



Spring Term 2014 (FS 2014)

**Doctoral Seminar Analytical Research in Financial Accounting:  
Accounting Measurement and Real Effects**

**Course schedule and reading list**

**1) Session and exercise schedule**

Session	Day	Time	Room
1	Monday, 16.06.2014	10.30 - 12.00	PLM F 103/104
2	Monday, 16.06.2014	13.30 - 15.00	PLM F 103/104
Exercises	Monday, 16.06.2014	15.30 - 17.00	PLM F 103/104
3	Tuesday, 17.06.2014	10.30 - 12.00	PLM F 103/104
4	Tuesday, 17.06.2014	13.30 - 15.30	PLM F 103/104
Research Seminar Prof. Sapra	Tuesday, 17.06.2014	16.00 - 17.30	PLM F 103/104
5	Wednesday, 18.06.2014	10.30 - 12.00	KOL-G-220
6	Wednesday, 18.06.2014	13.30 - 15.00	KOL-G-220
Exercises	Wednesday, 18.06.2014	15.30 - 17.00	KOL-G-220

On Tuesday, 17.06.2014, 16.00-17.30 Prof. Sapra will present his latest research paper in the IBW's Research Seminar in Accounting, Auditing & Governance (AAG) (see [www.business.uzh.ch/professorships/managerialaccounting/lehre/aag.html](http://www.business.uzh.ch/professorships/managerialaccounting/lehre/aag.html)), the seminar talk is considered as a part of the doctoral seminar.

**2) Seminar content**

This course will discuss and develop methodologies that are useful for studying accounting disclosure and measurement issues. This course is targeted towards doctoral students in Accounting, Finance, and Economics who want to conduct analytical and empirical research in accounting and corporate finance issues.

**Session 1: Real Effects Studies vs. Traditional Studies**

Accounting Disclosure and Real Effects by Chandra Kanodia. Foundations and Trends in Accounting, Vol 1, No 8 (2006): 167-258.

The Real Effects of Financial Markets by Philip Bond, Alex Edmans and Itay Goldstein. Annual Reviews of Financial Economics, Vol 4 (2012): 339-360

**Session 2: Mechanism Design Methodology: Signaling versus Screening**





Spence M, "Competitive and Optimal Responses to Signals: Analysis of Efficiency and Distribution." *Journal of Economic Theory* (1974): 296-332

Kanodia, C., and D. Lee, "Investment and Disclosure: The Disciplinary Role of Periodic Performance Reports." *Journal of Accounting Research*, (1998).

### **Session 3: Imprecision in Accounting Measurements**

Kanodia, C, R. Singh, and A. Spero, "Imprecision in Accounting Measurement: Can it be Value Enhancing?" *Journal of Accounting Research*, 2005.

Kanodia, C., H. Sapro, and R. Venugopalan, "Should Intangibles be Capitalized: What are the Economic Trade-offs?" *Journal of Accounting Research*, (2004)

### **Session 4: Transparency of Financial Reporting**

Gigler, F., C. Kanodia, H. Sapro, and R. Venugopalan, "How Frequent Financial Reporting Can Cause Managerial Short-Termism: An Analysis of the Costs and Benefits of Increasing Reporting Frequency."

[http://faculty.chicagobooth.edu/haresh.sapro/research/docs\\_WP/Frequency\\_paper\\_2013.pdf](http://faculty.chicagobooth.edu/haresh.sapro/research/docs_WP/Frequency_paper_2013.pdf)  
Working paper, The University of Chicago Booth School of Business.

Goldstein, I. and H.Sapro, "Should Stress tests results be disclosed: An Analysis of the Costs and Benefits."

[http://faculty.chicagobooth.edu/haresh.sapro/research/docs\\_RP/stresstests\\_GS\\_FTF\\_Dec\\_2013.pdf](http://faculty.chicagobooth.edu/haresh.sapro/research/docs_RP/stresstests_GS_FTF_Dec_2013.pdf)  
Working paper, The University of Chicago Booth School of Business.

### **Session 5: Global Games and Higher Order Beliefs**

Allen, F., S. Morris, and H.S. Shin: "Beauty Contests, Bubbles and Iterated Expectations in Asset Markets," *Review of Financial Studies* (2006).

Morris S, and H.S. Shin: Social Value of Public Information  
*American Economic Review*, (2002): 1521-1534.

### **Session 6: Global Games and Higher Order Beliefs continued**

Morris S. and H. S. Shin: "Coordination Risk and the Price of Debt," *European Economic Review* (2004).

Plantin G, H. Sapro, and H.S. Shin, "Marking-to-Market: Panacea or Pandora's Box?" *Journal of Accounting Research* (2008)

Kondor Peter, „The More We Know ab ou the Fundamental, the Less We Agree on the Price,“ *Review of Economic Studies* (2012)