STATEMENT OF COURSE POLICIES

Course Title: Capital Market Research I
Course Number: ACCT 6310
Section(s): 006 & 900
Instructor: Dr. L. C. Jennifer Ho
Office: College of Business Building, Room 419
Office Hours: By appointment
Faculty Profile: https://www.uta.edu/profiles/li-chin-ho
Phone: 817-272-3058
E-Mail: lichinho@uta.edu

1. **Time and Place of Class Meetings**

   This is an online course conducted through Canvas and Microsoft Teams.

   **Canvas:** We will use Canvas for online management of this course. All class information, materials, announcements, and assignments will be on Canvas. All exams will be conducted via Canvas and all assignments will be submitted via Canvas.

   **Microsoft Teams:** All live sessions will be held in Microsoft Teams according to the scheduled days and times as listed in MyMav (i.e., Wednesday 4:00-7:00pm). See the Class Schedule in this document for details. These sessions will be recorded and will be made available in MSTeams. You will receive an email inviting you to each live session.

2. **Communication Plan**

   The best way to contact me is by email. Please add the course number in the subject of your email to make it easier for me to recognize course related messages. For virtual office hours, we can schedule a Teams meeting to discuss whatever questions you might have.
3. **Course Description and Learning Outcomes**

This course reviews the theory and methodology underlying the large and growing economics-based empirical literature in accounting. The purpose is to familiarize Ph.D. students with the methodologies used, and the topics addressed in this type of research. This will be accomplished by reading and discussing in depth a representative set of capital market research papers. Upon successful completion of the course, each student should be competent to critically analyze the methodology and contribution of empirical studies of the role of accounting in capital markets.

4. **Required Textbooks or Other Course Materials**

The only course materials are copies of the papers that will be discussed.

5. **Technology Requirements**

You will need regular access to a computer with reliable internet access to complete assignments and tasks. This course is conducted through Canvas and Microsoft Teams.

Both **Lockdown Browser and Lockdown Monitor** will be required for all exams. If you do not have a webcam on your computer, Lockdown Monitor can be installed on your cell phone, and that will be used as you take the exam.

6. **Course Evaluation**

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<tr>
<th>Component</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Class Participation and Presentations</td>
<td>45%</td>
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<tr>
<td>Final Exam</td>
<td>30%</td>
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<tr>
<td>Research Paper</td>
<td>25%</td>
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</table>

The distribution of the grades in this course will depend upon the students' achievement level. In order to receive a grade of A, it is necessary to distinguish oneself through clear presentations, insightful questions/comments in class, a well-written final exam, and a high-quality research paper.
7. **Class Participation and Presentations**

The attached class schedule details the topics to be covered in the course. Each session three or four papers will be assigned for discussion. At the beginning of each class, I will give some introductory comments about the topic to be covered. The remainder of the class will be conducted by discussion leaders selected from the participants. The discussion leader/leaders assigned to a particular paper should be thoroughly versed in the issues and research methodologies in that paper and should be prepared to explain them to the class. To facilitate the presentations, discussion leaders are required to produce (1) a set of power-point slides and (2) a handout that summarizes the assigned paper with a critical assessment where strengths and potential weaknesses of the paper are spelled out. The summary should address the basic issues of “what” “why” and “how” of the paper. The suggested format is as follows:

1. Purpose – What is the research question?
2. Motivation – Why is the research question important?
3. How do the authors answer the question?
   a. Theory
   b. Linkage between theory and empirical work
   c. Quality of empirical work
      i. Quality of data
      ii. Quality of statistical analyses
   d. Quality of inferences

It is my expectation that every student will read the assigned articles before coming to class and will thus be prepared to add their comments to the formal discussion. In addition, starting with session #3, all class participants must prepare a written question and/or comment on the assigned topic and turn it in before the beginning of class. The questions/comments must address a substantive issue that is related to a specific paper assigned for the session or to the group of papers collectively. For example, a question might point out a weakness in the research methodology of a single paper that seriously threatens either the internal or external validity of the paper. A comment could identify an extension of the topic by providing a new research question and briefly discussing how the question can be empirically examined. These questions and comments will be judged on their insight and creativity.

8. **Examination**

The final examination consists of two parts. The in-class part has a particular emphasis on the primary readings and other materials presented in class. For the take-home part, each student is required to write a thorough critique on a working paper assigned at the time of the final exam.
9. **Research Paper**

Each student is required to write an accounting-related empirical research paper. The paper should basically include (1) research questions, (2) theoretical framework and/or hypothesis development, (3) literature review, (4) a description of data, sample, methodology, and/or statistical analysis, and (5) some preliminary results (if any; this part is optional). There should be appropriate citations (footnotes or endnotes) and a bibliography.

The research paper should be original work of the individual student deserving the quality of a doctoral level seminar class. You are strongly encouraged to discuss the research topic with me before you start your work. An outline of your paper (3-5 pages) will be due on the last day of class and each student will be given an opportunity to present his/her research ideas. The complete paper must be turned in no later than Friday, December 18th, 2020.

10. **Class Attendance**

At the University of Texas at Arlington, taking attendance is not required. Rather, each faculty member is free to develop his or her own methods of evaluating students’ academic performance, which includes establishing course-specific policies on attendance. As the instructor of this section, I will expect you to attend all classes. Your grade will reflect your commitment to class attendance and class preparation.

11. **Institution Information**

UTA students are encouraged to review the below institutional policies and informational sections and reach out to the specific office with any questions. To view this institutional information, please visit the Institutional Information page (https://resources.uta.edu/provost/course-related-info/institutional-policies.php) which includes the following policies among others:

- Drop Policy
- Disability Accommodations
- Title IX Policy
- Academic Integrity
- Student Feedback Survey
- Final Exam Schedule
12. **Library Information**

Ask for Help

- [Academic Plaza Consultation Services](library.uta.edu/academic-plaza)
- [Ask Us](ask.uta.edu/)
- [Research Coaches](http://libguides.uta.edu/researchcoach)

Resources

- [Library Tutorials](library.uta.edu/how-to)
- [Subject and Course Research Guides](libguides.uta.edu)
- [Librarians by Subject](library.uta.edu/subject-librarians)
- [A to Z List of Library Databases](libguides.uta.edu/az.php)
- [Course Reserves](https://uta.summon.serialssolutions.com/#!/course_reserves)
- [Study Room Reservations](openroom.uta.edu/)
As the instructor for this course, I reserve the right to adjust this schedule in any way that serves the educational needs of the students enrolled in this course.

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<thead>
<tr>
<th>Day/Date</th>
<th>Topic</th>
<th>Readings/Presentations</th>
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| W 8/26  | Introduction | Ball & Brown [1968] (Ho)  
|         |               | Beaver [1968] (Ho) |
| W 9/2   | Price/Earnings Relations | Patell & Wolfson [1981] (Ho)  
|         |               | Kormendi & Lipe [1987] (Ho) |
| W 9/9   | Variation in Price/Earnings Relations | Collins et al. [1987] (Gonzales)  
|         |               | Shores [1990] (Rahman)  
|         |               | DeFond et al. [2007] (Zhou)  
|         |               | Ho [1993] (Ho) |
|         |               | Collins et al. [1997] (Zhou)  
|         |               | Barth et al. [1998] (Gonzales) |
|         |               | DeBondt & Thaler [1985] (Gonzales)  
<p>|         |               | Mian &amp; Samkaraguruswamy [2012] (Rahman) |</p>
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<tr>
<th>Day/Date</th>
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<th>Readings/Presentations</th>
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<tr>
<td>W 9/30</td>
<td>Market Efficiency and Fundamental Analysis</td>
<td>Lev and Thiagarajan [1993] (Gonzales)</td>
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<td>Abarbanell and Bushee [1997] (Rahman)</td>
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<td>Hirshleifer et al. [2004] (Zhou)</td>
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<tr>
<td>W 10/7</td>
<td>Earnings Expectations Models/Analysts’ Forecasts</td>
<td>Brown et al. [1987] (Rahman)</td>
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<td>Clement et al. [2007] (Zhou)</td>
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<td>Lin and McNichols [1998] (Gonzales)</td>
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<tr>
<td>W 10/14</td>
<td>Analysts’ Behavior</td>
<td>Lim [2001] (Zhou)</td>
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<td>Lang &amp; Lundholm [1996] (Gonzales)</td>
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<td>Lehavy et al. [2011] (Rahman)</td>
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<td>W 10/21</td>
<td>Earnings Management I</td>
<td>Teoh, Wong and Rao [1998] (Gonzales)</td>
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<td>Guidry et al. [1999] (Rahman)</td>
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<td>Graham et al. [2005] (Zhou)</td>
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<tr>
<td>W 10/28</td>
<td>Earnings Management II</td>
<td>Burgstahler and Dichev [1997] (Rahman)</td>
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<td>Roychowdhury [2006] (Zhou)</td>
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<td>McVay [2006] (Gonzales)</td>
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Tucker and Zarowin [2006] *(Gonzales)*  
Baik, Choi and Farber [2020] *(Rahman)* |
Bartov, Givoly and Hayn [2002] *(Rahman)*  
Brown and Pinello [2007] *(Zhou)* |
| W 11/18 | Disclosures Regulation | Heflin et al. [2003] *(Rahman)*  
Cohen, Dey & Lys [2008] *(Zhou)*  
Chan et al. [2012] *(Gonzales)* |
| W 11/25 | Thanksgiving Holiday | |
| W 12/2 | International Accounting IFRS/Cross-listing | Daske et al. [2008] *(Zhou)*  
Kim et al. [2011] *(Gonzales)*  
Srinivasan et al. [2015] *(Rahman)* |
| W 12/9 | Research Paper Outline Presentation | |
| W 12/16 | Final Exam | |