Accounting 512d-001
Alternate Research Methods
Spring 2016 – Southern Illinois University

Instructor: Dr. Marc Ortegren
Office: Rehn 220A
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Class Time: W, 2:00 – 4:45 am, Rehn 236
Office Hours: As dictated by our schedules

Required Text
All required materials will be provided via D2L

Learning Objectives
This course will expose you to specific streams of the archival financial/capital markets and auditing literature. As this course is conducted in the survey format, you are expected to critically analyze the papers, in their entirety, that we read and to suggest ways to improve and extend the current literature, to the best of your abilities within the constraints of your existing training.

This course may also include hands on data manipulation and analysis. The goal of this portion of the course is to help you learn how to use the most common tools and data to perform archival auditing research.

At the end of the semester you should be better able to answer questions such as:

- What are the common areas of research and methodologies employed in conducting archival research?
- What are some of the more important contributions made within the specific research areas discussed during the semester?

Course Discussion Approach
The course will effectively be broken into two parts. During weeks 1-5, the discussion will be somewhat conversational in nature. During those weeks, each of you will read all of the assigned readings, and I will take on the role of discussion leader. I urge you to, at least for your own purposes, prepare notes that are similar in nature to the summaries you’ll be turning in starting in week 6 (See Article Summaries section of syllabus). The literature areas discussed in weeks 1-5 are from the archival capital markets/financial accounting literature.
Starting in week 6, you will take on the role of discussion leader(s). In most weeks thereafter, there will be two assigned readings. During those weeks, each of you will need to read both assigned articles, and two of you will serve as the discussion leaders for the articles you are assigned. Plan to spend up to 15 minutes presenting your article before we begin the discussion. Whichever student is not assigned an article will be responsible for reading both of the papers being presented that week, and critiquing various aspects of the papers. Discussion leaders during weeks 6-16 should prepare formal summaries (discussed below) and circulate them to your classmates and myself prior to class.

- The assigned reading for week 6 is a long overview article. Each of you will serve as the discussion leader for a portion of the article. You should each prepare a formal summary for your assigned portion of the article.

- There are three assigned readings for week 7. You’ll each serve as a discussion leader for one of the assigned readings.

- Week 11 includes two articles I consider supplemental readings. I would recommend that you read them if you have time. Nobody will be expected to prepare formal summaries for the supplemental readings.

- Week 14 includes an article labeled background reading. I expect you all to read that article, as it informs the content of the two assigned readings. Nobody will be expected to prepare a formal summary for the background reading, but the two discussion leaders will probably need to refer to it in their summary preparation for the week.

- In D2L, weeks 15 and 16 each contain several articles. During those weeks, you will each summarize an article and serve as a discussion leader. Talk amongst yourselves and decide which articles you’d each like to summarize and present. The topics for those weeks are among the most heavily researched areas in the auditing literature, so we have some flexibility, and I anticipate that this is an area where you can find a solid article to use for your research proposal project.

**Participation**

You are expected to fully participate in the discussion of every assigned reading. Earning an “A” for the participation portion of your grade will require significant (in both quantity and quality) contribution to the discussion each week. In order to do that, you’ll need to carefully read each article that is discussed. You may also want to read other papers on which the authors of the assigned readings rely heavily.
Research Proposal

One of the less common, but still important, methodologies in empirical research is replication. In recent years, replication has received more attention, partially as a result of James Hunton’s data fabrication scandal (and subsequent article retractions), and partially because of its potential to support or refute prior findings. This semester you will develop a research proposal that will aim to replicate the findings of a previous study. However, rather than simply conducting the same analysis with new data, you will propose an experimental/behavioral research study that will replicate the findings of an archival study. More information about the requirements of the proposal will be provided in the coming weeks.

Article Summaries

For weeks 1-5, you will not be required to prepare a formal summary (to turn in and share with your classmates) for the articles we discuss in class. However, I would recommend that you do create an informal summary that follows the same approach you will take later in the semester as we will be discussing the various aspects of the article that you will be expected to include in your formal summaries after week 5.

Each week I expect you to read all of the assigned articles. Your formal summaries should be no longer than 2 pages, single-spaced, and can be in outline, bullet point, or paragraph format. Formal summaries should be distributed to each other, and to me, as early as possible...preferably some time Tuesday so that we all have time to read your summary and consider all of your points and our responses to them. Your formal summaries should include the following pieces of information:

- Author and title
- Research question(s), and why it (they) is (are) interesting and important (if applicable)
- Theory supporting the expected relationship between the independent and dependent variables.
- Hypotheses (if applicable)
- Data source(s), sample, research design, and testing method (statistical method [e.g. multiple regression, logistic regression etc.], dependent variable(s), independent variable(s), and any control variables used)
- Findings
- Contributions (to literature and/or practice) and implications
- Constructive criticisms and limitations of the study
- Related ideas for future research
Grades
Your grade this semester will be based on your preparation for and participation in each seminar, your research proposal, and your final exam as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preparation/Participation</td>
<td>40%</td>
</tr>
<tr>
<td>Research Proposal</td>
<td>30%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>30%</td>
</tr>
</tbody>
</table>

Students Requesting Accommodations
With the cooperation of SIU’s Disability Support Services (DSS), each student who qualifies for reasonable supplementary assistance has the right to receive it. Students requesting supplementary assistance must first register with DSS in Woody Hall B-150, (453-5738) or http://disabilityservices.siu.edu/

Notice: If you have any type of special need(s) or disability for which you require accommodations to promote your learning in this class, please contact me as soon as possible. The Office of Disability Support Services (DDS) offers various support services and can help you with special accommodations. You may wish to contact DDS at 453-5738 or go to Room 150 at Woody Hall to verify your eligibility and options for accommodations related to your special need(s) or disability.
**Academic Integrity**
The fundamentals of academic integrity are valued within the Southern Illinois University community of scholars. Maintaining academic integrity includes, but is not limited to, copying the work of others and plagiarism. Any student who violates the Academic Honesty Policy is subject to possible judicial proceedings which may result in sanctions as outlined in the Policy. Depending on the severity of the violation, sanctions may range from receiving a zero on an assignment to being dismissed from the University. Please consult the Student Conduct Code ([http://policies.siu.edu/documents/StudentConductCodeFINALMay32011.pdf](http://policies.siu.edu/documents/StudentConductCodeFINALMay32011.pdf)) if you have questions about the Academic Honesty Policy.

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**Reading Assignments/Detailed Schedule**

**Week 1 (1/20) Course Overview/Intro Readings**


**Week 2 (1/27) Valuation Theory**


**Week 3 (2/3) Valuation Theory**


**Week 4 (2/10) Market Anomalies and Market Efficiency**


**Week 5 (2/17) Earnings Announcements**


**Week 6 (2/24) Overview of Archival Auditing Research**


**Week 7 (3/2) Seminal Studies of Large Accounting Firms**

**TURN IN ARTICLE SELECTED FOR RESEARCH PROPOSAL PROJECT**


**Week 8 (3/9) Industry Specialization**


**Week 9 (3/16) SPRING BREAK – NO CLASS**

**Week 10 (3/23) Audit Quality**


**Week 11 (3/30) Audit Quality**


*Supplemental Readings*


**Week 12 (4/6) Auditor Reporting**


**Week 13 (4/13) Industry Expertise**


**Week 14 (4/20) Non-Audit Services and Auditor Independence**

*Background Reading*


*Assigned Reading*


**Week 15 (4/27) Audit Committees and Corporate Governance**

**Each of you choose an article from D2L to summarize and present in class**

**Week 16 (5/4) Audit Committees and Corporate Governance**

**Each of you choose an article from D2L to summarize and present in class**