

Department of Management Accounting:

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Management Accounting (6CP)

Spring Semester 2026

Objectives: A seminar is a course in which you work on your topic independently. There are 5 topics to choose from. For each topic, there is a starting source and 2 or 3 tasks, from which you can choose one. The purpose of this seminar is to train your ability to work and argue scientifically and to do so on the basis of scientific literature. You will learn how to make a scientifically sound argument based on the tasks provided. In addition, you will train your skills in presenting scientific work both in written and oral form and in providing helpful feedback to the work of other seminar participants.

Topics:

1. **Accounting measurement and corporate diversification.** Sapra and Kanodia (2016, JAR) propose a framework to analyze accounting real effects. In their study, the diversification of corporate cash flows as a real decision remains unexplored. Your task is to discuss the accounting real effects model in light of corporate diversification. Write a technical summary of the model (p. 636-643). Then,
 - a. Discuss the potential accounting real effects on corporate diversification in light of theoretical contributions to accounting, finance, and economics literature.OR
 - b. Discuss the potential accounting real effects on corporate diversification in light of empirical evidence documented in accounting, finance, and economics literature.
2. **Investor inattention to elements in accounting reports.** Lu (2022, JAR) proposes a theoretical model of information aggregation in financial reports when investors have limited attention. His paper sheds a fresh perspective on accounting literature that allows us to revisit established findings in light of his work. Your task is to write a technical summary of the model (p. 1997-2003). Then,
 - a. Discuss the model and its outcome on investor processing behavior in the light of Blankespoor et al. (2020, JAE) proposed three three-step model of information processing and the vast empirical literature surrounding it.OR
 - b. Discuss the model and its outcome on investor processing behavior in light of two prominent information categories proposed in the literature: Hard and Soft information. Liberty and Peterson (2018, RCFS).

OR

- c. Continue detailing the full model of Lu (2022, JAR) with the extension. He finds that providing details can even backfire and lead to strictly worse outcomes. Explain the mechanism behind this finding and contrast the mechanism of how we would usually think about information overload.
3. **Audit market and auditor specialization.** Petrov and Stocken (2022, TAR) propose a theory where specialization in the audit market arises endogenously. Their contribution provides novel insights into the structure of audit markets. Your task is to write a technical summary of the model (p. 404-411).
Then,
 - a. Discuss their model framework and findings in light of empirical evidence of audit market structures e.g., Minutti-Meza (2013, JAR) or Q Guo, C Koch and A Zhu (2022, TAR).

OR

- b. Continue your technical summary findings until p. 412 and discuss the findings of Stocken and Petrov's specialized audit market in light of the theoretical literature in accounting that imposes a competitive audit market structure, e.g., Kronenberger (2025, EAR) or Kronenberger and Laux (2022, MS).
4. **Investor inattention to some firms.** Fishman and Haggerty (1989, JOF) propose that firms compete for price efficiency in the financial market, ultimately overspending resources on disclosure. The analysis suggests negative information externalities on other firms' capital market pricing and positive effects on other firms' liquidity. Your task is to write a technical summary of the model (p. 635-640). Then,
 - a. Discuss the proposed theoretical mechanism of Fishman and Haggerty in the vast empirical literature on disclosure spillovers and how firms react to them.

OR

- b. Contrast the findings of Fishman and Haggerty with other modelling choices for limited processing capacity and how results are affected by them, e.g., Van Nieuwerburgh and Veldkamp (2010, REST)
5. **Information aggregation of hard and soft information.** Dye and Sridhar (2004, JAR) propose a model for the aggregation of hard and soft information. Their aggregation method captures, in a simplistic way, how financial reports aggregate such information and derive properties of optimal aggregation. Your task is to write a technical summary of the model (p. 55-62). Then,
 - a. Discuss which accounting figures in practice would most closely match the property of being an indistinguishable convex combination of hard and soft information. Highlight the paper's implications for the discussed accounting figures, as well as the implications of prominent accounting figures that fail to hold such properties on the paper's results.

OR

- b. Oftentimes, aggregation is accompanied by a disaggregate breakdown of aggregated items. For example, Hinson, Pündrich, and Zakota (2024) show that such disaggregated information enhances decision-usefulness. Discuss the literature on disaggregation and segment reporting in light of the findings of Dye and Sridhar.

General remarks:

In this seminar, you will be working on your topic individually. Each topic will be assigned to a maximum of two participants. The task at hand is to produce your own, individual paper, independently from your co-students.

Format:

For your written paper, we recommend to use the LaTeX format. It can be provided to you after the topic assignment. You can edit it using the original LaTeX program; however, it works with Overleaf or any other TeX IDE compatible system, too.

Proposal:

Once you have found an idea on how to fulfill the task, please submit a proposal (1/2 page), formulating an idea/concept you want to commit to for your seminar paper. Along with the proposal, please also suggest a suitable structure for your seminar paper. Please note that, following the submission of your proposal, there is a one-week processing period. Please consider this in your time planning.

Schedule:

Preliminary meeting	19 February 2026, 12.30 S6 HG 31
preliminary talk	by arrangement
submission deadline of the seminar paper	7 May 2026
feedback talk	by arrangement
presentations	21 and 22 May 2025 (all day)

Assessment:

Your successful completion of the seminar depends on your performance in the following four tasks/aspects:

task/aspect	weighting
Written paper	30%
Presentation	30%
Answers to technical questions	30%
Discussion	10%