



Spring Term 2015 (FS 2015)

**Doctoral Seminar Analytical Research in Financial Accounting:  
The Revelation Principle and its Applications in Accounting Theory**

**Course schedule and reading list**

**Session and exercise schedule**

Session	Day	Time	Room
1	Monday, June 15	10.00 - 12.00	SOF-E-15
2	Monday, June 15	13.30 - 15.30	SOF-E-15
3	Monday, June 15	16.00 - 17.30	SOF-E-15
4	Tuesday, June 16	10.00 - 12.00	SOF-E-15
5	Tuesday, June 16	13.45 - 15.45	SOF-E-15
Research Seminar Prof. Gigler	Tuesday, June 16	16.15 - 17.45	PLM F 103/104
6	Wednesday, June 17	10.00 - 12.00	SOF-E-15
7	Wednesday, June 17	13.30 - 15.00	SOF-E-15
8	Wednesday, June 17	16.00 - 17.30	SOF-E-15

On Tuesday, June 16, Prof. Gigler will present his latest research paper in the 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.

**Seminar content**

The course seminar discusses recent analytical research in the area of financial accounting. This course is targeted towards doctoral students in Accounting, Finance, and Economics who want to conduct analytical research in this area.

**Part I: The Revelation Principle (Prof. Hemmer)**

Session 1: Foundation of the Revelation Principle

Myerson (1979): Incentive Compatibility and the Bargaining Problem, *Econometrica* 47, 61-73

Session 2: Robustness of the Revelation Principle

Dye (1988): Earnings Management in an Overlapping Generations Model, *Journal of Accounting Research*, Vol. 26, No. 2 (Autumn, 1988), 195-235





Session 3: An Application of the Revelation Principle

Fudenberg and Tirole (1990): Moral Hazard and Renegotiation in Agency Contracts. *Econometrica* 58, 1279-1320.

Session 4: Break-down of the Revelation Principle

Gigler and Hemmer (2008): On the welfare effects of allowing unlimited renegotiation in agency relationships, *Economic Theory* 37(2), 243-265.

**Part II: Confirmatory Role of Accounting Information (Prof. Gigler)**

Session 5: The Value of Communication

Dye (1983): Communication and Post-Decision Information, *Journal of Accounting Research* 21(2), 514-533.

Session 6 & 7: Reporting Frequency

Gigler and Hemmer (1998): On the frequency, quality, and informational role of mandatory financial reports, *Journal of Accounting Research* 36, 117-147.

Session 8: Accounting Conservatism

Gigler and Hemmer (2001): Conservatism, Optimal Disclosure Policy, and the Timeliness of Financial Reports, *Accounting Review*, Vol. 76(4), 471-493.

**Readings for Research Seminar on Tuesday**

Gigler and Jiang (2014): When would communicating post-decision private information be necessarily valuable? - Working paper.