

# Firms' resourcing decisions and other actions in response to a digital-reporting mandate: Empirical evidence from ESEF issuers in Finland

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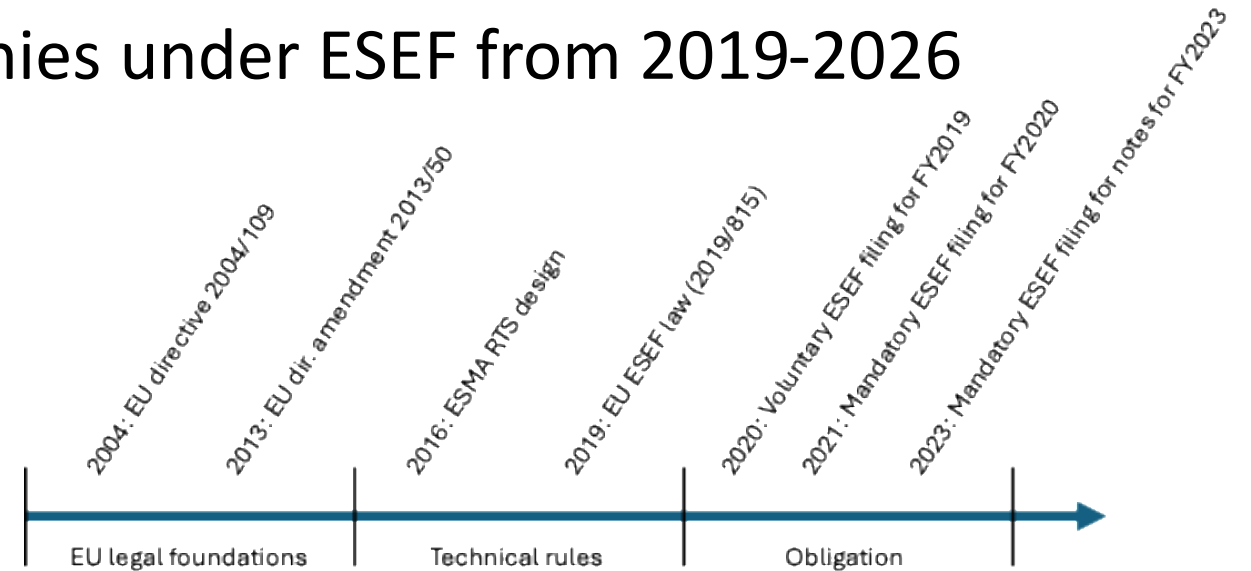
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# Structured data mandates

- Pursuing structured data is important as we move from intuition-based decision making to data driven decision making
  - Structured data mandates are due to the asymmetric benefits of structured data to preparers and consumers
    - E-invoicing must be mandated by buyers
    - Digital reporting must be mandated by authorities
  - But how do preparers perceive these mandates?
    - How do they feel about them?
    - How do they organize their resourcing to respond?
    - Do we see variation over time in these feelings or resourcing decisions?
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# ESEF timeline and survey

- In Finland, FY2020 marked the start of the voluntary filing of ESEF reports, FY2021 was the start of the mandatory reporting
- We surveyed the Finnish companies under ESEF from 2019-2026

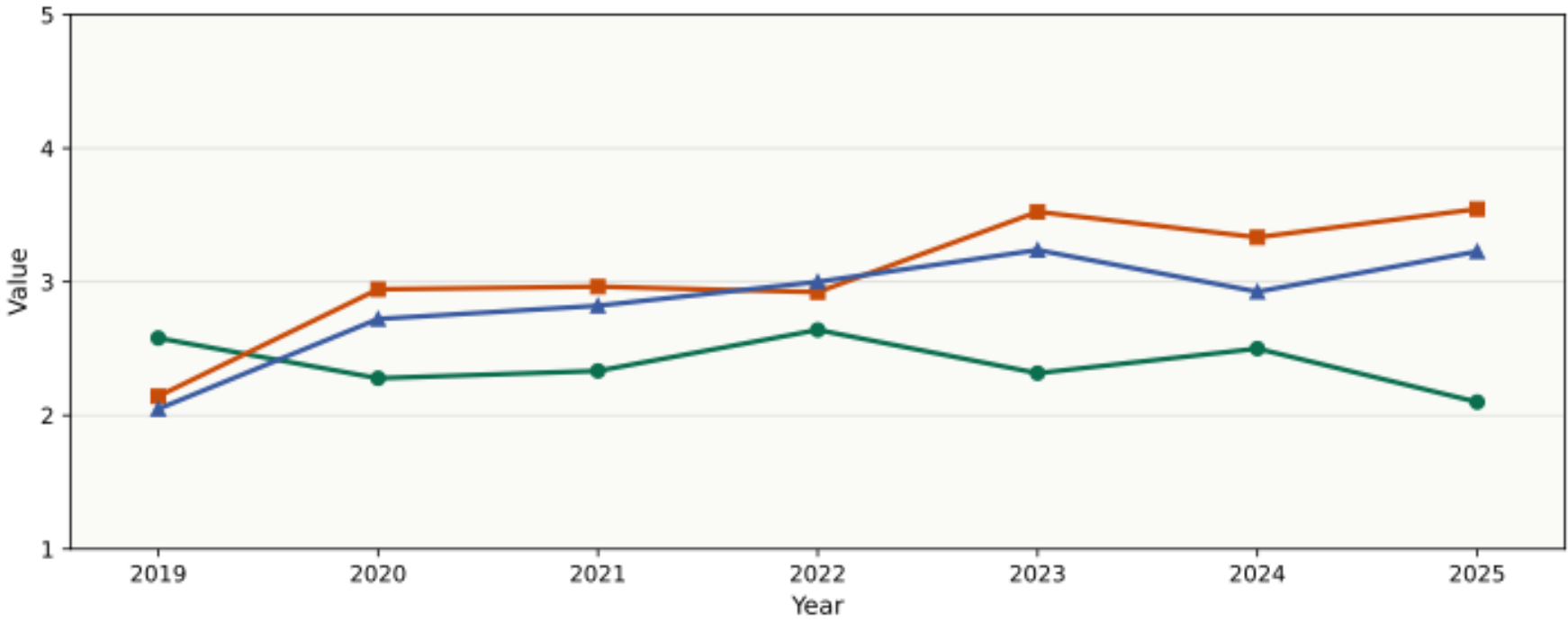


Legend: RTS = Regulatory technical standards; FY = Financial year

# Empirical data

<b>Type</b>	<b>Data</b>	<b>Purpose</b>
Numerical-form survey data	Likert-scale data from a yearly survey focusing on perceptions, requirements, and resourcing decisions Coverage of 2019–2025 (with data collection conducted each May), using the questionnaire form reproduced in Appendix A	To probe the companies' views on the digital-reporting mandate To probe the firms' resourcing decisions and how these have evolved over time
Responses to open-ended questions	Qualitative data related to experiences, challenges, needs for services, and views on auditing	To create the possibility of respondents offering written comments on diverse issues related to the digital-reporting mandate
Interviews with experts	Qualitative data from interviews conducted with experts in April 2026	To validate the insight arising from the survey's numerical data and from responses to the open-ended questions

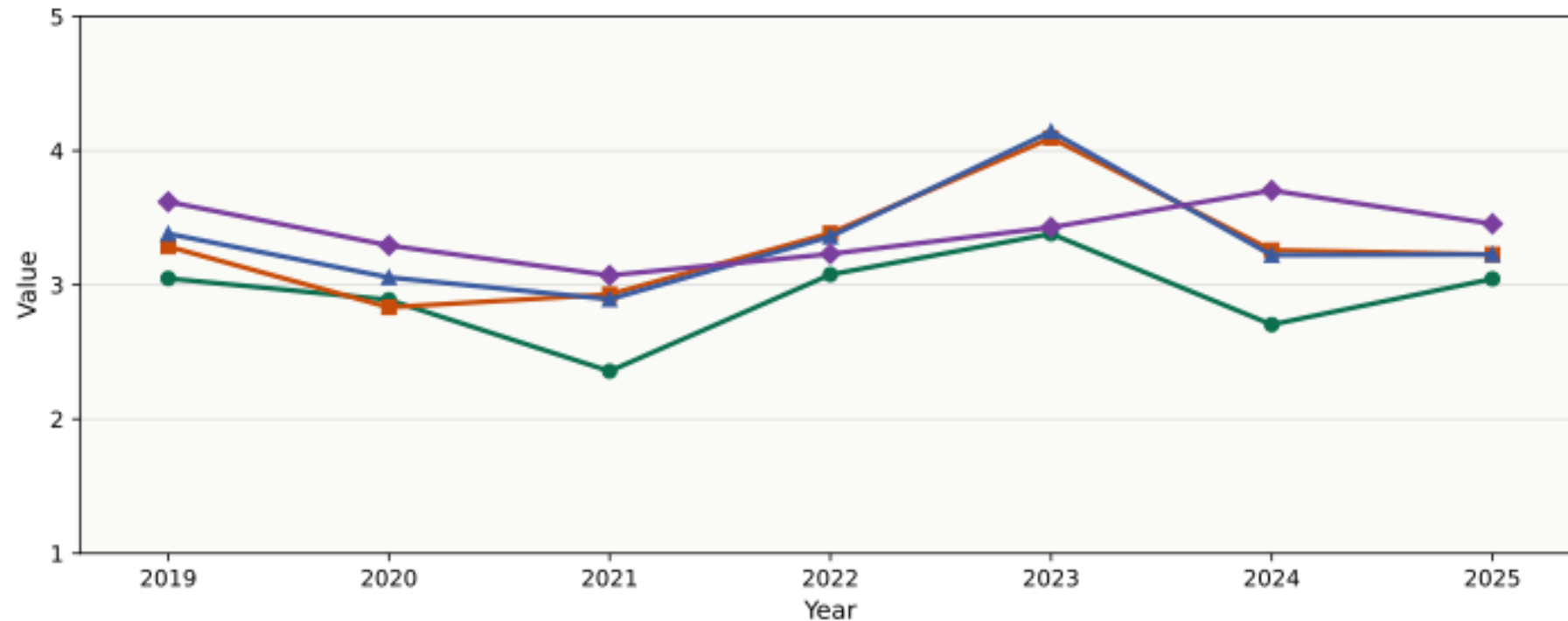
# Expertise-related questions



● It is difficult to find expertise on XBRL globally  
■ Our company has employees knowledgeable on XBRL  
▲ I am knowledgeable on XBRL

Conf.	2019	2025
●—●	±0.44	±0.45
■—■	±0.50	±0.45
▲—▲	±0.42	±0.47

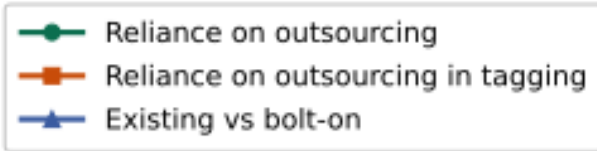
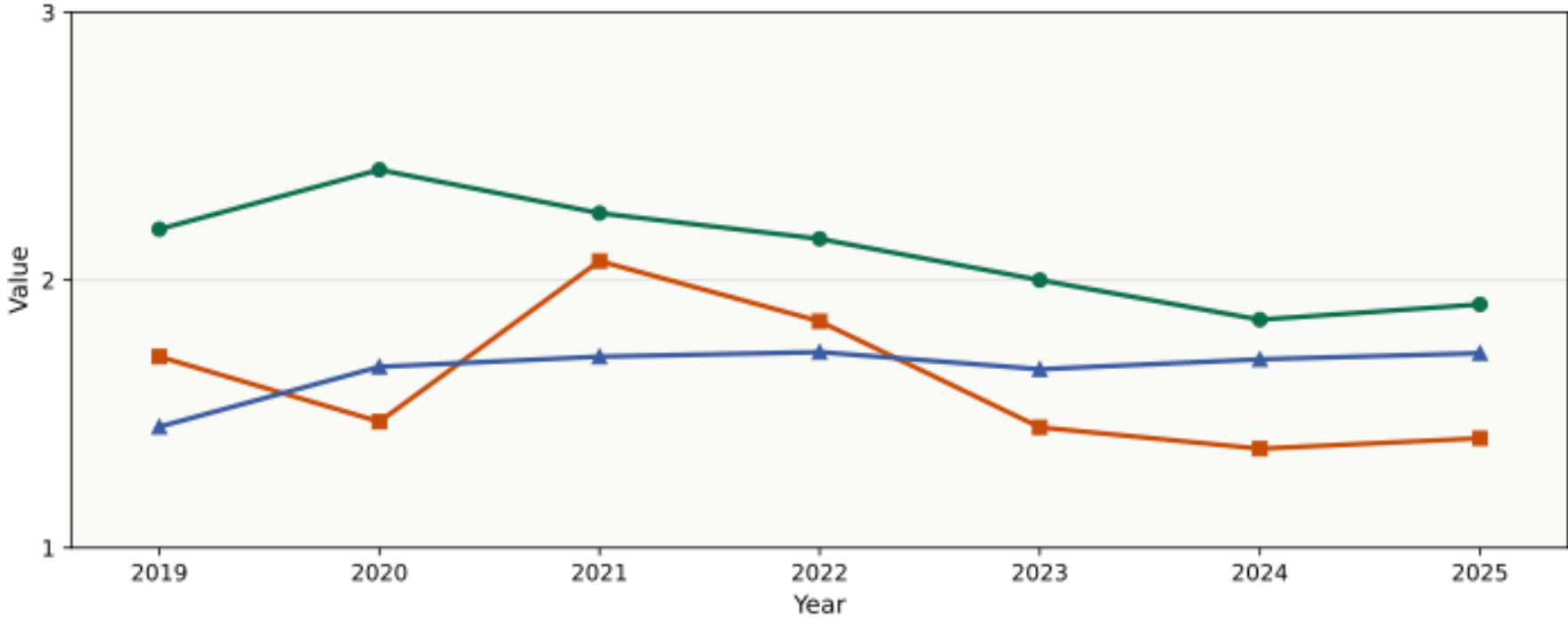
# Resourcing requirements



- ESEF requires considerable investments in IT resources
- ESEF requires deep knowledge of XBRL
- ▲ ESEF incurs considerable costs
- ◆ Companies should have a deep knowledge of ESEF/XBRL taxonomy

Conf.	2019	2025
●	±0.42	±0.56
■	±0.44	±0.49
▲	±0.27	±0.43
◆	±0.42	±0.43

# Technical deployment



Conf.	2019	2025
●—●	±0.31	±0.33
■—■	±0.30	±0.33
▲—▲	±0.19	±0.20

# Identified phases

- Phase 1: Pre-implementation uncertainty affecting the resourcing approach (2019–2021)
    - Heavy planned reliance on outsourcing, even for tagging
    - Reluctance to allocate in-house resources to a non-core activity
    - Marked with uncertainty, hypothetical risks, unclear definition, unknown costs
  - Phase 2: Operations' stabilisation and learning by doing (2022–2023)
    - Increasing deployment of internal resourcing to the tagging function
    - Estimates of the financial and IT resources to fulfil the mandate spiked
    - Bolt-on increasingly a reality as opposed to more integrated systems
    - Increasing clarity into the roles and responsibilities of the reporting staff
    - Emerging worries about ESG/CSRD, reporting obligations were expanding before even basic ESEF reporting had proved itself of value
  - Phase 3: Routinisation and automation (2024–2025)
    - In-house resourcing hits a plateau
    - Continued increase of self-efficacy
    - Criticism remains visible, centred on block tagging, administrative burden, and lack of advanced tools
    - Open comments reveal hopes that AI or improved automation could reduce the effort needed
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# Thank you! Questions?

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