66.131	.509	.028
	Median	63.871	72.148	66.884	63.952		
	Std. dev.	6.693	18.156	13.106	10.700		
MS	Mean	78.276	64.540	61.994	54.557	.008	.133
	Median	81.618	58.369	61.730	53.757		
	Std. dev.	21.070	24.016	14.142	14.854		
GDPG	Mean	5.433	2.234	3.808	4.941	.060	.086
	Median	5.309	2.252	3.777	4.584		
	Std. dev.	2.196	1.572	2.770	2.828		
PTAX	Mean	11.840	16.833	13.930	13.632	.766	.014
	Median	13.200	18.750	13.100	13.300		
	Std. dev.	8.763	6.091	7.384	8.918		

Source: Authors' computations.

Table 7 also presents the MANOVA results for seven global competitiveness indicators, along with GDP growth and profit tax, across different levels of IFRS adoption (not allowed, permitted, required partially, and required). The significance and partial eta squared values provide insight into the statistical significance and effect size of the differences between these levels. The institutions indicator shows mean values ranging from 52.221 in the not allowed level to 63.751 in the required partially level, with a p-value of 0.046, indicating a statistically significant difference among the levels. The partial eta

squared value of 0.092 suggests a moderate effect size. The highest mean is observed in the required partially level, while the not allowed level has the lowest mean. For the infrastructure indicator, the mean values vary from 67.059 in the not allowed level to 78.252 in the required partially level. The p-value of 0.006 indicates a statistically significant difference, and the partial eta squared value of 0.139 suggests a moderate to large effect size. The required partially level, with the highest mean, indicates better infrastructure compared to the other levels. The ICT adoption indicator has mean values ranging from 49.927 in the not allowed level to 68.289 in the required partially level. The p-value of 0.003 confirms a statistically significant difference, and the partial eta squared value of 0.159 indicates a substantial effect size. The required partially level again shows the highest mean, reflecting better ICT adoption. For the product market indicator, the mean values span from 53.474 in the not allowed level to 64.061 in the Permitted level. The p-value of 0.053 suggests a marginally significant difference, with a partial eta squared of 0.089 indicating a moderate effect size. The permitted level exhibits the highest mean value. The labor market indicator shows mean values from 55.710 in the not allowed level to 65.342 in the permitted level, with a p-value of 0.077, indicating a marginally significant difference. The partial eta squared value of 0.079 points to a moderate effect size. The highest mean is found in the permitted level. The financial system indicator displays mean values between 64.505 in the not allowed level and 72.856 in the permitted level. However, with a p-value of 0.509, there is no statistically significant difference between the levels, and the partial eta squared of 0.028 suggests a small effect size. The market size indicator varies significantly, with mean values from 54.557 in the required level to 78.276 in the not allowed level. The p-value of 0.008 indicates a statistically significant difference and the partial eta squared value of 0.133 points to a moderate to large effect size. Interestingly, the not allowed level has the highest mean market size.

GDP growth shows mean values ranging from 2.234 in the permitted level to 5.433 in the not allowed level. The p-value of 0.060 suggests a marginally significant difference, with a partial eta squared of 0.086 indicating a moderate effect size. The not allowed level records the highest mean GDP growth. Finally, the profit tax indicator has mean values from 11.840 in the not allowed level to 16.833 in the permitted level. However, the p-value of 0.766 shows no statistically significant difference between the levels, and the partial eta squared value of 0.014 indicates a small effect size. Overall, the MANOVA results reveal

significant differences in several global competitiveness indicators based on the level of IFRS adoption, particularly for institutions, infrastructure, ICT adoption, and market size, with varying degrees of effect sizes. These findings suggest that the type of IFRS adoption can influence a country's competitiveness and economic performance across different dimensions.

3.3. Results of discriminant analysis

Table 8 presents the results of the discriminant analysis, including eigenvalues, the percentage of variance explained, canonical correlations, and the tests of functions with Wilks' lambda and significance values. This analysis aims to determine how well the global competitiveness indicators and economic measures can classify countries into different IFRS adoption levels.

Table 8: Eigenvalues

Function	Eigenvalue	% variance	Canonical correlation	Test of functions	Wilks' lambda	Sig.
1	0.544	54.9	0.593	1 through 3	65.517	<.001
2	0.282	28.5	0.469	2 through 3	31.442	0.012
3	0.164	16.6	0.376	3	11.946	0.102

Source: Authors' computations.

The eigenvalues indicate the proportion of variance explained by each discriminant function. Function 1 has the highest eigenvalue of 0.544, explaining 54.9% of the variance, and a canonical correlation of 0.593, suggesting a moderately strong relationship between the discriminant scores and the levels. The significance test for "1 through 3" functions has a Wilks' lambda of 65.517 and a p-value of less than 0.001, indicating that the first function significantly discriminates between the IFRS adoption categories. Function 2 has an eigenvalue of 0.282, explaining 28.5% of the variance, and a canonical correlation of 0.469, indicating a moderate relationship. The test for "2 through 3" functions has a Wilks' lambda of 31.442 and a p-value of 0.012, demonstrating that the second function also significantly contributes to the discrimination among levels. Function 3 has the lowest eigenvalue of 0.164, explaining 16.6% of the variance, with a canonical correlation of 0.376, indicating a weaker relationship. The test for the third function alone yields a Wilks' lambda of 11.946 and a p-value of 0.102, which is not statistically significant. This suggests that the third function does not significantly improve the discrimination between the levels.

Overall, the discriminant analysis reveals that the first and second functions are statistically significant and contribute substantially to differentiating between the IFRS adoption levels, whereas the third function does not significantly enhance the model's discriminatory power. These results indicate that the global competitiveness indicators and economic measures used in this study effectively classify countries based on their IFRS adoption status, with the first function being the most influential.

Table 9 displays the classification results from the discriminant analysis, showing the actual versus predicted level membership for countries based on their IFRS adoption levels. The table includes both the count and the percentage of correct classifications for each level, as well as the overall classification rate.

Table 9: Classification Results

		Predicted level membership				
Actual	**IFRS**	**Not allowed**	**Permitted**	**Required partially**	**Required**	**Total**
Count	Not allowed	4	0	0	1	5
	Permitted	0	3	2	1	6
	Required partially	0	2	32	3	37
	Required	1	0	9	28	38
Percent (%)	Not allowed	80.0	0	0	20.0	100
	Permitted	0	50	33.3	16.7	100
	Required partially	0	5.4	86.5	8.1	100
	Required	2.6	0	23.7	73.7	100

Source: Authors' computations.

The overall classification rate is 77.9%, suggesting that the discriminant functions can correctly classify approximately 78% of the countries based on the selected indicators. For the not allowed level, 80% of the countries were correctly classified, with one misclassified as required. The permitted level had a 50% correct classification rate, with some countries misclassified into required partially and required. The required partially level showed a high correct classification rate of 86.5%, with a small number of countries misclassified into other levels. the required level had a 73.7% correct classification rate, with some countries misclassified into required partially and not allowed. These classification results demonstrate that the discriminant analysis model is reasonably effective in distinguishing between different IFRS adoption statuses based on the global competitiveness indicators and economic measures. The

relatively high overall classification rate of 77.9% indicates a good fit of the model, though there is some room for improvement in differentiating between the permitted and other levels.

Table 10 details the actual and predicted level memberships for countries based on their IFRS adoption status, using the discriminant analysis results. The results show that several countries were accurately classified into their respective IFRS adoption levels, demonstrating the discriminant analysis model's effectiveness. For example, China, India, Indonesia, and Vietnam were correctly classified as not allowed. Similarly, countries like Albania, Armenia and Australia were correctly classified as required. However, there are also instances of misclassification. For example, Bolivia, which is actually not allowed, was misclassified into the required level. Japan, which is permitted, was misclassified into the required partially level. Additionally, countries like Brazil and Luxembourg, which are required, were misclassified into the not allowed and required partially levels, respectively. These misclassifications indicate some limitations in the discriminant analysis model, suggesting that while it is generally effective, there are specific instances where the model fails to accurately predict the IFRS adoption level. This could be due to overlapping characteristics among countries in different IFRS adoption categories or the influence of additional factors not accounted for in the model. Overall, the classification results reflect a reasonably high level of accuracy, with several countries correctly assigned to their actual IFRS adoption categories. The presence of misclassified countries also highlights areas for potential refinement in the discriminant analysis model, suggesting a need for further investigation and adjustment to improve classification accuracy.

Table 10: Actual and Predicted Levels

Country	IFRS	Predicted level	Country	IFRS	Predicted level
Bolivia	Not allowed	Required**	Spain	Required partially	Required partially
China	Not allowed	Not allowed	Sweden	Required partially	Required partially
India	Not allowed	Not allowed	Türkiye	Required partially	Required partially
Indonesia	Not allowed	Not allowed	United Kingdom	Required partially	Required partially
Vietnam	Not allowed	Not allowed	Uruguay	Required partially	Required partially

Country	IFRS	Predicted level	Country	IFRS	Predicted level
Guatemala	Permitted	Permitted	Albania	Required	Required
Japan	Permitted	Required partially**	Armenia	Required	Required
Nicaragua	Permitted	Required**	Australia	Required	Required
Paraguay	Permitted	Permitted	Austria	Required	Required partially **
Switzerland	Permitted	Required partially**	Azerbaijan	Required	Required
United States	Permitted	Permitted	Bahrain	Required	Required
Argentina	Required partially	Required partially	Belgium	Required	Required partially **
Brunei Darussalam	Required partially	Required partially	Bosnia-Herzegovina	Required	Required
Canada	Required partially	Required**	Botswana	Required	Required
Czechia	Required partially	Required partially	Brazil	Required	Not allowed**
Denmark	Required partially	Required partially	Bulgaria	Required	Required
Estonia	Required partially	Required partially	Chile	Required	Required
Finland	Required partially	Required partially	Colombia	Required	Required
France	Required partially	Required partially	Costa Rica	Required	Required
Germany	Required partially	Required partially	Croatia	Required	Required
Greece	Required partially	Required partially	Cyprus	Required	Required partially**
Hong Kong	Required partially	Permitted **	Dominican Republic	Required	Required
Hungary	Required partially	Required partially	Ecuador	Required	Required partially**
Iceland	Required partially	Required partially	Georgia	Required	Required
Iran	Required partially	Required partially	Jamaica	Required	Required
Ireland	Required partially	Required partially	Jordan	Required	Required
Israel	Required partially	Required partially	Kuwait	Required	Required
Italy	Required partially	Required partially	Malaysia	Required	Required
Kazakhstan	Required partially	Required partially	Mauritius	Required	Required

Country	IFRS	Predicted level	Country	IFRS	Predicted level
Latvia	Required partially	Required partially	Montenegro	Required	Required
Lithuania	Required partially	Required partially	Namibia	Required	Required
Luxembourg	Required partially	Required**	New Zealand	Required	Required partially**
Malta	Required partially	Required partially	North Macedonia	Required	Required
Mexico	Required partially	Required partially	Oman	Required	Required partially**
Netherlands	Required partially	Required partially	Qatar	Required	Required
Norway	Required partially	Required partially	Russia	Required	Required partially**
Panama	Required partially	Required**	Saudi Arabia	Required	Required
Peru	Required partially	Permitted **	Serbia	Required	Required partially**
Poland	Required partially	Required partially	Singapore	Required	Required
Portugal	Required partially	Required partially	South Africa	Required	Required
Romania	Required partially	Required partially	Thailand	Required	Required
Slovakia	Required partially	Required partially	Trinidad & Tobago	Required	Required
Slovenia	Required partially	Required partially	United Arab Emirates	Required	Required partially **

**. Misclassified country

Source: Authors' computations.

4. DISCUSSIONS AND CONCLUSIONS

The adoption of IFRS has significant implications for global financial reporting, transparency, and comparability. This study set out to explore whether the type of IFRS adoption correlates with various global competitiveness indicators, using MANOVA and discriminant analysis to examine this relationship. The findings provide nuanced insights into how IFRS adoption influences a country's economic and institutional performance.

Our MANOVA analysis reveals that there are statistically significant differences in several global competitiveness indicators based on the level of IFRS adoption. Specifically, countries that have adopted IFRS either fully or partially exhibit higher mean values in indicators such as institutional quality, infrastructure, and ICT adoption compared to countries where IFRS adoption is not allowed. These differences are statistically significant, suggesting that the adoption of IFRS may contribute positively to these aspects of competitiveness. The partial eta squared values indicate moderate to large effect sizes, underscoring the substantial impact of IFRS adoption on these indicators.

The discriminant analysis further supports these findings by effectively classifying countries into their respective IFRS adoption categories based on their competitiveness indicators. The overall classification accuracy rate of 77.9% demonstrates that the selected indicators are strong predictors of a country's IFRS adoption status. The first and second discriminant functions, which explain a significant portion of the variance, highlight the critical role of institutional quality, infrastructure, and ICT adoption in differentiating between IFRS adoption categories. However, the study also identifies some limitations in the discriminant analysis model, particularly in distinguishing between the permitted and other levels. Misclassifications, such as Bolivia being predicted as required instead of not allowed, suggest that overlapping characteristics among countries and additional unaccounted factors may influence the accuracy of the model. These findings indicate the need for further refinement of the model and consideration of additional variables that may enhance classification accuracy.

The results of this study have important implications for policymakers and regulators. The positive association between IFRS adoption and key competitiveness indicators suggests that adopting these standards can enhance a country's economic performance and institutional quality. Therefore, countries aiming to improve their global competitiveness might consider adopting or enhancing their adoption of IFRS. However, it is also crucial for policymakers to tailor the implementation of IFRS to align with their local economic and institutional contexts to maximize the benefits. Moreover, the study highlights the importance of robust statistical techniques like MANOVA and discriminant analysis in understanding the multifaceted impact of IFRS adoption. These methodologies provide comprehensive insights into

how different levels of IFRS adoption influence various competitiveness indicators, thereby offering a more detailed understanding of the benefits and challenges associated with adopting global accounting standards. Moreover, the study suggests that a one-size-fits-all approach to IFRS adoption may not be effective. Each country has unique economic conditions and institutional capacities that must be considered when implementing IFRS. Future research should investigate how countries can tailor IFRS adoption to fit their specific contexts, thereby maximizing the benefits while mitigating any potential drawbacks. Another area for future research is to explore the long-term effects of IFRS adoption. While this study provides valuable insights into the immediate impacts of IFRS adoption, understanding the long-term implications is crucial for policymakers. Longitudinal studies could help determine whether the positive effects observed in this study are sustained over time and how they evolve as countries continue to develop and integrate IFRS into their economic systems.

In conclusion, this study contributes to the ongoing discourse on the role of standardized accounting practices in enhancing global economic integration and competitiveness. The findings underscore the potential of IFRS to improve institutional quality, infrastructure, and ICT adoption, thereby strengthening a country's overall competitiveness. Future research could further investigate the specific mechanisms through which IFRS adoption influences these indicators and explore additional factors that may affect the relationship between accounting standards and economic performance. By continuing to refine our understanding of these dynamics, we can better inform policy decisions and support the global harmonization of financial reporting standards.

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UFRS'YE UYUMUN KÜRESEL REKABET GÜCÜ ÜZERİNDEKİ ETKİSİ

Ünal ERYILMAZ

Deniz KOÇAK

GENİŞLETİLMİŞ ÖZET

Uluslararası Finansal Raporlama Standartlarına (UFRS) küresel olarak uyum, muhasebe uygulamalarının uyumlu hale getirilmesine ve farklı yetki alanları arasında mali tabloların karşılaştırılabilirliğinin ve şeffaflığının artırılmasına yönelik önemli bir değişimi temsil etmektedir. Bu değişimin kapsamlı bir incelemesini sağlamak için çalışmada, MANOVA ve diskriminant analizi kullanılarak, UFRS'ye uyum seviyesi ile çeşitli küresel rekabet edebilirlik göstergeleri arasındaki ilişki araştırılmaktadır.

UFRS'ye uyum, ülkeler arasında, tam zorunlu uyumdan, kısmi veya gönüllü uyuma ve hatta bazı durumlarda doğrudan yasaklamaya kadar geniş bir yelpazede değişiklik göstermektedir. Bu çalışmada bu dört farklı uyum seviyesi ile ülkelerin küresel rekabet edebilirlik göstergelerinden olan kurumsal kalite, altyapı, bilgi ve iletişim teknolojilerinin benimsenmesi, ürün pazarı verimliliği, iş gücü piyasası esnekliği, finansal sistem gelişimi, pazar büyüklüğü göstergeleri ile GSYİH büyümesi ve kâr vergisi oranları dikkate alınmıştır. 86 ülkenin UFRS'ye uyum seviyelerine ilişkin bilgiler UFRS Vakfı'ndan, 2019 yılı küresel rekabet edebilirlik gösterge verileri Küresel Rekabet Edebilirlik Raporu'ndan ve son olarak 2022 yılı ekonomik ile 2019 yılı vergi verileri ise Dünya Kalkınma Göstergeleri veri tabanından alınmıştır.

Çalışmada, farklı seviyelerde birden fazla bağımlı değişkenin eşzamanlı analizine olanak tanıyan sağlam bir istatistiksel teknik olan MANOVA kullanılmaktadır. MANOVA, seçilen göstergeler ile UFRS'ye uyum seviyesi (izin verilmez, izin verilir, kısmen gerekli, gerekli) arasında önemli ölçüde farklılık gösterip göstermediğini değerlendirebildiği için bu araştırma için özellikle uygundur. MANOVA etkilerini açıklamak için, çalışmada diskriminant analizinden de faydalanılmıştır. Diskriminant analizi, ülkeleri küresel rekabet edebilirlik göstergelerine dayalı olarak önceden tanımlanmış UFRS'ye uyum seviyelerine göre sınıflandırmayı amaçlamaktadır. Bu yaklaşım, verilerin altında yatan yapının belirlenmesine ve farklı küresel rekabet edebilirlik göstergelerinin bir ülkenin belirli bir UFRS seviyesine uyum olasılığını nasıl etkilediğinin anlaşılmasına yardımcı olur.

MANOVA analizi, UFRS'ye uyum seviyesine bağlı olarak çeşitli küresel rekabet edebilirlik göstergelerinde istatistiksel olarak anlamlı farklılıklar olduğunu ortaya koymaktadır. Tamamen veya kısmen UFRS'ye uyum gösteren ülkeler, kurumsal kalite, altyapı ve bilgi ve iletişim teknolojilerinin benimsenmesinde, UFRS'ye izin verilmeyen ülkelere kıyasla genellikle daha yüksek ortalama değerler sergilemektedirler. İstatistiksel olarak anlamlı bulunan bu bulgular, UFRS'ye uyumun küresel rekabet edebilirliğin bu yönlerine olumlu katkıda bulunduğunu göstermektedir.

Diskriminant analizi, ülkeleri rekabet edebilirlik göstergelerine dayalı olarak ilgili UFRS'ye uyum seviyelerine etkili bir şekilde sınıflandırarak bu bulguları daha da desteklemektedir. %77.9'luk genel sınıflandırma doğruluk oranı, seçilen göstergelerin bir ülkenin UFRS'ye uyum durumunun güçlü belirleyicileri olduğunu göstermektedir. Varyansın önemli bir bölümünü açıklayan birinci ve ikinci ayırma işlevleri, kurumsal kalitenin, altyapının ve bilgi ve iletişim teknolojilerinin benimsenmesinin, UFRS'ye uyum seviyeleri arasında ayrım yapmadaki kritik rolünü vurgulamaktadır.

Araştırma bulgularının politika yapıcılar ve düzenleyiciler için önemli çıkarımları bulunmaktadır. UFRS'ye uyum ile rekabet edebilirlik göstergeleri arasındaki pozitif ilişki, bu standartlara uyum sağlanmasının bir ülkenin ekonomik performansını ve kurumsal kalitesini artırabileceğini göstermektedir. Küresel rekabet güçlerini geliştirmeyi amaçlayan ülkeler için UFRS'ye uyum veya uyumu geliştirmek stratejik bir hareket olabilir. Ancak politika yapıcıların, UFRS uygulamasını etkili bir şekilde uyarlamak için yerel ekonomik ve kurumsal bağlamları da dikkate almaları gerekmektedir. Çalışma aynı zamanda, özellikle diskriminant analizi modelinin izin verilen ve diğer seviyeler arasında ayrım yapma becerisinde bazı sınırlamaları da tespit etmektedir. Yanlış sınıflandırmalar, ülkeler arasındaki örtüşen özelliklerin ve hesaba katılmayan ek faktörlerin modelin doğruluğunu etkileyebileceğini göstermektedir. Gelecekteki araştırmalar, ek değişkenleri dahil ederek ve UFRS'ye uyumun rekabet edebilirlik göstergelerini etkilediği spesifik mekanizmaları keşfederek modeli geliştirebilir.