Publications

(First goal: to conduct research products that I am proud of.
Second goal: to publish research in top-tier academic journals.)

1. "Does Income Smoothing Improve Earnings Informativeness?" with Paul Zarowin. *The Accounting Review*. January 2006**,** vol. 81(1): 251-270. Accepted on July 20, 2005. Editor: Terry Shevlin.

Comment: This paper is easy to read and provides a good literature review for Ph.D. students.

2. "Classification and Market Pricing of the Cash Flows and Accruals on Trading Positions" with Stephen Ryan and Paul Zarowin. *The Accounting Review*. March 2006, vol. 81 (2): 443-472. Accepted on October 20, 2005. Editor: Patricia Dechow.

Comment: This paper has found an untapped niche in the literature and uses panel data well.

3. "Is openness penalized? Stock returns around earnings warnings." *The Accounting Review*, July 2007, vol. 82 (4): 1055-1087. Accepted on December 9, 2006. Editor: Dan Dhaliwal.

Comment: This paper is a good read for researchers who are interested in self-selection issues and has been used in Ph.D. seminars at numerous schools.

4. "To guide or not to guide? Causes and consequences of stopping quarterly earnings guidance," with Joel Houston and Baruch Lev. *Contemporary Accounting Research,* Spring 2010, vol. 27(1): 143-185. Accepted in July 2008. Editor: Michel Magnan.

Comment: This paper has been widely cited by premier financial press and has been used in Ph.D. seminars at numerous schools.

5. "Within-industry timing of earnings warnings: Do managers herd?" with Senyo Tse. *Review of Accounting Studies,* December 2010, vol. 15 (4): 879-914. Accepted in June 2009. It was formerly titled "Industry-wide dynamics in earnings warnings." Editor: Stephen Ryan.

Comment: This paper is unique in identifying the research issue, questing for theories, and applying duration models. The paper has inspired financial theorists and is the only study cited in the introduction of Acharya, Demarzo, and Kremer ("Endogenous information flows and the clustering of announcements," *American Economic Review*, 2011, 101: 2955-2979).

6. "Is silence golden? Earnings warnings and subsequent changes in analyst following," *Journal of Accounting, Auditing & Finance,* Summer 2010, vol. 25 (3): 431-456. Accepted in October 2009. Editor: Bala K. R. Balachandran.

Comment: This paper is one of only a few archival accounting papers examining the role of reputation in voluntary disclosure.

7. "Large sample evidence on firms' year-over-year MD&A modifications," with Stephen V. Brown. *Journal of Accounting Research,* May 2011, vol. 49 (2): 309-346. Accepted on December 6, 2010. Editor: Doug Skinner.

Comment: This paper is innovative in introducing a measure to compare document differences to the accounting literature.

8."Do managers use earnings guidance to influence street earnings exclusions?" with Ted Christensen, Kenneth Merkley, and Shankar Venkataraman. *Review of Accounting Studies,* 2011, vol. 16: 501-527. Accepted on December 20, 2010. Editor: Richard Sloan.

Comment: This is the first empirical paper on pro forma earnings guidance. The study contributes to the literatures of street earnings, expectations management, and earnings guidance.

9."Selection bias and econometric remedies in accounting and finance research". *Journal of Accounting Literature*, 2010, vol. 29: 31-57. Accepted on February 6, 2011. Editor: Steve Asare.

Comment: The article discusses two types of bias—selection bias due to observables and selection bias due to unobservables—in a unified framework and shares my observations about the applications of the propensity score matching method that addresses selection bias due to observables and the Heckman inverse-Mills-ratio method that addresses selection bias due to unobservables. The article has been used in Ph.D. seminars at numerous schools.

10. "Non-earnings Corporate Guidance" with Hung-Yuan (Richard) Lu. *Financial Management,* winter 2012: 947-977. Accepted on February 23, 2012. Editor: Bill Christie.

Comment: The article is the most extensive study about non-earnings forward-looking disclosure and an attempt to expand the management forecast literature from its narrow focus of earnings. It uses two years of data from S&P 500 firms.

We voluntarily excluded a reconciliation table from the notes for Table IV of the published version. The table reconciles the odds ratio in a multinomial logit model with the marginal effects. Click here to see the reconciliation table at the end of that document.

11. "Causes and consequences of disaggregating earnings guidance," with Benjamin Lansford and Baruch Lev. *Journal of Business, Finance and Accounting,* January/February 2013, vol. 40 (1)&(2): 26-54. Accepted on October 25, 2012. The paper was formerly titled "Why do firms issue disaggregated earnings guidance? The archival evidence." Editor: Martin Walker.

Comment: This is the first archival study on management earnings forecast disaggregation and another attempt to expand the management forecast literature from its narrow focus of earnings. It uses two years of data from S&P 500 firms.

We excluded Appendix C from the published version to reduce paper length. The decision is regrettable. The appendix compares hand-collected earnings guidance with CIG guidance and also describes the frequency of non-GAAP earnings guidance. Click here for that appendix.

12. "Does the midpoint of range earnings forecasts represent managers' expectation?" with Will Ciconte and Marcus Kirk. *Review of Accounting Studies,* June 2014, vol. 19 (2): 628-660. Accepted on March 7, 2013. Editor: Stephen Penman.

Comment: The study questions the conventional wisdom of using the midpoint of range earnings forecasts as managers' expectations.

13. "Analyst information production and the timing of annual earnings forecasts," with Sami Keskek and Senyo Tse. *Review of Accounting Studies,* December 2014, vol. 19 (4): 1504-1531. Accepted on August 30, 2013. Editor: Peter Easton.

Comment: The study is a combination of an intriguing question, well-grounded theories (e.g., herding), and excellent graphs. We were surprised and entertained by what we found.

14. "Meeting individual analyst expectations," with Marcus Kirk and David Reppenhagen. *The Accounting Review,* November 2014, vol. 89 (6): 2203-2231. Accepted on May 1, 2014. Editor: Beverly Walther.

Comment: The study looks through consensus forecast to the gems of individual forecasts.

15. "The relation between disclosure quality and reporting quality: A discussion of Cassell, Myers, and Seidel (2015)." *Accounting, Organization and Society*, 2015, vol 46: 39-43. Accepted on May 1, 2015. Editor: Hun Tong Tan.

Comment: This discussion emphasizes the portfolio view of corporate disclosure.

16. "Securitization and insider trading," with Stephen Ryan and Ying Zhou. *The Accounting Review*, March 2016, vol. 91(2): 649-675. Accepted on 7/8/2015. Editor: Leslie Hodder.

Comment: This is my second paper about banks. We find that one consequence of complex financial engineering transactions is that insiders take advantage of the complexity and therefore opacity by trading for personal benefits.

17. "Corporate disclosure and research opportunities in China," with Xinmin Zhang. *China Journal of Accounting Studies*, 2016, vol. 4 (1): 1-14. Accepted on 11/27/2015. Invited submission and peer reviewed. Editor: Jason Xiao.

Comment: The article is based my keynote speech at the Accounting Research Conference In November 2014 in Beijing organized by the Chinese Accounting Association.

18. "Board hierarchy, independent directors, and firm value: Evidence from China," with Jigao Zhu, Kangtao Ye, and Kam Chan. *Journal of Corporate Finance*, 2016, vol 41: 262-279. Accepted on 9/17/2016. Editor: Jeffry Netter.

Comment: We observe an interesting phenomenon that Chinese companies do not list their directors alphabetically or in any other mechanical order. We interpret the listing order of directors as board hierarchy, reflecting power allocation within the board. Our evidence suggests that empowering independent directors increases firm value through stronger monitoring. This is my first published study conducted in the Chinese setting.

19. "The spillover effects of SEC comment letters on qualitative corporate disclosure: Evidence from the risk factor disclosure," with Stephen V. Brown and Xiaoli Tian. *Contemporary Accounting Research*, 2018, 35 (2): 622-656. Accepted by the editor in 3/2017 and by the Editor-in-Chief in 2/2018. Editor: Mike Welker.

Comment: We use the risk factor disclosure as a setting to examine the deterrence benefit of the SEC review of qualitative disclosures.

20. "The effects of a mixed approach toward management earnings forecasts: Evidence from China," with Xiaobei (Beryl) Huang, Xi Li, and Senyo Tse. Formerly titled "Mandatory vs. voluntary management earnings forecasts in China" and "The effects of management earnings forecast mandate: Evidence from China," *Journal of Business Finance & Accounting.* 2018, 45: 319-351. Accepted on 12/10/2017. Editors: Qi Chen and Andrew Stark.

Comment: Many financial reporting and disclosure regulations are not purely through the visible hand (the government mandate) or the invisible hand (the market forces). We examine a mixed approach (one hand is visible and the other is not) taken in China toward one of the most important disclosure regulations—management earnings forecasts—and document the pros and cons of this approach. Even though we use Chinese data, our study provides insights on information disclosure issues in developed markets and especially emerging markets.

21. "Technological peer pressure and product disclosure," with Sean Cao, Chi Wan, and Guang Ma. *The Accounting Review*, 2018, 93 (6): 95-126. Accepted on 1/30/2018. Editor: Greg Miller. The technological peer pressure (TPP) measure is available at the link: http://guangma.info/data.html.

Comment: We introduce a cool measure of product-market competition that can be used for individual firms in any given year. More important, we call researchers' attention to the multidimensionality of product-market competition and capital-market disclosure. Many types of corporate disclosure do not provide actionable information to competitors and thus should not be affected by the aspect of competition of interest. We will never have a single answer of yes or no regarding the relation between product-market competition and capital-market disclosure. Rather, the relation is contextual, and researchers have to consider the context (e.g., what aspect of competition and what type of disclosure).

22. "Concurrent earnings announcements and analysts' information production," with Matthew Driskill and Marcus Kirk. *The Accounting Review*, 2020, 95 (1): 165-189. Accepted on 4/5/2019. Editor: Mark Bradshaw.

Comment: Our evidence suggests that even financial analysts, who serve as information specialists, are subject to limited attention. To our knowledge, this is the first study that provides direct evidence on analysts' limited attention.

23. "The tradeoff between relevance and comparability in segment reporting," with Lisa Hinson and Diana Weng. *Journal of Accounting Literature*, 2019, 43: 70-86. Accepted on 11/6/2019. Ad Hoc Editor: Wayne Thomas.

Comment: We examine the tradeoff between relevance and comparability due to the use of the management approach for segment reporting. We propose a measure for segment income metric comparability and use improved identification strategies. We find that analyst earnings forecasts are less disperse for firms with increased relevance but decreased segment income comparability after the segment reporting rule change, suggesting that the tradeoff benefits a key user group of segment reporting.

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