



Ph.D. COURSE:

Doctoral Seminar in Accounting and Corporate Governance Research

Autumn 2012 at Jönköping International Business School, quarter speed

Course credits:

7.5 ECTS credits

Education Cycle:

Third cycle, doctoral program course

Course managers/examiners:

Associate Professor Petra Inwinkl

Course language:

English

Prerequisites:

Admitted as a doctoral student in Business Administration or Law

Purpose and objectives:

The primary objective of the course is to provide participants to some major themes and methodologies of contemporary empirical financial accounting and corporate governance research. We will consider the theoretical basis and research methods of key papers drawn from the academic accounting and corporate governance literature to enable doctoral students to develop the skills to conduct their own research. Achievement of this objective will also necessitate that students develop an appreciation of the research tools necessary to become productive scholars.

Course content:

The contents of this course include

- (i) business, financial, political and legal issues affecting systems by which corporations are directed and controlled,
- (ii) a comparative and interdisciplinary approach,
- (iii) the nature of the corporation, the basic theory of the firm, the internal and external architecture of corporate governance,
- (iv) the role of regulatory authorities, models of corporate governance, principal-agent theory within the corporate context,
- (v) the corporate culture, corruption, management and board compensation, conceptions of social responsibility, and capital market development and international cross-listing of shares,
- (vi) the reforms and new standards which were set in the wake of corporate scandals.



Intended learning outcomes:

After completing the course the student should be able to:

Knowledge and understanding

1. Know about the major themes and methodologies of contemporary empirical financial accounting and corporate governance research
2. Understand the theoretical foundation drawn from the academic literature
3. Know the research methods drawn from the academic literature
4. Describe the limitations of corporate governance research

Skills and abilities

5. Use key papers to explain of each paper its research objective, motivation, design, method and contribution
6. Transform learned outcomes into own publication idea
7. Write own research paper related on a subject to accounting and corporate governance research

Judgement and approach

8. Assess the discussion paper results and understand the limitations of the various methods

Course/classes methodology

Seminars (about 18), and homework assignments (3).

1. **Attendance:** This course is taught as a seminar. Classroom participation is a vital part of the course. For participation to be meaningful, students should read assigned material before coming to class.
2. **Discussion paper:** Each student will be required to submit short discussion papers of no more than 4 double-spaced pages. Each paper should detail with the paper's research objective, the problem/motivation, the design and method, and the contribution.
3. **Seminar paper:** Each student will be required to complete a seminar paper of 10 double-spaced pages on a subject related to accounting and corporate governance research and approved by the instructor.



Examination

Grading: Final grade for the seminar will consist of three factors:

1. 50% of the final grade will be determined by the grade on the seminar paper.
2. 25% of the final grade will be determined by the quality of student participation.
3. 25% of the final grade will be determined by the grade on the discussion papers.

Seminar paper (50%) at the end of the course, which covers ILO (6) and (7).

Student participation (25%) during the course, which covers ILOs (1)-(3).

Discussion papers (25%) during the course, which covers ILOs (4)-(5).

Course evaluation

A course evaluation will be conducted at the end of the course.

Schedule

Course start: August 31, 2012

Register for the course by contacting Petra Inwinkl (JIBS, Box 1026, 551 11 Jönköping/phone. 036-101818 e-mail Petra.Inwinkl@jibs.hj.se).

Course Literature

Packet of the reading materials will be available to students on PING PONG.

Classes

Preliminary reading list

Successful Research

1. James A. Ohlson 2011. On Successful Research. *European Accounting Review* vol. 20, No. 1, 2011: 7-8.
2. Wai Fong Chua 2011. In Search of “Successful” Accounting Research. *European Accounting Review* vol. 20, No. 1, 2011: 27-39.
3. Christensen John 2011. Good Analytical Research. *European Accounting Review* vol. 20, No. 1, 2011: 41-51.
4. Czarniawska Barbara 2011. Successful Research: In Whose Eyes? *European Accounting Review* vol. 20, No. 1, 2011: 53-55.
5. Searcy, D.L. and J.T. Mentzer. 2003. A framework for conducting and evaluating research. *Journal of Accounting Literature* 22: 130-167.
6. Kinney, W.R. Jr. 1986. Empirical accounting research design for Ph.D. students. *The Accounting Review* 61 (2) (April): 338-350.



7. Demski, J.S. and J.L. Zimmerman. 2000. On “research vs. teaching”: A long-term perspective. *Accounting Horizons* 14 (3) (September): 343-352.

Theories

1. Jensen, M.C. and W.H. Meckling. 1976. Theory of the firm: Managerial behavior, agency costs and ownership structure. *Journal of Financial Economics* 3 (4) (October): 305-360.
2. Schleifer, A. & R.W. Vishny (1997). A Survey of Corporate Governance. *Journal of Finance*, LII (2), June, pp. 737-783.
3. Brown, Verhoeven and Beeks “Corporate governance, accounting and finance: a review (2010)

Accounting and Governance Systems

1. Arnold B., & P. de Lange P. (2004). Enron: An examination of agency problems. *Critical Perspectives on Accounting*, Volume 15, Issue 6-7, pp. 751-765.
2. Ahmed, Duellman, Evidence on the role of accounting conservatism in monitoring managers investment decisions, 2011, *Accounting and Finances*
3. Bebchuk, L.A. & M.J. Roe (1999). A Theory of Path Dependence in Corporate Governance and Ownership. Columbia Law School: The Center for Law and Economic Studies, Working Paper No. 131.

Financial Accounting Numbers in Corporate Governance Research

1. Bushman, R. et al. (2004). Financial accounting information, organizational complexity and corporate governance systems. *Journal of Accounting and Economics*, Vol.37, Issue 2, pp.167-201.
2. Armstrong, Guay, Weber; The role of information and financial reporting in corporate governance and debt contracting, 2010, *The Journal of Accounting and Economics*
3. Brickley, Zimmerman, Corporate governance myths: comments on Armstrong, Guay and Weber; 2010; *Journal of Accounting and Econometrics*
4. Coffee, J. (2005). A Theory of Corporate Scandals: Why the USA and Europe Differ. *Oxford Review of Economic Policy*, Volume 21, No. 2, pp. 198-211.
5. Melis, A. (2004). Corporate Governance Failures. To What Extent is Parmalat a particularly Italian Case? *Corporate Governance: An International Review*, Volume 13, No. 4, pp. 478-488.



6. Chhaochharia, V. & Y. Grinstein (2007). Corporate governance and firm value. The impact of the 2002 governance rules. *The Journal of Finance*, Vol.62, No.4, pp.1789-1825.

Boards and Executive Compensation

1. Adams, Hermalin and Weisbach; The role of boards of directors in corporate governance: a conceptual framework and survey (2010).
2. Hillier, D. & P. McColgan (2006). An Analysis of Changes in Board Structure during Corporate Governance Reforms. *European Financial Management*, Volume 12, Issue 4, pp. 575-607.
3. Jensen, M. C. & J. B. Warner (1988). The distribution of power among corporate managers and directors. *Journal of Financial Economics*, 20, pp. 3-24.
4. Sonnenfeld, J.A. (2002). What makes great boards great. *Harvard Business Review*, Volume 80, Issue 9, pp. 106-113, 126.
5. Fahlenbrach Rüdiger, Angie Low, Rene´ M. Stulz, Why do firms appoint CEOs as outside directors? *Journal of Financial Economics*, Volume 97, Issue 1, July 2010, Pages 12-32
6. Cyert R.M., Kang S.-H. & P. Kumar P. (2002). Corporate governance, takeovers, and top-management compensation: theory and evidence. *Management Science*, Volume 48, Issue 4, pp. 453-469.
7. Lin, Ying-Fen (2005). Corporate Governance, Leadership Structure and CEO Compensation: evidence from Taiwan. *Corporate Governance*, Volume 13, Number 6, pp. 824-835.