Contemporary Topics in Empirical Accounting Research – Fall 2023
City University of New York
Baruch College
Stan Ross Department of Accountancy

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Class time: Mondays 9:30am to 11:30am
Classroom: 12-224
Office Hours: By appointment

Course Objective:
This course provides an overview of contemporary empirical research topics in financial accounting. The objective of the course is to develop your ability to: (1) conduct research yourself; and (2) critically evaluate empirical financial accounting research. This course aims to get you started on identifying important and researchable topics in financial accounting, formulate testable hypotheses about those topics, and select valid and powerful research designs/empirical methods to test these hypotheses. Emphasis will be placed on learning how to identify topics for your own research (although this identification is ultimately each student’s responsibility).

Course Format
This semester, we will hold in person classes. The course will be conducted using a seminar format. Students are therefore expected to take an active part in discussing and evaluating the readings assigned for each class session. In general, the class discussions will be centered around two to three papers in a particular area. The last three weeks of the course will be conducted using an independent studies format. For these three weeks, you are required to schedule one-on-one meetings with the instructor during our regular class time, to work on your own research idea and prepare the written research proposal.

Grading Policy: The course grade will be based on the following:

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<th>Component</th>
<th>Percentage</th>
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<tr>
<td>Written summaries</td>
<td>10%</td>
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<tr>
<td>Class participation (including paper presentations)</td>
<td>30%</td>
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<td>Referee reports (5% x 2)</td>
<td>10%</td>
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<td>Presentation of own research proposal</td>
<td>20%</td>
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<tr>
<td>Written research proposal</td>
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Written summaries and class participation- All participants in the course will be responsible for reading and critically assessing the assigned papers for each class and fully participating in the class discussion. However, the responsibility for leading the discussion will rotate among us. Everyone should prepare a written summary (not more than two pages) that will be distributed to all other participants. To guide your preparation of the summary, you should consider (at a minimum) the following:

1. What is the research question and the theoretical/intuitive construct(s) used to motivate it? Why is the question interesting (or not)? Are there alternatives to the hypotheses being proposed? Is the question descriptive rather than predictive? How compelling is the logic or intuition used to develop the hypotheses?
2. What is the research design? Consider the sample selection and empirical tests.
3. How well is the research design tied to the research question? Do the authors actually test the hypotheses that are being put forward? To what extent is the design capable of distinguishing between alternative hypotheses?
4. What difficulties arise in drawing inferences from the empirical work?
5. What are the results? How are the results interpreted? Do you agree with the interpretation?
6. Are the results interesting? Is there a real contribution here?
7. What research questions are raised by the paper’s results, and what unresolved research questions related to the paper could be investigated? How?
8. Summarize the paper’s strengths and weaknesses and overall contribution to the accounting literature.

**Paper presentations** – Each class period, the presenter will lead the discussion of his/her assigned paper. In addition to discussing the paper’s motivation, methodology, results, and conclusions, the presenter should also identify the **paper’s contribution to the literature, its strengths and weaknesses and potential extensions for future research.** For full credit, presentations cannot be merely a summary of the assigned paper.

**Referee reports** – During the course of the semester, you are required to write two referee reports on a working paper relevant to the course. Reports should follow the suggested referee guidelines provided by *The Accounting Review*. The report will be due two weeks after the paper is distributed.

**Research proposal** – You will be required to write and present a research proposal on an empirical financial accounting topic of your choosing. The written proposal should be 10-15 pages in length and should include an introduction, in which the research question is clearly stated and motivated, a literature review, a hypothesis development section, and a discussion of data sources and research design. In short, it should be a research paper without the results. **Proposal presentations** will be tentatively scheduled for November 13th and 20th. Presentations should include PowerPoint slides. The written proposal will be **due on Wednesday, December 13th**, to enable you to incorporate any useful comments you may receive during your presentation.
Tentative Schedule Fall 2023 - May be subject to changes

Class 1 (August 28th): Introduction; How to come up with research ideas?

No class on Sept 4th - College Closed

Class 2 (Sept 11th): Who uses financial information and for what purposes?

Students present research ideas developed from their review of finance or law journals.


Background reading:


Other review studies:


Class 3 (Sept 18th): Creditors – monitoring by creditors; creditors’ use of financial information


**Background reading:**


**No class on Sept 25th - No classes scheduled at Baruch**

**Class 4 (Oct 2nd)** - **Trade partners** (suppliers and customers) – monitoring by trade partners; trade partners’ use of financial information

**Students present research ideas developed from their review of recent SEC/FASB rule-making**


**Background reading:**


**Class 5 (Oct 10th) TUESDAY: Media - Monitoring by the media; financial journalists’ use of financial information**

**Students turn in preliminary written research proposals**


*Background reading:*
Miller, G. S., & Skinner, D. J. (2015). The evolving disclosure landscape: How changes in technology, the media, and capital markets are affecting disclosure. *Journal of Accounting Research, 53*(2), 221-239.


**Class 6 (Oct 16th): Regulators – SEC monitoring**


*Background reading:*


**Class 7 (Oct 23rd): Market for corporate control** - Monitoring by the market for corporate control; the use of financial information in the market for corporate control


*Background reading:*


**Class 8 (Oct 30th):** Topic - TBD
Guest speaker – Edgar Rodriguez-Vazquez

**Class 9 (Nov 6th):** Topic - TBD

Guest speaker – Svenja Dube

**Class 10 and 11 (Nov 13th and Nov 20th):** Students present own research ideas

**Classes 12 to 14 (Nov 27th, Dec 4th and Dec 11th):** Independent studies – weekly one-on-one meetings with the instructor to further work on own research idea and prepare written research proposal.