



The Canadian
Accounting
Hall of Fame

Le Temple
de la renommée comptable
du Canada

Gordon D. Richardson – inducted 2022



Born in Toronto in 1949, Gordon “Gord” Richardson proceeded to the University of Toronto, where he gained a B.A. degree in 1972. After obtaining his accounting credits during the summer after graduation, he then spent three years as a Staff Accountant in the Toronto office of Price Waterhouse & Co., and qualified as a CA in 1975.

From 1975 to 1979 he served as Secretary to the Inter-Provincial Board of Examiners of the Canadian Institute of Chartered Accountants (CICA), in which position he coordinated the annual Uniform Final Examinations (UFE) for Chartered Accountants. During this period he studied for an MBA degree at York University, on a part-time basis.

For his PhD degree Gord went to Cornell University in Ithaca, New York. He completed this in 1983, with his thesis “A Theoretical and Empirical Investigation of Annual Earnings Announcements”.

His first academic position was as Assistant Professor at The University of British Columbia (UBC), where he taught introductory courses in both financial and managerial accounting until 1987. He also served on two PhD dissertation committees at UBC. He then moved to McMaster University as an Associate Professor; he taught introductory accounting courses there too.

In 1989 he became a Full Professor in the School of Accountancy at the University of Waterloo, holding the Ontario Chartered Accountants’ Chair in Accounting from 1996. Here he taught advanced accounting courses, including two PhD seminars, and served on six dissertation committees.

In 2002 Gord moved back to his alma mater, University of Toronto, as a Full Professor in the Rotman School of Management, becoming the KPMG Professor of Accounting for the 16 years from 2004 to 2020. During this time he taught a range of courses from B.Comm. to PhD; he also served as Chairman or Co-Chairman of the dissertation committees of 14 PhD graduates.

Since 2001 he has been Honorary Professor at the University of Queensland (UQ) Business School, a title awarded by UQ for a person of academic distinction and standing. Gord was a visitor at UQ many times and enjoyed his interaction with faculty there.

Gord was Editor of the research journal of the Canadian Academic Accounting Association (CAAA) *Contemporary Accounting Research* for the five years 2001 to 2006 (although the standard term as Editor is three years). Subsequently, two of his successors asked him to serve as Consulting Editor, in 2014 and 2017.

Over 30 of his academic papers have been published in prestigious academic journals, and Gord is best known for his published research studies involving corporate social responsibility reporting by firms, at least two of which have been widely cited. These are “Revisiting the relation between environmental performance and environmental disclosures: An empirical analysis” in *Accounting, Organizations and Society* (2008), and “Does it really pay to be green? Determinants and consequences of proactive environmental strategies” in *Journal of Accounting and Public Policy* (2011). The key takeaway from his work in this area is that it does pay to be green and that firms can reap the valuation benefits of such proactive environmental strategies through transparent voluntary disclosures.

Gord also explored the economic impacts of financial accounting standards, which resulted in publications in the *Journal of Accounting Research* relating to topics such as SFAS No. 2 and the LIFO/FIFO decision; and *The Accounting Review* and *Contemporary Accounting Research* relating to SFAS No. 5. In particular, he is well known for his research involving asset backed securities, which relates to the heart of the global financial crisis of 2007-2008. A 2006 publication in *Contemporary Accounting Research* entitled “Are Securitizations in Substance Sales or Secured Borrowings: Capital Market Evidence” showed that sales-type accounting allowed by SFAS 125 and 140 “got it wrong” because market-based measures of risk relevance pointed to the majority of the risks and rewards being retained by sponsoring banks regarding their transfer of mortgages and other types of receivables to trusts which then created asset backed securities. This was the first such study to show this and contributed to the U.S. GAAP reform (SFAS 166/167). A follow up 2014 publication in *Review of Accounting Studies* entitled “The Risk Relevance of Securitized Mortgages During the Recent Financial Crisis” demonstrated the risk relevance for the stock price of sponsoring banks during the financial crisis of off-balance- sheet securitizations involving U.S. residential mortgages. This once again implied the need to consolidate such off-balance-sheet securitization vehicles, since the results implied substantial risk retention by sponsoring banks. Taken together, this research reflects Gord’s keen interest in accounting standard setting.

In addition to the various contributions to the accounting profession referred to above, Gord has the following record of service:

- Institute of Chartered Accountants of Ontario – elected to its Council 1997-99. Also, served as a member of the Education, Planning and Development Committee 1990-94.

- CAAA –the program chair of the 1992 Annual Conference and a faculty presenter or resource person at three CAAA “Craft of Accounting Workshops” (in 2013, 2014 and 2019).
- Financial Reporting and Assurance Standards Canada – member of the Academic Advisory Council since 2006; this Council ensures that the AcSB is fully informed of academic research in areas relevant to setting accounting standards.
- He has served on 3 editorial boards (*Journal of Contemporary Accounting and Economics*, *Canadian Journal of Administrative Sciences* and *The Accounting Review*) and as a referee for 11 academic journals, including *Journal of Accounting Research*.

Gord’s contributions have been recognized in three ways:

- CAAA – Haim Falk Award for Advancement of Accounting Thought 2007.
- Institute of Chartered Accountants of Ontario – Fellow (FCA) 1991. This distinction recognizes his deep and longstanding relationship with the Canadian accounting profession.
- University of Toronto – B. Comm. Excellence in Teaching Award, six years between 2006 and 2013, reflecting Gord’s enthusiasm for accounting as an academic discipline.

Gord and Christine married in 1983 and are very proud of their two daughters, Alexandra and Sarah. Gord credits his success as an academic to the strong support of his family.