Stan Ross Department of Accountancy
Zicklin School of Business, Baruch College
City University of New York

ACCT 81200 -- Empirical Research Methods
Spring 2019

Instructor: Prof. Kalin Kolev
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Day/Time: Tu 2:00 p.m. –
Room: NVC 12-224
Office Hours: by appointment

Course overview:

The course is intended as a survey of current empirical accounting research. The aim is to give you a high-level view of the literature and foster your ability to evaluate research critically, with the ultimate objective of helping you conduct your own research.

Course format:

We will conduct the course in a seminar format. Specifically, each time we meet a member of the class will take the role of a “guest speaker,” presenting the key implications of the papers for the session. The rest of the class (including the instructor) will act as attentive audience, asking questions and making relevant comments and suggestions. The person who is in charge of the respective session will provide a summary of the key points and takeaways from the presented papers. These summaries are not to exceed a single-space page per paper and will be shared with the other class members. These summaries will help you in preparing for the comprehensive exam (if you have not taken it yet) and future research, so do not think of it as busy-work!

Course project:

Developing an appreciation for the importance and limitations of a specific literature is a good way to identify viable research questions. As such, the course project comprises a detailed literature review on a topic of your choosing. Although I do not expect a manuscript ready to be published by Foundations and Trends® in Accounting, the write-up should be detailed enough to inform a reader on the extant findings in the area and what remains to be done. The write-ups will be shared with all members of the class and you will present the main conclusions, including a brief research proposal for a study based on a gap in the literature you identify in preparing your review, during the last two class sessions.
Course grade:

The course grades will comprise:

<table>
<thead>
<tr>
<th>Written summaries of presented papers</th>
<th>10%</th>
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</thead>
<tbody>
<tr>
<td>Class participation (presentations and as an audience member)</td>
<td>40%</td>
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<tr>
<td>Referee reports (two)</td>
<td>10%</td>
</tr>
<tr>
<td>Written literature review and proposal</td>
<td>30%</td>
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<tr>
<td>Presentation of the literature review and proposal</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>100%</strong></td>
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</tbody>
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We will discuss the specifics of each deliverable during our first class meeting and will revisit as needed during the course of the semester. Please see me as early as possible if you have difficulties with any of the papers or assignments!!

Course schedule (tentative & subject to change):

<table>
<thead>
<tr>
<th>Class #</th>
<th>Date</th>
<th>Topic:</th>
<th>Session moderator:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Jan. 29</td>
<td>Course overview / “lay of the land”</td>
<td>KSK</td>
</tr>
<tr>
<td>2</td>
<td>Feb. 5</td>
<td>Measurement</td>
<td>KSK</td>
</tr>
<tr>
<td></td>
<td><em>Feb. 12</em></td>
<td><em>No class</em></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Feb. 19</td>
<td>Information transfer / externalities</td>
<td>Tammy</td>
</tr>
<tr>
<td>4</td>
<td>Feb. 26</td>
<td>Fair value – overview</td>
<td>Elias</td>
</tr>
<tr>
<td>5</td>
<td>March 5</td>
<td>Fair value – mark-to-model</td>
<td>Sean</td>
</tr>
<tr>
<td>6</td>
<td>March 12</td>
<td>Credit markets</td>
<td>Ge</td>
</tr>
<tr>
<td>7</td>
<td>March 19</td>
<td>Banks and trade credit</td>
<td>Sae Young</td>
</tr>
<tr>
<td>8</td>
<td>March 26</td>
<td>Non-GAAP earnings</td>
<td>Jimmy</td>
</tr>
<tr>
<td>9</td>
<td>April 2</td>
<td>Risk</td>
<td>Lydia / Sae Young</td>
</tr>
<tr>
<td>10</td>
<td>April 9</td>
<td>Non-financial metrics</td>
<td>Lydia</td>
</tr>
<tr>
<td>11</td>
<td>April 16</td>
<td>CSR</td>
<td>Saghar</td>
</tr>
<tr>
<td></td>
<td><em>April 23</em></td>
<td><em>Spring Break</em></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>April 30</td>
<td>Cyber security</td>
<td>Saghar / Ge / Tammy</td>
</tr>
<tr>
<td>13</td>
<td>May 7</td>
<td>Presentations</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>May 14</td>
<td>Presentations</td>
<td></td>
</tr>
</tbody>
</table>
Session details and reading lists (tentative & likely to change):

Class 1 (Jan. 29):

We will open with a brief introduction, focusing, among others, on the research interests and current projects of each member of the class. Next, we will discuss the logistics for the course and assign the moderator roles for the subsequent meetings. The rest of the class discussion will focus on issues pertaining to the identification of viable research questions and managing the life cycle of a project.

Class 2 (Feb. 5):

We will dedicate the class to discussing approaches to developing empirical constructs. The topic is very large in scale and scope, so please do not feel restrained by the reading list I suggest (this hold for each of the other class meetings)! As noted on the schedule, I will lead this session; however, I expect you will take an active part in the discussion.

Discussion papers:


Class 3 (Feb. 19):

The conversation will center on how the actions of one entity affect its counterparts. Among others, the discussion will touch upon the role of intermediaries, economic linkage, and implications for statement users.

Discussion papers:


Li, V. 2016., Do false financial statements distort peer firms' decisions? The Accounting Review 91(1), pp. 251-278.
Class 4 (Feb. 26):

The discussion will focus on aspects of the role and implication of fair value measurement in financial accounting and reporting.

Discussion papers:


Class 5 (March 5):

Building on the discussion in class 4, we will focus on internally generated fair value estimates.

Discussion papers:


Class 6 (March 12):

The conversation will touch upon credit rating agencies and credit default swaps.

Discussion papers:


Class 7 (March 19):

We will discuss issues pertaining to trade and bank lending, considering, among others, monitoring and loan loss provisioning.

Discussion papers:


Class 8 (March 26):

We will consider aspects pertaining to the why, what, and how of non-GAAP reporting.

Discussion papers:


Class 9 (April 2):

The aim of the class is to offer a (gentle) introduction to the notion of risk, its various manifestations, and ramifications.
Discussion papers:


Class 10 (April 9):

The discussion will focus on the role of non-financial metrics in financial reporting.

Discussion papers:


Class 11 (April 16):

The main objective of the class is to spark conversation on why firms undertake projects that do not necessarily (appear to) align with their focus and expertise.

Discussion papers:


**Class 12 (April 30):**

The intended purpose of the class is to start a discussion on how different disciplines interact with accounting research, with the hope of seeding innovative research questions in innovative (repetition intended) settings.

*Discussion papers:*

