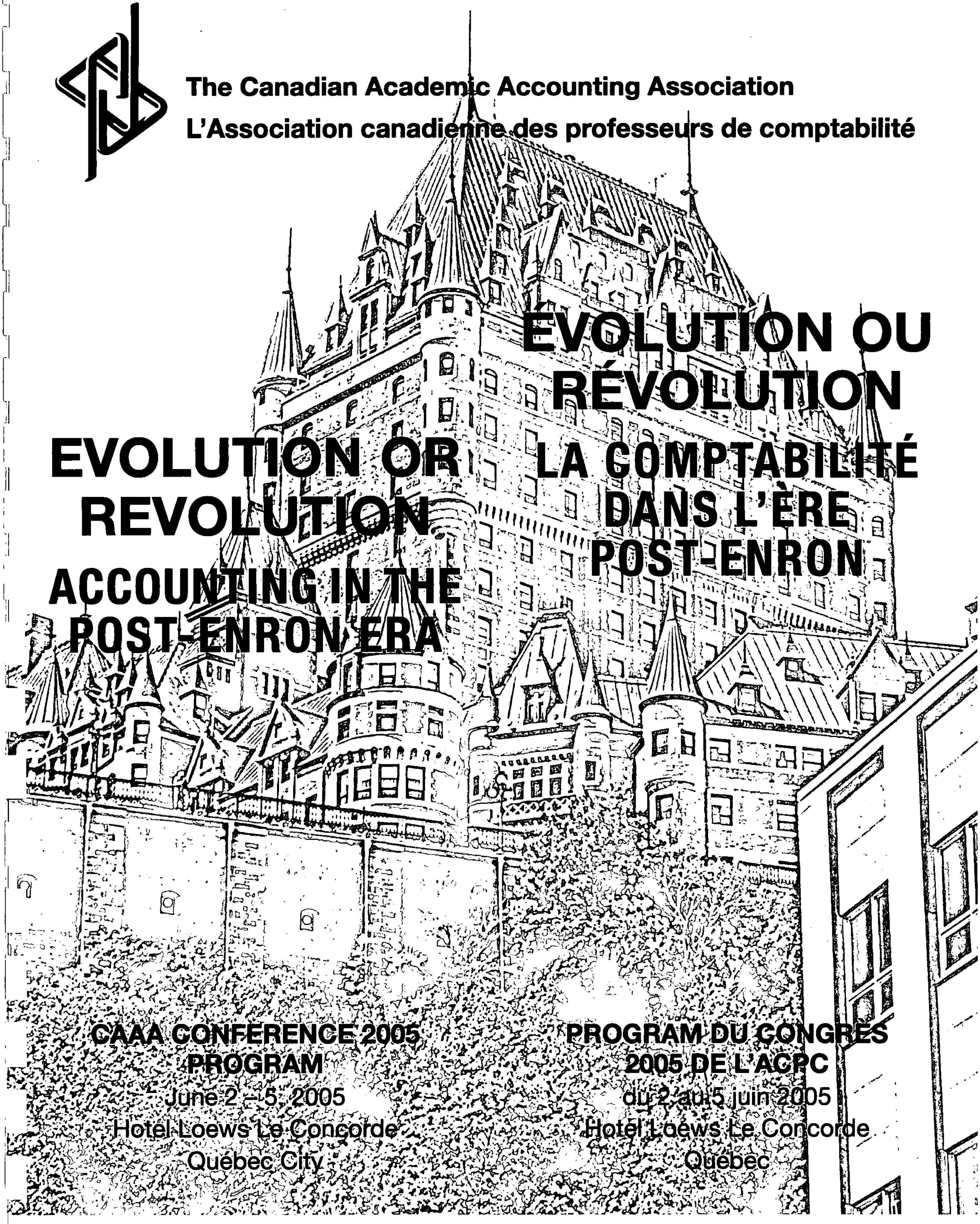
The Canadian Academic Accounting Association
L'Association canadienne des professeurs de comptabilité



EVOLUTION OR REVOLUTION
ACCOUNTING IN THE POST-ENRON ERA

ÉVOLUTION OU RÉVOLUTION
LA COMPTABILITÉ DANS L'ÈRE POST-ENRON

CAAA CONFERENCE 2005 PROGRAM
June 2 – 5, 2005
Hotel Loews Le Concorde
Québec City

PROGRAM DU CONGRÈS 2005 DE L'ACPC
du 2 au 5 juin 2005
Hotel Loews Le Concorde
Québec

Visit the new CAAA Web site!
Visitez le nouveau site Web de l'ACPC!

Welcome to..
THE CANADIAN ACADEMIC ACCOUNTING ASSOCIATION

Bienvenue a..
L'ASSOCIATION CANADIENNE DES PROFESSEURS DE COMPTABILITE

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Diamond & Platinum Partners

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...ademic Accounting Association ...nization of accounting educators, ...nts, and others who are involved in, or concerned about, research and education in accounting and related areas.

L'Association canadienne des professeurs de comptabilité (ACPC) est une organisation qui regroupe des professeurs, des praticiens et d'autres personnes intéressent ou qui contribuent à la formation et à la recherche en sciences comptables et autres domaines connexes.

- President's Message / Message de la présidente
- Submit *CAR* Papers Online

News / Nouvelles

- Michel Magnan nominated as new CAR Editor
- Michel Magnan est nommé nouveau rédacteur en chef de *RCC*

- Efrim Boritz nominated as new CAP Editor
- Efrim Boritz est nommé nouveau rédacteur en chef de *PCC*

Archives

Canadian Academic Accounting Association
Association canadienne des professeurs de comptabilité

CAAA CONFERENCE 2005

CONGRÈS 2005 DE L'ACPC

Evolution or Revolution: Accounting in the Post-Enron Era

Évolution ou révolution : La comptabilité dans l'ère post-Enron

Conference Chairs / Présidents du congrès
Daniel Coulombe and / et Suzanne Paquette
Faculté des sciences de l'administration, Université Laval

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The Canadian Academic Accounting Association wishes to thank its generous supporters for helping make our conference possible and for supporting our many initiatives. Our organization benefits most from the support of our national accounting bodies, who provide both financial and volunteer assistance to our endeavours throughout the year.

L'Association canadienne des professeurs de comptabilité tient à remercier ses généreux commanditaires d'avoir contribué à la réalisation du congrès annuel et d'appuyer ses nombreuses initiatives. Notre organisation bénéficie énormément de l'appui des trois organisations nationales de comptables professionnels, lesquelles nous fournissent une aide en matière de ressources humaines et financières tout au long de l'année.

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In addition, we are indebted to the many companies that support our Annual Conference in particular:

Nous sommes également reconnaissants envers les nombreuses entreprises qui ont accordé leur appui à notre congrès annuel, soit :

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Ben Salah, Ines	Université Laval
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Chen, Xia	University of British Columbia
Cheng, Qiang	University of British Columbia
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Chung, Janne O. Y.	York University
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Desfleurs, Aurélie	Université Laval

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Ge, Wenxia	McGill University
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Hilton, Murray	University of Manitoba
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Holyer, Gordon	Malaspina University-College

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Kanaan, George K.	Concordia University
Kanagaretnam, Kiridaran	McMaster University
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Niu, Flora	Wilfrid Laurier University
Pae, Jinhan	Queen's University
Paquette, Suzanne	Université Laval
Paré, Paul-Victor	Université Laval
Pelletier, Norma	North Island College
Perusse, Danièle	Ordre des CGA du Québec
Peterson, Dolores	Grant MacEwan College
Phillips, Fred	University of Saskatchewan
Philpott, Clifton	Kwantlen University College
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Power, Jeffrey	Saint Mary's University
Prat Dit Hauret, Christian	Université Montesquieu
Qu, Qian	University of Alberta
Radcliffe, Vaughan S.	University of Western Ontario
Richards, Lou	Southern Alberta Institute of Technology
Richardson, Alan J.	York University
Richardson, Gordon D.	University of Toronto
Rixon, Daphne	Warwick University
Robert, Anne-Marie	Université de Sherbrooke
Robinson, Linda	University of Waterloo

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Saint-Pierre, Jacques	Autorité de marchés financiers
Sainty, Barbara J.	Brock University
Salterio, Steven E.	Queen's University
Sansregret, Martin	Autorité de marchés financiers
Scott, Thomas W.	University of Alberta
Scott, William R.	University of Waterloo/Queen's Universtiy
Segal, Dan	University of Toronto
Sheehan, Norman T.	University of Saskatchewan
Shi, Yaqi	Concordia University
Shih, S. H. Michael	National University of Singapore
Siam, John J.	McMaster University
Simunic, Daniel A.	University of British Columbia
Sinclair, Scott	CA School of Business
Sinnadurai, Philip T.	Macquarie University
Sproule, Robert	University of Waterloo
Stammers, John	Centennial College
Suret, Jean-Marc	Université Laval
Swanson, Edward P.	Texas A&M University
Sweig, Carolin	Pearson Education Canada
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Tian, Yao	University of Waterloo
Trabelsi, Samir	Brock University
Trainor, J. Daniel	Atlantic School of Chartered Accountancy
Trenholm, Barbara A.	University of New Brunswick
Trivedi, Viswanath Umashanker	York University
Vasvari, Florin	University of Toronto
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Wagenhofer, Alfred	University of Graz
Wall, Jeanine	Red River College
Webb, Alan	University of Waterloo
Wiecek, Irene	University of Toronto-Mississauga
Wiedman, Christine I.	University of Western Ontario
Wilson, Fraser	Southern Alberta Institute of Technology
Wilson, G. Peter	Boston College
Wright, Foster	Southern Alberta Institute of Technology
Wright, William	University of Waterloo
Xu, Bixia	Wilfrid Laurier University

Conference 2005 Registrants / Les congressistes du congrès 2005

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Yi, Cheong H.	The Hong Kong Polytechnic University
Young, Nicola M.	Saint Mary's University
Zhang, Ping	University of Toronto
Zhou, Yibin	University of Toronto

Conference Program

Programme du congrès

CAAA Presidents and Award Winners / Présidents et lauréats de prix de l'ACPC

CAAA Presidents / Présidents de l'ACPC

Glenn Feltham	2004-2005	C. Derek Acland	1990-1991
Linda Thorne	2003-2004	Samuel H. Jopling	1989-1990
Joan Conrod	2002-2003	Irene M. Gordon	1988-1989
Michel Guindon	2001-2002	Yvon Houle	1987-1988
Anne Fortin	2000-2001	J. Alex Milburn	1986-1987
J. Efrim Boritz	1999-2000	Leonard J. Brooks	1985-1986
David H. Bateman	1998-1999	Michael Gibbins	1984-1985
Howard D. Teall	1997-1998	Gilles Chevalier	1983-1984
Réal Labelle	1996-1997	W. John Brennan	1982-1983
Daniel B. Thornton	1995-1996	Alister K. Mason	1981-1982
V. Bruce Irvine	1994-1995	J. David Blazouske	1980-1981
Patricia L. O'Malley	1993-1994	John H. Waterhouse	1979-1980
Jean-Guy Rousseau	1992-1993	L. S. (Al) Rosen	1977-1979
Nabil S. Elias	1991-1992	Daniel L. McDonald	1976-1977

L. S. Rosen — Chairman of Organizing Committee / Président du comité fondateur

Winners of the L. S. Rosen Award for Outstanding Contribution to Canadian Accounting Education

Lauréats du Prix L. S. Rosen pour apport exceptionnel à l'enseignement de la comptabilité au Canada

W. Morley Lemon	2004	Norman B. Macintosh	1994
V. Bruce Irvine	2003	Michael Gibbins	1992
Howard D. Teall	2002	Joel H. Amernic	1990
T. Ross Archibald	2001	Daniel B. Thornton	1989
Howard M. Armitage	2000	Réjean Brault	1988
Irene M. Gordon	1999	J. David Blazouske	1987
George C. Baxter	1998	John R. Hanna	1986
Stanley L. Laiken	1997	James Everil Smyth	1985
George R. Chesley	1996	Sanjoy (Joe) Basu	1983
Nadi Chlala	1995		

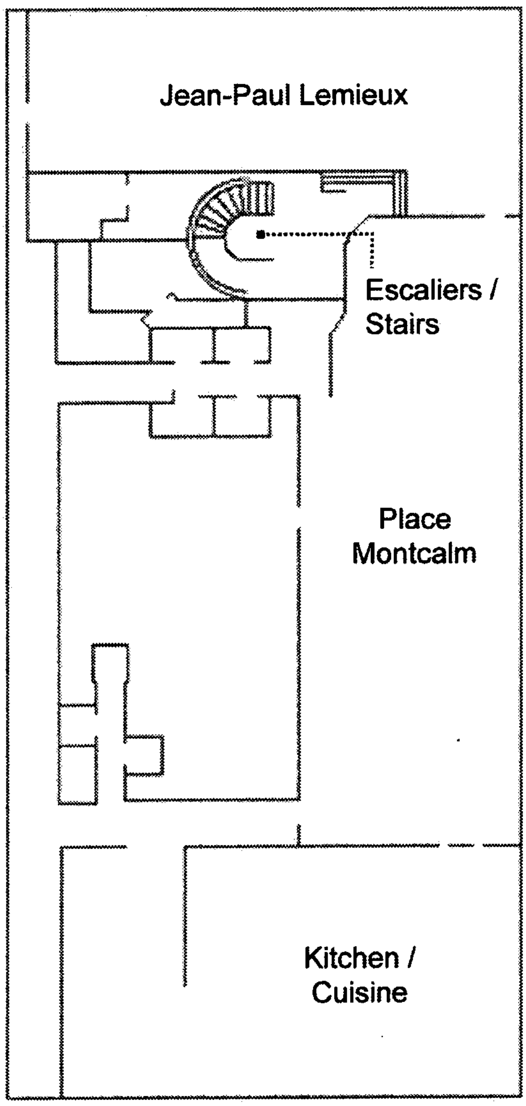
Winners of the Haim Falk Award for Distinguished Contribution to Accounting Thought

Lauréats du Prix Haim Falk pour contribution remarquable aux sciences comptables

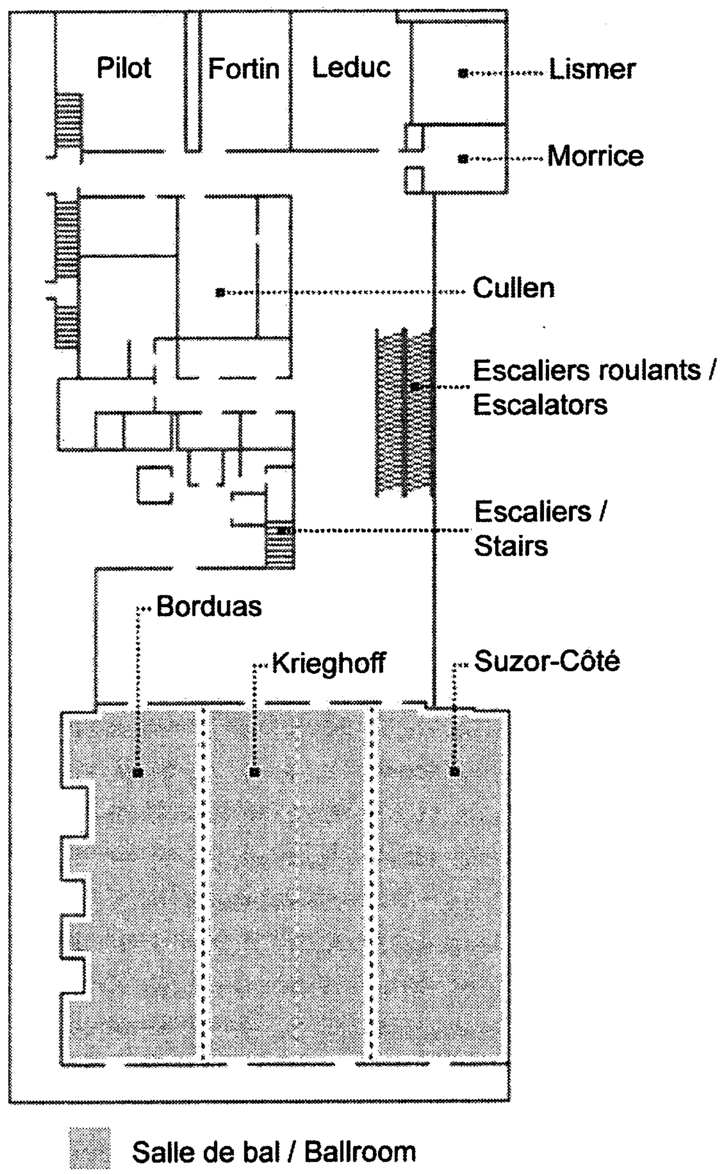
Michael Gibbins	2003	Richard V. Mattessich	1991
Dan A. Simunic	2001	Ross M. Skinner	1990
Norman B. Macintosh	1998	Anthony A. Atkinson	1989
Gerald A. Feltham	1994	William R. Scott	1988
George J. Murphy	1992	Daniel B.Thornton	1987

Conference Levels / Étages de conférence

Lower Level / Niveau plus bas

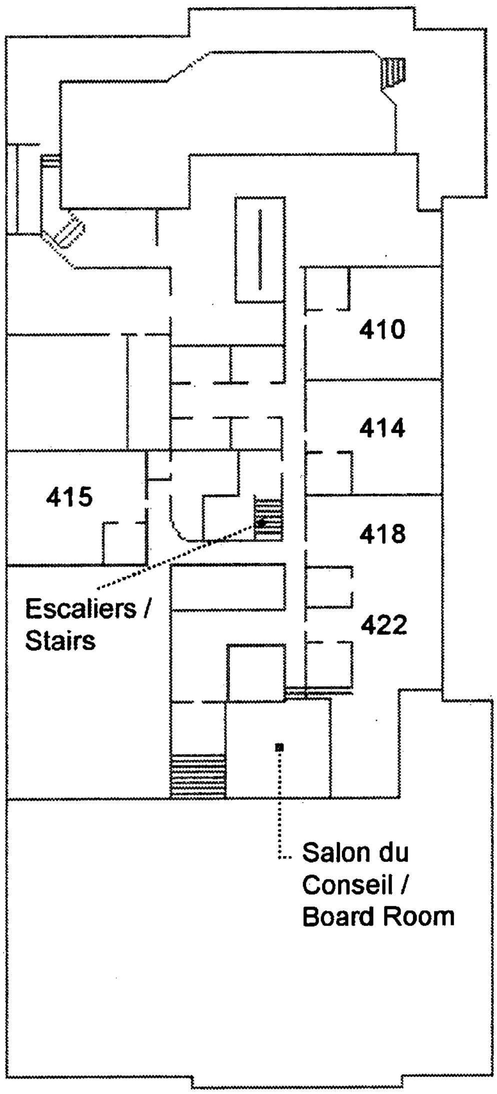


Level 3 / Niveau 3



Conference Levels / Étages de conférence

Level 4 / Niveau 4



Conference Room Assignments

Sessions / Séances

Session A / Séance A	Jean-Paul Lemieux Lower Level / Niveau plus bas
Session B / Séance B	Room 415 / Chambre 415 Level 4 / Niveau 4
Session C / Séance C	Morrice / Lismer Level 3 / Niveau 3
Session D / Séance D	Leduc Level 3 / Niveau 3
Session E / Séance E	Fortin Level 3 / Niveau 3
Session F / Séance F	Pilot Level 3 / Niveau 3
Exhibits, breakfasts, breaks / Exposés, petit déjeuners, pauses	Suzor-Côté / Krieghoff Level 3 / Niveau 3
Plenary sessions, lunch, AGM, & receptions / Séances plenières, déjeuner, AGA & réceptions	Borduas / Krieghoff Level 3 / Niveau 3
Session 4A, Poster Session portion (on display all-day Saturday) / Séance 4A, Échange de stratégies pédagogiques (toute de samedi)	Foyer outside / en dehors de Borduas/Krieghoff Level 3 / Niveau 3

Miscellaneous

Thursday / Jeudi	Registration, breakfast, breaks / Inscription, petit déjeuner, pauses	Ballroom Foyer / Salle de Bal Hall d'Exposition Level 3 / Niveau 3
	Lunch / Déjeuner	La Gallerie Main Level / Niveau principal
	Francophone Day Program / Journée francophone	Pilot Level 3 / Niveau 3
	XBRL Tutorial / XBRL Tutorial	Room 415 / Chambre 415 Level 4 / Niveau 4
	PhD Workshop / Atelier de l'ACPC	Leduc / Fortin Level 3 / Niveau 3
	Francophone Cocktails / Réception à l'intention des francophones	Pilot Level 3 / Niveau 3
Registration / Inscription		Ballroom Foyer Level 3 / Niveau 3
Liaisons Breakfast / Petit déjeuner de liaison de l'ACPC		Morrice / Lismer Level 3 / Niveau 3
Education Committee Breakfast / Petit déjeuner du Comité de formation		Morrice / Lismer Level 3 / Niveau 3
Ethics Workshop / Atelier sur l'éthique		Leduc / Fortin Level 3 / Niveau 3
Conference Assessment & Planning / Évaluation du congrès et réunion de planification		Morrice / Lismer Level 3 / Niveau 3
Sunday Lunch / Déjeuner d'adieu		Pilot Level 3 / Niveau 3

Timetable

	Borduas / Krieghoff Ballroom	Ballroom Foyer	Jean-Paul Lemieux (A Sessions)	Room 415 (B Sessions)
THURSDAY-SATURDAY	Registration in Ballroom Foyer. Thursday Breakfast and Breaks in Ballroom Foyer. Thursday Lunch in La Gallerie (Main Floor Dining Room). Friday and Saturday Book/Software Display, Breakfasts, and Breaks in Suzor-Côté / Krieghoff Ballroom (except Saturday afternoon Break, which will take place in the Ballroom Foyer).			
THURSDAY				
09:00 – 17:00 Concurrents				XBRL / XARL Tutorial
18:00 – 19:00				
19:00 – 22:00	**Welcome Reception**			
FRIDAY				
07:15 – 08:15				
08:15 – 10:30	**Opening Remarks Plenary Session I**			
11:00 – 12:30 Concurrents 1			Accounting Dept. Heads Exchange (by invitation)	Financial / Financial Analysts
12:35 – 14:35	**President's Lunch**			
14:40 – 15:55	**AGM**			
16:00 – 17:30 Concurrents 2			Taking Back the Classroom: Motivating	Audit Expertise
17:30 – 20:00	**Members' Reception**			
SATURDAY				
07:15 – 08:15				
08:15 – 09:45	**Plenary Session II**			
10:15 – 11:45 Concurrents 3			Challenges in Accounting Education: Open Forum	Financial Reporting
11:50 – 13:50	**Members' Lunch**			
13:50 – 15:20 Concurrents 4		Learning Strategies Poster Session	Education Innovations: Winners Present	Voluntary Disclosure
15:50 – 17:20 Concurrents 5			Future Direction of Standards Setting	Audit Process
SUNDAY				
08:15 – 09:00				
09:00 – 12:00				
08:30 – 12:00				
12:00 – 13:00				

Timetable

	Morrice / Lismer (C Sessions)	Leduc (D Sessions)	Fortin (E Sessions)	Pilot (F Sessions)
THURSDAY – SATURDAY	Registration in Ballroom Foyer. Thursday Breakfast and Breaks in Ballroom Foyer. Thursday Lunch in La Gallerie (Main Floor Dining Room). Friday and Saturday Book/Software Display, Breakfasts, and Breaks in Suzor-Côté / Krieghoff Ballroom (except Saturday afternoon Break, which will take place in the Ballroom Foyer).			
THURSDAY				
09:00 – 17:00 Concurrents		PhD / Junior Faculty Workshop		Francophone Day Program
18:00 – 19:00				Francophone Cocktail Party
19:00 – 22:00				
FRIDAY				
07:15 – 08:15	CAAA Liaisons Breakfast (by invitation)			
08:15 – 10:30				
11:00 – 12:30 Concurrents 1	Managerial / Performance in Organizations	Financial / Corporate Disclosure	Audit Expertise	Teaching Portfolio
12:35 – 14:35				
14:40 – 15:55				
16:00 – 17:30 Concurrents 2	Education Research	Financial / Analysts Forecast	Tax	Financial / Disclosure
17:30 – 20:00				
SATURDAY				
07:15 – 08:15	CAAA Education Committee Breakfast (by invitation)			
08:15 – 09:45				
10:15 – 11:45 Concurrents 3	Financial / Disclosure & Governance	Audit Empirical Research	Earnings Management	Case Teaching
11:50 – 13:50				
13:50 – 15:20 Concurrents 4	Experimental Research	Financial / Value Relevance	Financial / Analytical	Practicing What We Preach
15:50 – 17:20 Concurrents 5	Managerial / Performance Measurement	Financial / Disclosure	Environmental & Social	Financial / Accounting Methods
SUNDAY		Ethics Workshop		
08:15 – 09:00		Breakfast		
09:00 – 12:00		Presentations		
08:30 – 12:00	Conference Assessment & Planning Meeting (by invitation)			
12:00 – 13:00				Closing Lunch

Horaire

	Borduas / Krieghoff Salle de Bal	Salle de Bal Hall d'Exposition	Jean-Paul Lemieux (Séances A)	Chambre 415 (Séances B)
JEUDI-SAMEDI	Inscription dans Salle de Bal Hall d'Exposition. Jeudi, petit déjeuner et pauses dans Salle de Bal Hall d'Exposition. Jeudi, déjeuner dans La Gallerie (Niveau principal). Vendredi et samedi, exposition de livres et de logiciels, petit déjeuners et pauses dans Suzor-Côté / Krieghoff Salle de Bal (sauf la pause de samedi après-midi, dans Salle de Bal Hall d'Exposition).			
JEUDI				
09:00 – 17:00 Simultanées				Séance de formation sur XBRL et XARL
18:00 – 19:00				
19:00 – 22:00	**Réception de beinvenue**			
VENDREDI				
07:15 – 08:15				
08:15 – 10:30	**Mot d'ouverture Séance plenière I**			
11:00 – 12:30 Simultanées 1			Échange entre les chefs de département de comptabilité (sur invitation)	Comptabilité financière / Analystes financiers
12:35 – 14:35	**Déjeuner du président**			
14:40 – 15:55	**AGA**			
16:00 – 17:30 Simultanées 2			Reprise en main de la classe — Motiver	Expertise en vérification
17:30 – 20:00	**Réception des membres**			
SAMEDI				
07:15 – 08:15				
08:15 – 09:45	**Séance plenière II**			
10:15 – 11:45 Simultanées 3			Les défis propres à l'enseignement — Débat ouvert	Communication de l'information financière
11:50 – 13:50	**Déjeuner des membres**			
13:50 – 15:20 Simultanées 4		Échange de stratégies pédagogiques	Innovations dans l'enseignement	Divulgation volontaire
15:50 – 17:20 Simultanées 5			Orientation future de la normalisation	La vérification
DIMANCHE				
08:15 – 09:00				
09:00 – 12:00				
08:30 – 12:00				
12:00 – 13:00				

Horaire

	Morrice / Lismer (Séances C)	Leduc (Séances D)	Fortin (Séances E)	Pilot (Séances F)
JEUDI – SAMEDI	Inscription dans Salle de Bal Hall d'Exposition. Jeudi, petit déjeuner et pauses dans Salle de Bal Hall d'Exposition. Jeudi, déjeuner dans La Gallerie (Niveau principal). Vendredi et samedi, exposition de livres et de logiciels, petit déjeuners et pauses dans Suzor-Côté / Krieghoff Salle de Bal (sauf la pause de samedi après-midi, dans Salle de Bal Hall d'Exposition).			
JEUDI				
09:00 – 17:00 Simultanées		Atelier de l'ACPC		Journée francophone
18:00 – 19:00				Réception à l'intention des francophones
19:00 – 22:00				
VENDREDI				
07:15 – 08:15	Petit déjeuner de liaison de l'ACPC (sur invitation)			
08:15 – 10:30				
11:00 – 12:30 Simultanées 1	Comptabilité de management / Performance au sein des organisations	Comptabilité financière / Divulgation par les entreprises	Expertise en vérification	Le dossier d'enseignement
12:35 – 14:35				
14:40 – 15:55				
16:00 – 17:30 Simultanées 2	Recherche — Formation	Comptabilité financière / Prévisions des analystes	Fiscalité	Financière / Divulgation
17:30 – 20:00				
SAMEDI				
07:15 – 08:15	Petit déjeuner du Comité de formation (sur invitation)			
08:15 – 09:45				
10:15 – 11:45 Simultanées 3	Comptabilité financière / Divulgation et gouvernance	Vérification / Recherche empirique	Gestion des résultats	L'enseignement à l'aide d'études de cas
11:50 – 13:50				
13:50 – 15:20 Simultanées 4	Recherche expérimentale	Comptabilité financière / Pertinence pour l'évaluation de l'entreprise	Comptabilité financière / Recherche analytique	Prêcher par l'exemple
15:50 – 17:20 Simultanées 5	Comptabilité de management / Mesure du rendement	Comptabilité financière / Divulgation	Comptabilité environnementale et sociale	Comptabilité financière / Méthodes comptables
DIMANCHE		**Atelier sur l'éthique**		
08:15 – 09:00		Petit déjeuner		
09:00 – 12:00		Présentations		
08:30 – 12:00	Évaluation du congrès et réunion de planification (sur invitation)			
12:00 – 13:00				Déjeuner d'adieu

Thursday, June 2 / Jeudi 2 juin

Conference registration / Inscription

08:00 – 10:00
Ballroom Foyer / Salle de Bal
Hall d'Exposition
Level 3 / Niveau 3

(Only for registrants in today's programs / Seulement à l'intention des personnes inscrites aux programmes de la journée)

Conference programs / Programmes

Conference bags / Sacs

Sponsor / Commanditaire

Université Laval

Breakfast / Petit déjeuner

08:15 – 09:00
Ballroom Foyer / Salle de Bal
Hall d'Exposition
Level 3 / Niveau 3

Sponsors / Commanditaires

XBRL Canada

CAAA / ACPC

Concurrent Workshops / Ateliers simultanés

Journée francophone / Francophone Day

Une nouvelle Journée francophone est offerte dans le cadre de la Journée de perfectionnement professionnel. Elle s'adresse principalement aux professeurs et professeures d'université enseignant dans un établissement francophone, et à ceux et celles qui préparent des communications en langue française. Le comité organisateur de cette journée a divisé l'événement en deux parties, soit la première portant sur le thème général de l'enseignement dans un contexte francophone, puis la seconde portant sur la communication en langue française de travaux de recherche.

A new Francophone Day is being offered as part of the Professional Development Day. It is intended primarily for academics teaching in French, and for all those who write papers in French. The Francophone Day Organizing Committee divided the event into two parts, the first addressing the general theme of teaching in a Francophone environment, and the second focusing on the communication of research results in French.

XBRL and XARL Tutorial / Séance de formation sur XBRL et XARL

Sponsor / Commanditaire

XBRL Canada

Presented by / Animée par Efrim Boritz and Won No

(with support from the University of Waterloo Centre for Information Systems Assurance and by XBRL Canada) / (avec le soutien du Centre for Information Systems Assurance de l'Université de Waterloo et de XBRL Canada)

Please note that this hands-on tutorial will be at a beginner level. Its purpose is to bridge the technology gap and make participants sufficiently comfortable with XBRL so that they can participate intelligently in policy-level discussions about the benefits and risks of having financial information disseminated over the Internet.

Cette séance de formation pratique s'adresse aux non-initiés. Elle vise à combler l'écart technologique et à familiariser suffisamment les participants avec XBRL pour qu'ils puissent intervenir de façon éclairée dans les discussions qui portent sur les avantages et les risques liés à la diffusion de données financières dans Internet.

Thursday, June 2 / Jeudi 2 juin

CAAA Workshop / Atelier de l'ACPC

The Craft of Accounting Research: Planning, Performing, and Publishing Research in Auditing and Accounting

L'art de la recherche comptable : planifier, réaliser de la recherche en comptabilité et en vérification, et en publier les résultats

Sponsor / Commanditaire

CAAA / ACPC

Concurrent Sessions 1 / Premier bloc de séances simultanées

09:00 – 10:30

Première séance de la Journée francophone / Francophone Day Session 1

Pilot

Niveau 3 / Level 3

Commanditaire / Sponsor

ACPC / CAAA

Cette séance plénière au cours de laquelle seront présentés divers points de vue sur l'enseignement portera sur *Les défis et les difficultés à venir concernant l'enseignement de la comptabilité dans la communauté francophone*. Elle vise expressément les personnes qui enseignent dans un contexte francophone. Des professeurs et des praticiens francophones de renommée présenteront, au cours de cette séance, leurs points de vue sur le sujet.

A plenary session presenting views on education. The general theme is: *The forthcoming challenges and difficulties of teaching accounting in the French community*, and is specifically aimed at those who teach in a French environment. The session will present the views of leading French academics and practitioners on the subject.

Première plénière sur l'enseignement :
Les défis de l'enseignement de la comptabilité

Teaching Plenary Session:
The Challenges of Teaching Accounting

Animateur / Moderator

Daniel Coulombe
(Université Laval)

Experts / Panelists

Jean Bédard (Université Laval)

Anne Fortin (Professeure Directrice, Maîtrise en sciences comptables, Université du Québec à Montréal)

Maurice Gosselin (Vice-Doyen Recherche, Université Laval)

Michel Guindon (HEC-Montréal)

Diane Messier (Ordre des Comptables Agréés du Québec)

Francine Turmel (Vice-Doyen Recherche, Université de Sherbrooke)

Clarence Turgeon (Associé, Samson Bélair/Deloitte & Touche)

Thursday, June 2 / Jeudi 2 juin

XBRL and XARL Tutorial Session 1 / Première séance de formation sur XBRL et XARL

Room 415 / Chambre 415

Level 4 / Niveau 4

Sponsor / Commanditaire

XBRL Canada

Brief Introduction to/demonstration of XBRL / Brève introduction à XBRL et démonstration

Getting Familiar with XBRL – XBRL Taxonomy / Se familiariser avec XBRL – Taxonomie de XBRL

Moderators / Animateurs

J. Efrim Boritz (University of Waterloo)

Won No (University of Waterloo)

CAAA Ph.D. Workshop Session 1 / Première séance de l'atelier de l'ACPC destiné aux étudiants de doctorat

Leduc / Fortin

Level 3 / Niveau 3

Sponsor / Commanditaire

CAAA / ACPC

Chair / Animateur

Gordon D. Richardson (University of Toronto)

Coffee Break / Pause café

10:30 – 11:00

Ballroom Foyer / Salle de Bal Hall d'Exposition

Level 3 / Niveau 3

Sponsors / Commanditaires

XBRL Canada

CAAA / ACPC

Concurrent Sessions 2 / Deuxième bloc de séances simultanées

11:00 – 12:30

Deuxième séance de la Journée francophone / Francophone Day Session 2

Pilot

Niveau 3 / Level 3

Commanditaire / Sponsor

ACPC / CAAA

Après la plénière, il y aura une discussion entre experts sur la formation. Au cours de cette séance interactive, des professeurs et des praticiens francophones de renommée présenteront leurs points de vue sur le sujet. Il y aura ensuite une période de questions et de discussion.

Following up on the plenary session, a panel discussion on education will take place. This interactive session will present the views of leading French academics and practitioners on the subject and leave plenty of time for questions and discussion.

Experts / Panelists

Jean Bédard (Université Laval)

Anne Fortin (Professeure Directrice, Maîtrise en sciences comptables, Université du Québec à Montréal)

Maurice Gosselin (Vice-Doyen Recherche, Université Laval)

Michel Guindon (HEC-Montréal)

Diane Messier (Ordre des Comptables Agréés du Québec)

Francine Turmel (Vice-Doyen Recherche, Université de Sherbrooke)

Animateur / Moderator

Daniel Coulombe (Université Laval)

Thursday, June 2 / Jeudi 2 juin

XBRL and XARL Tutorial Session 2 / Deuxième séance de formation sur XBRL et XARL

Room 415 / Chambre 415
Level 4 / Niveau 4

Sponsor / Commanditaire

XBRL Canada

Getting Familiar with XBRL – XBRL Instance Document / Se familiariser avec XBRL – Document d'instance XBRL

Transforming XBRL Instance Documents / Transformer les documents d'instance XBRL

Moderators / Animateurs

J. Efrim Boritz (University of Waterloo)

Won No (University of Waterloo)

CAAA Ph.D. Workshop Session 2 / Deuxième séance de l'atelier de l'ACPC destiné aux étudiants de doctorat

Leduc / Fortin
Level 3 / Niveau 3

Sponsor / Commanditaire

CAAA / ACPC

Chair / Animateur

Steven E. Salterio (Queen's University)

Lunch / Déjeuner

12:30 – 13:30
La Gallerie
Main Level / Niveau principal

Sponsors / Commanditaires

XBRL Canada

CAAA / ACPC

Concurrent Sessions 3 / Troisième bloc de séances simultanées

13:30 – 15:00

Troisième séance de la Journée francophone / Francophone Day Session 3

Pilot
Niveau 3 / Level 3

Des rapports de recherche / Research Papers

Commanditaire / Sponsor

ACPC / CAAA

Animateur de séance / Session Chair

Daniel Coulombe (Université Laval)

Conférenciers / Speakers

« Le lissage du résultat et l'optimisation fiscale dans la décision d'octroi d'options sur actions: incidence de la concentration du capital »

Denis Cormier* (Université du Québec à Montréal)
Suzanne Landry (Université du Québec à Montréal)
Michel L. Magnan (Université Concordia)

« Un bilan de dix ans de publication dans Comptabilité, contrôle et audit »

Maurice Gosselin (Université Laval)

« La révélation des faits délictueux par les commissaires aux comptes: une décision délicate en terme d'opinion »

Christian Prat dit Hauret (Université Montesquieu)

Intervenants / Discussants

Samir Trabelsi (Brock University)

Raymond Morissette (HEC-Montréal)

Anne-Marie Robert (Université de Sherbrooke)

* Donne l'exposé / Presenter.

Thursday, June 2 / Jeudi 2 juin

XBRL and XARL Tutorial Session 3 / Troisième séance de formation sur XBRL et XARL

Room 415 / Chambre 415
Level 4 / Niveau 4

Sponsor / Commanditaire
XBRL Canada

Brief Introduction to/demonstration of XARL / Brève introduction à XARL et démonstration

Getting Familiar with XARL – XARL Taxonomy / Se familiariser avec XARL – Taxonomie de XARL

Moderators / Animateurs
J. Efrim Boritz (University of Waterloo)
Won No (University of Waterloo)

CAAA Ph.D. Workshop Session 3 / Troisième séance de l'atelier de l'ACPC destiné aux étudiants de doctorat

Leduc / Fortin
Level 3 / Niveau 3

Sponsor / Commanditaire
CAAA / ACPC

Chair / Animateur
Michel L. Magnan (Concordia University)

Coffee Break / Pause café

15:00 – 15:30
Ballroom Foyer / Salle de Bal Hall d'Exposition
Level 3 / Niveau 3

Sponsors / Commanditaires
XBRL Canada
CAAA / ACPC

Concurrent Sessions 4 / Quatrième bloc de séances simultanées

15:30 – 17:00

Quatrième séance de la Journée francophone / Francophone Day Session 4

Pilot
Niveau 3 / Level 3

Des rapports de recherche / Research Papers

Commanditaire / Sponsor
ACPC / CAAA

Animatrice de séance / Session Chair
Suzanne Paquette (Université Laval)

Conférenciers / Speakers | **Intervenants / Discussants**

« Le rôle des experts-comptables dans l'utilisation de l'information différentielle par les PME canadiennes »
Jocelyne Gosselin (Université du Québec à Trois-Rivières)
Benoit Lavigne (Université du Québec à Trois-Rivières)
Discussant: Sylvie Berthelot (Université de Moncton)

« Développement d'un système expert pour évaluer la veille stratégique »
François Brouard (Carleton University)
Discussant: Jean-François Henri (Université Laval)

« Examen de la notion de confiance dans le cadre des relations client-vérificateur »
Abdelhaq Elbekkali (Université de Sherbrooke)
Discussant: Christian Prat dit Hauret (Université Montesquieu)

* Donne l'exposé / Presenter.

Thursday, June 2 / Jeudi 2 juin

XBRL and XARL Tutorial Session 4 / Quatrième séance de formation sur XBRL et XARL

Room 415 / Chambre 415

Level 4 / Niveau 4

Sponsor / Commanditaire

XBRL Canada

Getting Familiar with XARL – XARL Instance Document / Se familiariser avec XARL – Document d'instance XARL

Transforming XARL Instance Document / Transformer les documents d'instance XARL

Future Directions / Orientations futures

Moderators / Animateurs

J. Efrim Boritz (University of Waterloo)

Won No (University of Waterloo)

CAAA Ph.D. Workshop Session 4 / Quatrième séance de l'atelier de l'ACPC destiné aux étudiants de doctorat

Leduc / Fortin

Level 3 / Niveau 3

Sponsor / Commanditaire

CAAA / ACPC

Chairs / Animateurs

Gordon D. Richardson (University of Toronto)

Steven E. Salterio (Queen's University)

Michel L. Magnan (Concordia University)

Conference registration / Inscription

16:00 – 19:00

Ballroom Foyer / Salle de Bal Hall d'Exposition

Level 3 / Niveau 3

Conference programs / Programmes

Conference bags / Sacs

Sponsor / Commanditaire

Université Laval

Réception à l'intention des francophones / Cocktail Party for Francophones

18:00 – 19:00

Morrice / Lismer

Niveau 3 / Level 3

Commanditaire / Sponsor

Université Laval

Animateurs / Chairs

Daniel Coulombe

Suzanne Paquette

Welcome Reception / Réception de bienvenue

19:00 - 22:00

Borduas / Krieghoff

Level 3 / Niveau 3

Sponsor / Commanditaire

CMA Canada

Chair / Animateur

Glenn D. Feltham (University of Manitoba)

Friday, June 3 / Vendredi 3 juin

Conference registration / Inscription

07:00 – 16:30
Ballroom Foyer / Salle de Bal Hall d'Exposition
Level 3 / Niveau 3

Conference programs / Programmes
Conference bags / Sacs
Sponsor / Commanditaire
Université Laval

UNIVERSITÉ LAVAL
Faculté des sciences de l'administration

Breakfast / Petit déjeuner

07:15 – 08:15
Suzor-Côté / Krieghoff
Level 3 / Niveau 3

Sponsor / Commanditaire
Autorité des marchés financiers

AUTORITÉ DES MARCHÉS FINANCIERS

CAAA Liaisons Breakfast / Petit déjeuner à l'intention des agents de liaison de l'ACPC

07:15 – 08:15
Morrice / Lismer
Level 3 / Niveau 3

(by invitation only / sur invitation seulement)

Chair / Animateur
Glenn D. Feltham (University of Manitoba)

Opening Remarks and Plenary Session I / Mot d'ouverture et première plénière

08:15 – 10:30
Borduas / Kreighoff
Level 3 / Niveau 3

Opening Remarks / Mot d'ouverture
Daniel Coulombe and Suzanne Paquette (Université Laval)
Glenn D. Feltham (University of Manitoba)
O. Finley Graves (University of North Texas, AAA VP–Education)

Plenary Session I / Première plénière

Borduas / Kreighoff
Level 3 / Niveau 3

The Sarbanes-Oxley Act: Assessments and Prospects / La loi Sarbanes-Oxley : Évaluation et perspectives

Sponsor / Commanditaire
Autorité des marchés financiers

AUTORITÉ DES MARCHÉS FINANCIERS

Moderator / Animateur
J. Efrim Boritz (University of Waterloo)

Panel

Nancy L. Salisbury (Senior Associate Chief Accountant, Securities and Exchange Commission / chef comptable associé principal à la Securities and Exchange Commission)
From a perspective of the necessity of SOX regulations / perspective axée sur la nécessité d'établir des règlements comme la loi Sarbanes-Oxley

Jean Bédard (Université Laval)
From a Canadian academic perspective / point de vue des professeurs canadiens

Gordon Thiessen (Chair of the Canadian Public Accountability Board (CPAB) / président du Conseil canadien sur la reddition de comptes (CCRC))
CPAB role and Canadian audit firms / rôle du CCRC et des cabinets canadiens de vérification

Friday, June 3 / Vendredi 3 juin

Coffee Break / Pause café

10:30 – 11:00

Suzor-Côté / Krieghoff

Level 3 / Niveau 3

Sponsor / Commanditaire

ICAO

Concurrent Sessions 1 / Premier bloc de séances simultanées

11:00 – 12:30

Session / Séance 1A

Jean-Paul Lemieux

Lower Level / Niveau plus bas

Canadian Accounting Department Heads' Information Exchange

Échange d'information entre les chefs de département de comptabilité d'établissements canadiens

(by invitation only / sur invitation seulement)

Sponsor / Commanditaire

CAAA / ACPC

Chair / Animateur

Suresh S. Kalagnanam (University of Saskatchewan)

Session / Séance 1B

Room 415 / Chambre 415

Level 4 / Niveau 4

Research — Financial / Financial Analysts

Recherche — Comptabilité financière / Analystes financiers

"Investigating the Role of Financial Analysts in the 1996-2000 Internet Bubble"

Yao Tian* (University of Waterloo)

Patricia C. O'Brien (University of Waterloo)

"Antecedents and Consequences of Financial Analyst Turnover"

Emad Mohd* (McMaster University)

Siva Nathan (Georgia State University)

"Are Sell-Side Analysts with a Chartered Financial Analyst (CFA) Designation Better?"

Gus De Franco (University of Toronto)

Yibin Zhou* (University of Toronto)

Session Chair / Animateur de séance

S. M. Khalid Nainar (McMaster University)

Discussant / Intervenante

Aurélie Desfleurs (Université Laval)

* Presenter / Donne l'exposé.

Session / Séance 1C

Morrice / Lismer
Level 3 / Niveau 3

Research — Managerial / Performance in Organizations

Recherche — Comptabilité de management / Performance au sein des organisations

CANCELLED

"New Public Sector Reform at Work: Transforming the United States Veterans Health Administration"

Nicole Thibodeau* (Université Laval)

"Value Creation in Public Enterprises: An Empirical Analysis of Coordinated Organizational Changes in the VA Hospital System"

Nicole Thibodeau* (Université Laval)

John H. Evans III (University of Pittsburgh)

Nandu J. Nagarajan (University of Pittsburgh)

"Taxonomy of Performance Measurement Systems and Organizational Context"

Jean-François Henri* (Université Laval)

Session Chair / Animatrice de séance

Lucie Courteau (Free University of Bozen-Bolzano)

Discussant / Intervenant

R. Murray Lindsay (University of Western Ontario)

Session / Séance 1D

Leduc
Level 3 / Niveau 3

Research — Financial / Corporate Disclosure

Recherche — Comptabilité financière / Divulgation par les entreprises

"Jeopardy, Non-Public Information and Insider Trading Around Sec 10-K and 10-Q Filings"

Steven J. Huddart* (Pennsylvania State University)

Bin Ke (Pennsylvania State University)

Charles Shi (University of California)

"Are Analyst Research and Corporate Disclosures Complements or Substitutes?"

Xia Chen* (University of British Columbia)

Qiang Cheng (University of British Columbia)

Kin Lo (University of British Columbia)

"Are Analyst Consensus and Precision of Public Information Related to Market Liquidity Around Earnings Announcements?"

Kiridaran Kanagaretnam* (McMaster University)

Gerald J. Lobo (University of Houston)

Dennis J. Whalen (Otterbein College)

Session Chair / Animateur de séance

Réal Labelle (Haute Études Commerciales)

Discussant / Intervenante

Sandra L. Chamberlain (University of British Columbia)

* Presenter / Donne l'exposé.

Friday, June 3 / Vendredi 3 juin

Session / Séance 1E

Fortin
Level 3 / Niveau 3

Research — Audit Expertise

Recherche — Expertise en vérification

"Different Types of Knowledge as Determinants of the Expertise of Auditors"

Constance A. McKnight (Arkansas Tech University)

William F. Wright* (University of Waterloo)

"Do Attributes of Industry Audit Specialists Differ by Their Level of Expertise?"

CANCELLED

Mohammad J. Abdolmohammadi* (Bentley College)

"Do Performance and Documentation of Business Process Analysis Influence Auditors' Risk Assessments?"

Natalia V. Kotchetova* (University of Waterloo)

Thomas M. Kozloski (Wilfrid Laurier University)

William F. Messier, Jr. (Georgia State University)

Session Chair / Animateur de séance

Greg Berberich (Wilfrid Laurier University)

Discussant / Intervenante

Susan A. McCracken (University of Toronto)

Session / Séance 1F

Pilot
Level 3 / Niveau 3

The Teaching Portfolio: Process, Progress, and Product

Le dossier d'enseignement : processus, progrès et produit

Speaker / Conférencier

Alan Wright (Université du Québec à Rimouski (Lévis))

President's Lunch / Déjeuner du président

12:35 – 14:35
Borduas / Kreighoff
Level 3 / Niveau 3

Sponsor / Commanditaire

CICA / ICCA

Speaker / Conférencier

John Wiersema (Deputy Auditor General of Canada / Sous-vérificateur général du Canada)

Chair / Animateur

Glenn D. Feltham (University of Manitoba)

Presentation of the Haim Falk Award / Remise du Prix Haim Falk

Winner / Gagnant

David J. Cooper (University of Alberta)

Presenter / Présentateur

Thomas W. Scott (University of Alberta)

Presentation of the L. S. Rosen Award / Remise du Prix L. S. Rosen

Winner / Gagnant

William R. Scott (University of Waterloo) (retired)

Presenter / Présentateur

W. Daryl Lindsay (University of Saskatchewan)

* Presenter / Donne l'exposé.

Friday, June 3 / Vendredi 3 juin

Annual General Meeting / Assemblée générale annuelle de l'ACPC

14:40 – 15:55
Borduas / Kreighoff
Level 3 / Niveau 3

Chair / Animateur
Glenn D. Feltham
(University of Manitoba)

Concurrent Sessions 2 / Deuxième bloc de séances simultanées

16:00 - 17:30

Session / Séance 2A

Jean-Paul Lemieux
Lower Level / Niveau plus bas

Taking Back the Classroom — Motivating Class and Student Preparation

Reprise en main de la classe — Motiver la classe et la préparation des étudiants

G. Peter Wilson (Boston College)

Session / Séance 2B

Room 415 / Chambre 415
Level 4 / Niveau 4

Research — Audit Expertise

Recherche — Expertise en vérification

"The Effects of Audit Methodology and Audit Experience on the Development of Auditor's Knowledge of the Client's Business"

Greg Berberich* (University of Waterloo)

"The Auditor's Assessment and Detection of Corporate Fraud: Some Canadian Evidence"

Denis Cormier (Université du Québec à Montréal)
Pascale Lapointe* (Université Laval)

Session Chair / Animatrice de séance
Lori S. Kopp
(University of Lethbridge)

Discussant / Intervenante
Natalia V. Kotchetova
(University of Waterloo)

Session / Séance 2C

Morrice / Lismer
Level 3 / Niveau 3

Research — Education

Recherche — Formation

"An Empirical Investigation of the Determinants of Plagiarism in Accounting Courses"

CANCELLED

Mohammad Abdolmohammadi* (Bentley College)
C. Richard Baker (Adelphi University)

"Investigating the Effects of Group Response Systems on Learning Outcomes and Satisfaction in Accounting Education"

Carla Carnaghan (University of Waterloo)
Alan R. Webb (University of Waterloo)*

Session Chair / Animatrice de séance
Margaret Forbes
(University of Saskatchewan)

Discussant / Intervenante
Irene M. Gordon
(Simon Fraser University)

* Presenter / Donne l'exposé.

Friday, June 3 / Vendredi 3 juin

Session / Séance 2D

Leduc

Level 3 / Niveau 3

Research — Financial / Analyst Forecast

Recherche — Comptabilité financière / Prévisions des analystes

"CEO Compensation Mix and Analysts' Forecast Accuracy and Bias"

Kiridaran Kanagaretnam (McMaster University)

Gerald J. Lobo* (University of Houston)

Robert Mathieu (Wilfrid Laurier University)

"The Relative Importance of Determinants of Financial Analysts' Forecasts Quality: A Reappraisal"

Alain Coën (Université du Québec à Montréal)

Aurélie Desfleurs* (Université Laval)

Jean-François L'Her (CDPQ et HEC Montréal)

"Do Analysts' Earnings Forecasts Fully Reflect the Information in Accruals?"

Anwer S. Ahmed (Syracuse University)

S. M. Khalid Nainar* (McMaster University)

Jian Zhou (SUNY Binghamton)

Session Chair / Animateur de séance

George R. Chesley (Saint Mary's University)

Discussant / Intervenante

Flora Niu (Wilfrid Laurier University)

Session / Séance 2E

Fortin

Level 3 / Niveau 3

Research — Tax

Recherche — Fiscalité

"Attitudes, Incentives and Tax Compliance"

Viswanath Umashanker Trivedi* (York University)

Mohamed Shehata (McMaster University)

Stuart Mestelman (McMaster University)

"The Stability of Revenues in British Columbia"

Moses Acquaah (University of North Carolina)

Alexander M. G. Gelardi* (University of St-Thomas)

Session Chair / Animateur de séance

François Brouard (Carleton University)

Discussant / Intervenant

Thomas A. Matthews (University of Alberta)

* Presenter / Donne l'exposé.

Friday, June 3 / Vendredi 3 juin

Session / Séance 2F

Pilot
Level 3 / Niveau 3

Research — Financial / Disclosure
Recherche — Comptabilité financière / Divulgation

"Predominance of Conservative Accounting in High-Tech Firms in Comparison to Low-Tech Firms"

Sung S. Kwon* (York University)
Jennifer Yin (Rutgers University)
Jongsoo Han (Rutgers University)

"Auditor Dismissals and Financial Reporting Conservatism: Preliminary Evidence"

Kathryn Bewley* (York University)
Janne O.Y. Chung (York University)
Susan A. McCracken (University of Toronto)
Peggy Ng (York University)

"Why Do Corporate Managers Misstate Financial Statements? The Role of Option Compensation, Corporate Governance and Other Factors"

Jap Effendi (Cal Poly State University)
Anup Srivastava (Texas A & M University)
Edward P. Swanson* (Texas A & M University)

Session Chair / Animatrice de séance
Nicole Thibodeau
(Université Laval)

Discussant / Intervenant
Roger C. Graham
(Oregon State University)

Members' Reception / Réception à l'intention des membres

17:30 – 20:00
Borduas / Kreighoff
Level 3 / Niveau 3

Sponsor / Commanditaire
John Wiley & Sons Canada Ltd.

WILEY

Chair / Animateur
Daniel Coulombe
(Université Laval)

* Presenter / Donne l'exposé.

Saturday, June 4 / Samedi 4 juin

Conference registration / Inscription

07:15 – 09:45
Ballroom Foyer / Salle de Bal
Hall d'Exposition
Level 3 / Niveau 3

Conference programs / Programmes
Conference bags / Sacs
Sponsor / Commanditaire
Université Laval

Breakfast / Petit déjeuner

07:15 – 08:15
Suzor-Côté / Krieghoff
Level 3 / Niveau 3

Education Committee Breakfast / Petit déjeuner du Comité de formation

07:15 – 08:15
Morrice / Lismer
Level 3 / Niveau 3

(by invitation only / sur invitation seulement)

Plenary Session II / Deuxième plénière

Teaching and Researching in the Post-Enron Era: A Multi-disciplinary Perspective

L'enseignement et la recherche dans l'ère post-Enron : Une perspective multidisciplinaire

08:15 – 09:45
Borduas / Kreighoff
Level 3 / Niveau 3

Sponsor / Commanditaire
Ordre des comptables agréés du Québec

Moderator / Animateur
Michel L. Magnan (Concordia University)

Panel

James C. Gaa (University of Alberta)

From an ethics perspective / point de vue de l'éthique

Dan A. Simunic (University of British Columbia)

From an auditing perspective / point de vue de la vérification

Alfred Wagenhofer (University of Graz and EIASM, Brussels)

From an international financial and management accounting perspective / point de vue de la comptabilité internationale financière et de management

G. Peter Wilson (Boston College)

From a tax and financial accounting perspective / point de vue de la fiscalité et de la comptabilité financière

Saturday, June 4 / Samedi 4 juin

Coffee Break / Pause café

09:45 – 10:15
Suzor-Côté / Krieghoff
Level 3 / Niveau 3

Sponsor / Commanditaire
Thomson Nelson

Concurrent Sessions 3 / Troisième bloc de séances simultanées

10:15 – 11:45

Session / Séance 3A

Jean-Paul Lemieux
Lower Level / Niveau plus bas

Challenges in Accounting Education — An Open Forum Discussion

Les défis propres à l'enseignement de la comptabilité — Débat ouvert

Sponsor / Commanditaire
Pearson Education Canada

Moderator / Animateur
David F. Drake
(Centennial College)

Session / Séance 3B

Room 415 / Chambre 415
Level 4 / Niveau 4

Research — Financial Reporting

Recherche — Communication de l'information financière

"The Effects of SFAS 131 Geographic Segment Disclosures on the Valuation of Foreign Earnings"
- Ole-Kristian Hope (University of Toronto)
- Tony Kang (Singapore Management University)
- Wayne B. Thomas (University of Oklahoma)
- Florin Vasvari* (University of Toronto)

"Pension Information, Human Capital, and Firm Valuation"
- Yan Li* (University of Alberta)
- Thomas W. Scott (University of Alberta)

"Usefulness of Comprehensive Income Reporting in Canada"
- Kiridaran Kanagaretnam* (McMaster University)
- Robert Mathieu (Wilfrid Laurier University)
- Mohamed Shehata (McMaster University)

Session Chair / Animatrice de séance
Barbara A. Trenholm
(University of New Brunswick)

Discussant / Intervenant
Kin Lo
(University of British Columbia)

* Presenter / Donne l'exposé.

Session / Séance 3C

Morrice / Lismer
Level 3 / Niveau 3

Research – Financial / Disclosure and Governance

Recherche — Comptabilité financière / Divulgation et gouvernance

Session Chair / Animatrice de séance
Irene Wiecek (University of Toronto)

Discussants / Intervenants

"The Incremental Value Relevance of Geographic Segment Disclosures: Canadian Evidence"
Roger C. Graham, Jr. (Oregon State University)
Cameron K. J. Morrill (University of Manitoba)
Janet B. Morrill* (University of Manitoba)
Discussant: Denis Cormier (Université du Québec à Montréal)

"An Empirical Study of the Impact of Corporate Governance and Risk on Corporate Social Performance"
Paul Dunn (Brock University)
Barbara J. Sainty* (Brock University)
Discussant: Denis Cormier (Université du Québec à Montréal)

"Incremental Disclosure on Canadian Corporate Web Sites"
Samir Trabelsi* (Brock University)
Réal Labelle (HEC Montréal)
Discussant: Sameer Mustafa (Concordia University)

Session / Séance 3D

Leduc
Level 3 / Niveau 3

Research — Audit / Empirical Research

Recherche — Vérification / Recherche empirique

Session Chair / Animateur de séance
Jeffrey Pittman (Memorial University of Newfoundland)

Discussant / Intervenant
Steve Fortin (McGill University)

"Auditors as a Constraint on Earnings Management in the Presence of Internal Control Weaknesses"
Chris E. Hogan* (Southern Methodist University)
Michael S. Wilkins (Texas A & M University)

"Accounting Conservatism, Discretionary, Accruals, and Audit Quality"
Jinhan Pae* (Queen's University)

"Voluntary Audit and the Cost of Debt Capital for Privately Held Firms: Korean Evidence"
Jeong-Bon Kim (Hong Kong Polytechnic University)
Dan A. Simunic (University of British Columbia)
Michael T. Stein (University of Oregon)
Cheong H. Yi* (Hong Kong Polytechnic University)

* Presenter / Donne l'exposé.

Saturday, June 4 / Samedi 4 juin

Session / Séance 3E

Fortin
Level 3 / Niveau 3

Research — Earnings Management
Recherche — Gestion des résultats

"Did Earnings Management Change after the Sarbanes-Oxley Act and CEO/CFO Certification of Financial Statements? Evidence from Canadian Companies"

Gerald J. Lobo* (University of Houston)
Jian Zhou (SUNY at Binghamton)

"Income Smoothing and Institutional Ownership"

Kee-Hong Bae (Korea University)
Sandra Ho* (Concordia University)
Jeong-Bon Kim (Hong Kong Polytechnic University)

"Shareholder Characteristics and Accruals Manipulation to Meet Earnings Targets"

Michael S. H. Shih* (National University of Singapore)

Session Chair / Animatrice de séance
Qiang Cheng
(University of British Columbia)

Discussant / Intervenant
Dan Segal
(University of Toronto)

Session / Séance 3F

Pilot
Level 3 / Niveau 3

Case Teaching
L'enseignement à l'aide d'études de cas

James A. Erskine (University of Western Ontario)

Members' Lunch / Déjeuner à l'intention des membres

11:50 – 13:50
Borduas / Kreighoff
Level 3 / Niveau 3

Sponsor / Commanditaire
CGA-Canada

Certified General Accountants
Comptables généraux accrédités

Speaker / Conférencier

Gilles Paquet, Professor Emeritus and Senior Research Fellow at the School of Political Studies at the University of Ottawa, President of the Royal Society of Canada

Gilles Paquet, professeur émérite et Senior Research Fellow à l'École des études politiques à l'Université d'Ottawa, et président de la Société royale du Canada

Chair / Animateur
Daniel Coulombe
(Université Laval)

* Presenter / Donne l'exposé.

Saturday, June 4 / Samedi 4 juin

Presentation of CAAA Education Awards /
Remise des prix de l'ACPC axés sur la formation

Chair / Animatrice
Angela Downey
(University of Lethbridge)

Innovation in Accounting Education Awards /
Gagnants du concours sur l'innovation dans l'enseignement de la comptabilité

First prize / Premier prix

Norman T. Sheehan (University of Saskatchewan)
"Paper Planes and Budgets"

Second prize / Deuxième prix

Robert Sproule (University of Waterloo)
"On-Line Learning Object: Operating Cash Flows — Indirect Method"

Case Competition Awards / Lauréats du concours d'étude de cas

French Case Competition Winner /
Lauréat du volet francophone du concours

Sylvie St-Onge (HEC-Montréal)
Michel L. Magnan (Concordia)
Paul André (HEC-Montréal and Edinburgh)
« Gouvernance et remuneration des dirigeants : le cas d'Abitibi-Price de 1994 à 2003 »

English Case Competition Winner /
Lauréat du volet anglophone du concours

Roger Martin (University of Virginia)
Fred Phillips (University of Saskatchewan)
"Aerospace Lighting, Inc."

Presentation of Estey Award / Remise du prix Estey

Chairs / Animateurs
Grant W. Russell
(University of Waterloo)
Daniel Coulombe
(Université Laval)

Presentation of Retiring CAAA Board Members' Plaques /
Remise des plaques aux membres sortant du Conseil

Chair / Animateur
Daniel Coulombe
(Université Laval)

* Presenter / Donne l'exposé.

Concurrent Sessions 4 / Quatrième bloc de séances simultanées

13:50 – 15:20

Session / Séance 4A

Jean-Paul Lemieux

Lower Level / Niveau plus bas

Accounting Education Innovations — Winners' Presentations

Innovations dans l'enseignement de la comptabilité — Exposés des lauréats

Sponsor / Commanditaire

CAAA / ACPC

First prize

Norman T. Sheehan (University of Saskatchewan)
"Paper Planes and Budgets"

Second prize

Robert Sproule (University of Waterloo)
"On-Line Learning Object: Operating Cash Flows — Indirect Method"

Chair / Animatrice

Pascale Lapointe (Université Laval)

Learning Strategies Exchange — Poster Session / Échange de stratégies pédagogiques — Séance de communications affichées

Ballroom Foyer / Salle de Bal Hall d'Exposition

Level 3 / Niveau 3

Sponsor / Commanditaire

CAAA / ACPC

Presenters / Conférenciers

Norman T. Sheehan (University of Saskatchewan)
"Paper Planes and Budgets"

Robert Sproule (University of Waterloo)
"On-Line Learning Object: Operating Cash Flows — Indirect Method"

François Brouard* and Rob Riordan (Carleton University)
"HSBC: A Business Game for First Year Course in Financial Accounting"

François Brouard (Carleton University)
"Jouons au Monopoly dans un cours de comptabilité financière"

Barbara A. Trenholm* (University of New Brunswick — Fredericton)
"Bloom's Taxonomy: A Learning and Assessment Framework for Accounting"

Diane Bigras* (Université du Québec en Outaouais)
"L'enseignement par les pairs"

Samir Trabelsi* and Sandra Felton* (Brock University)
"Using WebCT for Formal Feedback and for Increasing Motivation in the Introduction to Financial Accounting Course"

* Presenter / Donne l'exposé.

Chair / Animatrice

Nicola M. Young (Saint Mary's University)

Irene Wiecek* (University of Toronto)
"Partnering with the Profession — A Model for an Opportunity for Continuous Learning"

Benoît Lavigne* and Hélène Bergeron* (Université du Québec à Trois-Rivières)
"Cabinet Virtuel" — invited presentation /
« Cabinet Virtuel » — exposé sollicité

Session / Séance 4B

Room 415 / Chambre 415
Level 4 / Niveau 4

Research — Voluntary Disclosure

Recherche — Divulgation volontaire

"Uncertainty Among Analysts Around Voluntary Management Earnings Forecasts: Good News vs. Bad News Forecast"

Joung W. Kim* (Concordia University)

"Insider Trading and Voluntary Disclosures"

Qiang Cheng* (University of British Columbia)

Kin Lo (University of British Columbia)

"Voluntary Disclosure of Good versus Bad Earnings News: Australian Evidence"

Philip T. Sinnadurai* (Macquarie University)

Session Chair / Animateur de séance

Edward Swanson (Texas A & M University)

Discussant / Intervenant

Steven J. Huddart (Penn State University)

Session / Séance 4C

Morrice / Lismer
Level 3 / Niveau 3

Research — Experimental Research

Recherche — Recherche expérimentale

"Investors' Assessment of Analyst Forecast Bias: The Effect of Analyst Track Record and Analyst / Firm Relationship"

Xiaofei Song (Saint Mary's University)

George R. Chesley* (Saint Mary's University)

"Alternative Stock Option Compensation Disclosure and the Effect on Loan Officers' Judgments and Decisions: An Experimental Study in Canada"

Chantal Viger* (Université du Québec à Montréal)

Réjean Belzile (Université du Québec à Montréal)

Bruce Lagrange (Centre financier aux entreprises du Bas St-Laurent)

Asokan Anandarajan (New Jersey Institute of Technology)

"Managers' Incentive Scheme and Explanation: An Experimental Examination of Reporting Behavior and Investors' Reaction"

Lucy F. Ackert (Kennesaw State University)

Bryan K. Church (Georgia Tech)

Ping Zhang* (University of Toronto)

Session Chair / Animateur de séance

R. Alan Webb (University of Waterloo)

Discussant / Intervenant

Thomas M. Kozloski (Wilfrid Laurier University)

* Presenter / Donne l'exposé.

Saturday, June 4 / Samedi 4 juin

Session / Séance 4D

Leduc
Level 3 / Niveau 3

Research — Financial / Value Relevance

Recherche — Comptabilité financière / Pertinence pour l'évaluation de l'entreprise

"Value Relevance of Disclosed Information About Related Party Transactions"

Wenxia Ge* (McGill University)
Donald H. Drury (McGill University)
Steve Fortin* (McGill University)
Feng Liu (McGill University)

"Partners' Common and Private Interests as Determinants of Use of Performance-Related Compensation in International Joint Ventures"

Yasheng Chen* (Simon Fraser University)
David J. Sharp (University of Western Ontario)

"Propping and Tunneling: Evidence from the Largest Takeover in China"

Yaqi N. Shi* (Concordia University)
Michel L. Magnan (Concordia University)

Session Chair / Animateur de séance
Ken Lindsay
(Carleton University)

Discussant / Intervenant
Sandy Hilton
(University of Alberta)

Session / Séance 4E

Fortin
Level 3 / Niveau 3

Research — Financial / Analytical Research

Recherche — Comptabilité financière / Recherche analytique

"Is More Monitoring Better?"

Yanmin Gao* (University of British Columbia)

"Smoothing, Conservative Smoothing and Truth-Telling"

Varda Yaari* (Morgan State University)

CANCELLED

"Accounting for Employee Stock Options: An Economics Perspective"

Junming Cai (University of Hawaii)

Session Chair / Animateur de séance
Mary Lea McAnally
(Texas A & M University)

Discussant / Intervenant
Alfred Wagenhofer
(University of Graz)

Session / Séance 4F

Pilot
Level 3 / Niveau 3

Practicing What We Preach: An Application of 2nd Generation BSC's to Academic Units

Prêcher par l'exemple : Une application du tableau de bord équilibré de la deuxième génération à l'égard des unités facultaires

Sponsor / Commanditaire
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CGA™
Ordre des CGA du Québec

Moderator / Animateur
Howard M. Armitage
(University of Waterloo)

* Presenter / Donne l'exposé.

Saturday, June 4 / Samedi 4 juin

Coffee Break / Pause café

15:20 – 15:50

Suzor-Côté / Krieghoff

Level 3 / Niveau 3

Sponsor / Commanditaire

CCH Canadian Limited

Concurrent Sessions 5 / Cinquième bloc de séances simultanées

15:50 – 17:20

Session / Séance 5A

Jean-Paul Lemieux

Lower Level / Niveau plus bas

Future Direction of Standard Setting in Canada

Orientation future de la normalisation au Canada

Sponsor / Commanditaire

Lawrence Bloomberg Chair,
John Molson School of Business,
Concordia University

La chaire de comptabilité
Lawrence Bloomberg,
École de gestion John-Molson,
Université Concordia

Chair / Animateur

Thomas Scott
(University of Alberta)

Speakers / Conférenciers

Peter Martin, Director,
Accounting Standards,
Accounting Standards
Board of Canada

Peter Martin, directeur,
Normes comptables,
Conseil des normes
comptables du Canada

Session / Séance 5B

Room 415 / Chambre 415

Level 4 / Niveau 4

Research — Audit Process

Recherche — La vérification

"Audit Committee Independence, Tenure, Ownership and Number of Meetings: Embezzlement Amount in Publicly Held Companies"

Sameer Mustafa* (Concordia University)

"Audit Pricing, Legal Liability Regime and Big 4 Premium: Theory and Cross-Country Evidence"

Jong-Hag Choi (Hong Kong University of Science and Technology)

Jeong-Bon Kim (Hong Kong Polytechnic University)

Xiaohong Liu (Hong Kong University of Science and Technology)

Dan A. Simunic* (University of British Columbia)

Session Chair / Animateur de séance

William F. Wright
(University of Waterloo)

Discussant / Intervenante

Janet B. Morrill
(University of Manitoba)

(Session continues / Séance suite)

* Presenter / Donne l'exposé.

Session / Séance 5B *(continued / suite)*

"The Auditor-Client Relationship in Financial Reporting Negotiation: Focusing on the Dyad"

Michael Gibbins (University of Alberta)

Susan A. McCracken* (University of Toronto)

Steve E. Salterio (Queen's University)

Discussant / Intervenant

Vaughan S. Radcliffe (University of Western Ontario)

Session / Séance 5C

Morrice / Lismer

Level 3 / Niveau 3

Research — Managerial / Performance Measurement

Recherche — Comptabilité de management / Mesure du rendement

Session Chair / Animateur de séance

Norman Sheehan (University of Saskatchewan)

Discussant / Intervenante

Theresa Libby (Wilfrid Laurier University)

"Cooperation and Fairness: Setting Balanced Scorecard Targets Using Two-Party Negotiation Models"

Hemantha Herath* (Brock University)

Wayne G. Bremser (Villanova University)

"The Construction and Customization of the Balanced Scorecard: A Field Study of Management Consultants in Diffusing Popular Management Accounting Techniques"

Sandy Qu* (University of Alberta)

CANCELLED

"Empirical Validity of the Balanced Scorecard and the Weighting Effect on Performance"

Emilie Boulianne* (Concordia University)

Session / Séance 5D

Leduc

Level 3 / Niveau 3

Research — Financial / Disclosure

Recherche — Comptabilité financière / Divulgation

Session Chair / Animateur de séance

Samir Trabelsi (Brock University)

Discussants / Intervenants

"Termination Fees in Mergers and Acquisitions: Protecting Investors or Managers?"

Samer Khalil* (Concordia University)

Michel L. Magnan (Concordia University)

Paul E. André (University of Edinburgh)

Philip T. Sinnadurai (Macquarie University)

"Financial Reporting Regulation and the Reporting of Pro Forma Earnings"

Gary M. Entwistle (University of Saskatchewan)

Glenn Feltham (University of Manitoba)

Chima Mbagwu* (University of Saskatchewan)

Yaqi Shi (Concordia University)

"Advertising, Recessions, and Current and Future Earnings"

Roger C. Graham* (Oregon State University)

Kristina D. Frankenberger (Western Oregon University)

Philip T. Sinnadurai (Macquarie University)

* Presenter / Donne l'exposé.

Session / Séance 5E

Fortin
Level 3 / Niveau 3

Research — Environmental and Social
Recherche — Comptabilité environnementale et sociale

Speakers / Conférenciers

"Institutional Pressures on the Web-Based Disclosure of Corporate Environmental and Social Responsibility: A Canada and U.S. Comparison"

Carolyn P. Egri (Simon Fraser University)
Irene M. Gordon* (Simon Fraser University)

"Deinstitutionalization within the Accounting Industry"

Kobboon Chotruangprasert (York University)

"Can Environmental Management Add Value? An Event-Study with Extended Analysis"

Vanessa Magness* (Ryerson University)

Session Chair / Animateur de séance

Sandra Felton
(Brock University)

Discussants / Intervenantes

Kate Bewley
(York University)

Shelly Lukasewich
(University of Alberta)

Session / Séance 5F

Pilot
Level 3 / Niveau 3

Research — Financial / Accounting Methods
Recherche — Comptabilité financière / Méthodes comptables

"Transitional Goodwill Impairment Losses: Economic Determinants, Reporting Incentives and Constraints"

Pascale Lapointe* (Concordia University)

"Economic Consequences of Regulation of Financial Reporting: The Case of Contingent Convertible Securities"

Carol A. Marquardt (New York University)
Christine I. Wiedman* (University of Western Ontario)

"The Determinants of Transitional Method to Adopt Fair Value Accounting for Employee Stock Options"

Flora F. Niu* (Wilfrid Laurier University)

Session Chair / Animateur de séance

Kiridaran (Giri) Kanagaretnam
(McMaster University)

Discussant / Intervenant

William R. Scott
(University of Alberta)

* Presenter / Donne l'exposé.

Social Event / Activité sociale

17:45

First bus leaves for the tour of the Governor-General's House at La Citadelle. (People must show their dinner ticket to board.)

Le premier autobus part à destination du Musée de l'Amérique française. (Il faut présenter son billet du dîner pour monter.)

18:00 – 22:45

Social event: Cocktail Reception at the Musée de l'Amérique Française and dinner at the Museum Chapel. Door prizes will be awarded and there will be the closing remarks by Daniel Coulombe, Suzanne Paquette, and Theresa Libby.

Activité sociale : Réception au Musée de l'Amérique française et dîner à la chapelle du Musée. Des prix de présence seront tirés et Daniel Coulombe, Suzanne Paquette et Theresa Libby prononceront le mot de la fin.

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Microsoft Business Solutions

Université Laval

(Buses will take people to the Musée de l'Amérique Française after the tour of the Governor General's House for the Cocktail Party and the Dinner following at the Museum Chapel.)

(Après la visite de la maison du gouverneur général, des autobus transporteront les participants au Musée de l'Amérique Française en vue de la réception et du dîner à la chapelle du Musée.)

McGraw-Hill Ryerson

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UNIVERSITÉ LAVAL

Faculté des sciences de l'administration

19:00

Approximate time for buses to start taking people to the Museum from La Citadelle.

Heure approximative à laquelle les autobus commenceront à transporter les participants au Musée à partir de La Citadelle.

19:15 – 20:15

Cocktail Party (at the Musée de l'Amérique Française) / Réception (au Musée de l'Amérique française)

Sponsor / Commanditaire

Université Laval

UNIVERSITÉ LAVAL

Faculté des sciences de l'administration

20:15 – 22:45

Dinner at the Museum Chapel / Dîner à la chapelle du Musée

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McGraw-Hill Ryerson

Microsoft Business Solutions

* Presenter / Donne l'exposé.

Sunday, June 5 / Dimanche 5 juin

Ethics Workshop / Atelier sur l'éthique

Leduc / Fortin
Level 3 / Niveau 3

A workshop on governance and ethics issues

Atelier sur la gouvernance et les questions liées à l'éthique

Sponsor / Commanditaire

University of Waterloo, Centre for Accounting Ethics

Chair / Animateur
Grant W. Russell
(University of Waterloo)

Breakfast / Petit déjeuner

08:15 – 09:00

Introduction and Opening Remarks / Présentations et mot d'ouverture

09:00 – 09:05 Grant W. Russell, Acting Director, Centre for Accounting Ethics

Grant W. Russell, directeur intérimaire du Centre for Accounting Ethics

Presentation of Winner of 2005 Estey Award /
Exposé du lauréat 2005 du Prix Estey

09:05 – 09:15

09:15 – 10:00 Presentation of "Nortel, the Cookie Jar Reserves," a new case for the Management Fraud, Corporate Governance and Professional Responsibilities collection of the Centre for Accounting, Linda Robinson, University of Waterloo

Présentation de « Nortel, le Cookie Jar Reserves », nouveau cas pour la collection sur les fraudes commises par les dirigeants, la gouvernance d'entreprise et les responsabilités professionnelles du Centre for Accounting, par Linda Robinson, Université de Waterloo

Break / Pause

10:00 – 10:15

10:15 – 12:00 Professor Leonard J. Brooks and Professor Sally P. Gunz

Conference Assessment and Planning Meeting / Évaluation du congrès et réunion de planification

08:30 – 12:00
Morrice / Lismer
Level 3 / Niveau 3

(by invitation only; Continental Breakfast in the room / sur invitation seulement; un petit déjeuner continental sera servi dans la salle)

Farewell Lunch / Déjeuner d'adieu

12:00 – 13:00
Pilot
Level 3 / Niveau 3

(for morning session attendees only / pour les participants aux séances du matin seulement)

End of Conference / Fin du congrès

Join us next year,
June 5 – 8, 2006,
in Niagara Falls, Ontario
for the CAAA's
30th Annual Conference

Soyez des nôtres
l'an prochain à l'occasion du
30e congrès annuel de l'ACPC,
qui aura lieu à Niagara Falls (Ontario)
du 5 juin au 8 juin

Education Session Synopses

Aperçu des séances sur la formation

(Atelier d'une journée)

Commanditaire : ACPC

Une nouvelle Journée francophone est offerte dans le cadre de la Journée de perfectionnement professionnel. Elle s'adresse principalement aux professeurs et professeures d'université enseignant dans un établissement francophone, et à ceux et celles qui préparent des communications en langue française.

Séances données en avant-midi :

Cette séance plénière au cours de laquelle seront présentés divers points de vue sur l'enseignement portera sur *les défis et les difficultés à venir concernant l'enseignement de la comptabilité dans la communauté francophone*. Elle vise expressément les personnes qui enseignent dans un contexte francophone. Des professeurs et des praticiens francophones de renommée présenteront, au cours de cette séance, leurs points de vue sur le sujet.

Après la plénière, il y aura une discussion entre experts sur la formation. Au cours de cette séance interactive, des professeurs et des praticiens francophones de renommée présenteront leurs points de vue sur le sujet. Il y aura ensuite une période de questions et de discussion.

Séances données en après-midi :

L'accent étant mis sur la communication, en français, de résultats de recherche, six rapports de recherche seront présentés et feront l'objet des commentaires d'un intervenant. En outre, on accordera du temps aux questions de l'auditoire et à la discussion.

Trois rapports de recherche seront présentés au cours de la première séance et les trois autres, au cours de la deuxième séance.

(Full-day workshop)

Sponsor: CAAA

A new Francophone Day is being offered as part of the Professional Development Day. It is intended primarily for academics teaching in French, and for all those who write papers in French.

Morning Sessions:

A plenary session presenting views on education. The general theme is: *The forthcoming challenges and difficulties of teaching accounting in the French community*, and is specifically aimed at those who teach in a French environment. The session will present the views of leading French academics and practitioners on the subject.

Following up on the plenary session, a panel discussion on education will take place. This interactive session will present the views of leading French academics and practitioners on the subject and leave plenty of time for questions and discussion.

Afternoon Sessions:

Focusing on the communication of research results in French, six papers will be presented, each one combined with comments from a discussant and allowing for questions and discussion from the floor.

There will be three papers presented in the first session and the remaining three in the second session.

XBRL and XARL Tutorial (full day)

Sponsor: XBRL Canada

Presented by: J. Efrim Boritz and Won No
(with support from the University of Waterloo
Centre for Information Systems Assurance and by XBRL Canada)

Please note that this hands-on tutorial will be at a beginner level. Its purpose is to bridge the technology gap and make participants sufficiently comfortable with XBRL so that they can participate intelligently in policy-level discussions about the benefits and risks of having financial information disseminated over the Internet.

Please note the following:

- There will be a non-refundable registration fee
- A minimum enrollment of 10 and a maximum enrolment of 25 participants.
- You will need to bring a laptop.
- We will provide all required software and materials as well as refreshments (breakfast, breaks, and lunch).

The session includes the following:

1. Brief Introduction to/demonstration of XBRL
2. Getting Familiar with XBRL – XBRL Taxonomy
3. Getting Familiar with XBRL – XBRL Instance Document
4. Transforming XBRL Instance Documents
5. Brief Introduction to/Demonstration of XARL
6. Getting Familiar with XARL – XARL Taxonomy
7. Getting Familiar with XARL – XARL Instance Document
8. Transforming XARL Instance Document
9. Future Directions

Thursday, June 2 / Jeudi 2 juin **09:00 – 17:00** **Room 415 / Chambre 415**
Level 4 / Niveau 4

Séance de formation sur XBRL et XARL (journée complète)

Commanditaire : XBRL Canada

Animée par : J. Efrim Boritz et Won No
(avec le soutien du Centre for Information Systems Assurance
de l'Université de Waterloo et de XBRL Canada)

Cette séance de formation pratique s'adresse aux non-initiés. Elle vise à combler l'écart technologique et à familiariser suffisamment les participants avec XBRL pour qu'ils puissent intervenir de façon éclairée dans les discussions qui portent sur les avantages et les risques liés à la diffusion de données financières dans Internet.

Veuillez prendre en note les renseignements suivants :

- Les frais d'inscription ne sont pas remboursables
- Pour que la séance ait lieu, il doit y avoir au moins 10 inscriptions. Le nombre maximum de participants est de 25.
- Vous devrez apporter un ordinateur portable - nous fournirons tous les logiciels et le matériel requis.
- Les repas seront servis (petit déjeuner, pauses et déjeuner).

Au cours de la séance, nous aborderons les éléments suivants :

1. Brève introduction à XBRL et démonstration;
2. Se familiariser avec XBRL – Taxonomie de XBRL;
3. Se familiariser avec XBRL – Document d'instance XBRL;
4. Transformer les documents d'instance XBRL;
5. Brève introduction à XARL et démonstration;
6. Se familiariser avec XARL – Taxonomie de XARL;
7. Se familiariser avec XARL – Document d'instance XARL;
8. Transformer les documents d'instance XARL;
9. Orientations futures.

Thursday, June 2 / Jeudi 2 juin **09:00 – 17:00** **Room 415 / Chambre 415**
Level 4 / Niveau 4

The Craft of Accounting Research: Planning, Performing, and Publishing Research in Accounting & Auditing / L'art de la recherche comptable : planifier, réaliser de la recherche en comptabilité et en vérification, et en publier les résultats

(Full day workshop / atelier d'une journée)

Sponsor / Commanditaire : CAAA / ACPC

Gordon D. Richardson (University of Toronto)
Steven E. Salterio (Queen's University)
Michel L. Magnan (Concordia University)

Led by Gord Richardson, Steve Salterio, and Michel Magnan, this workshop is intended for doctoral students and junior faculty interested in writing research articles for scholarly journals in accounting. The workshop will concentrate on examining issues and problems involved in planning and performing research, as well as writing up and publishing results.

Specific activities will include:

1. An overview of these issues from a journal editor's perspective.
2. An editor's critique of several working papers submitted to *Contemporary Accounting Research* as exemplars of things "to do" and "not to do".
3. Presentation of critiques and evaluation of working papers (provided in advance) by seminar participants acting in the role of manuscript referees.
4. Presentation of their own research proposals (developed and distributed in advance) to the group in a workshop format by seminar participants.

Gord Richardson, Steve Salterio et Michel Magnan animeront cet atelier destiné aux étudiants au doctorat et aux professeurs en début de carrière qu'intéresse la rédaction d'articles de recherche en vue de les faire publier dans des revues savantes spécialisées en comptabilité. Ils se pencheront essentiellement sur les enjeux et les défis propres à la planification et à la réalisation de travaux de recherche ainsi qu'à la rédaction et à la publication du produit final.

L'atelier se déroulera comme suit :

1. Aperçu des enjeux du point de vue d'un rédacteur en chef d'une revue;
2. Commentaires d'un rédacteur en chef sur plusieurs documents de travail présentés à *Recherche comptable contemporaine*, à titre d'exemples de méthodes à suivre ou à éviter;
3. Critique et évaluation de documents de travail (fournis à l'avance) par des participants à l'atelier, qui joueront le rôle d'examinateurs de manuscrits;
4. Présentation, par des participants, de leur propre projet de recherche (selon des sujets établis et communiqués à l'avance) à l'ensemble du groupe sous forme d'un atelier.

Thursday, June 2 / Jeudi 2 juin **09:00 – 17:00** **Leduc / Fortin, Level 3 / Niveau 3**

The Sarbanes-Oxley Act: Assessments and Prospects

Sponsor: Autorité des marchés financiers

Moderator : J. Efrim Boritz (University of Waterloo)

Panel: Jean Bédard, Professor (Université Laval)

Nancy L. Salisbury, Senior Associate Chief Accountant (SEC)

Gordon Thiessen, Chair (Canadian Public Accountability Board)

In response to the wave of financial reporting scandals at some of their largest firms, U.S.A. lawmakers responded with tougher regulations known as the Sarbanes-Oxley Act of 2002. While the crisis was mainly in the U.S.A, the response is global. Canada is not an exception. Over the last four years, Canadian legislators, regulators as well as the accounting profession have enacted legislations and rules that mimic the dispositions of the Sarbanes-Oxley Act and related SEC rules.

During this session, issues related to the impact of the Sarbanes-Oxley Act on accounting from a Canadian and U.S. perspective will be discussed.

One of the products of the Sarbanes-Oxley Act in the United States and similar initiatives in Canada has been the establishment of auditor oversight and inspection agencies in both countries. What has the Canadian Public Accountability Board (CPAB) been doing since its incorporation in 2003? How does that compare with its counterpart in the United States, the Public Company Accounting Oversight Board (PCAOB)? What influence has CPAB had so far on the quality and independence of auditing in Canada?

Observations on the changes in Canadian regulation, their causes, and their capacity in achieving their goals will be discussed as well as their implications for accounting researchers.

Friday, June 3 / Vendredi 3 juin **08:15 – 10:30** **Borduas / Krieghoff**
Level 3 / Niveau 3

Plenary Session I / Séance plénière I

La loi Sarbanes-Oxley : Évaluation et perspectives

Commanditaire : Autorité des marchés financiers

Animateur:	J. Efrim Boritz (Université de Waterloo)
Groupe de discussion :	Nancy L. Salisbury, chef comptable associé principal à la Securities and Exchange Commission – perspective axée sur la nécessité d'établir des règlements comme la loi Sarbanes-Oxley
	Jean Bédard, Université Laval – point de vue des professeurs canadiens
	Gordon Thiessen, président du Conseil canadien sur la reddition de comptes (CCRC) – rôle du CCRC et des cabinets canadiens de vérification

En réponse à la vague de scandales en matière d'information financière chez certaines de leurs plus grandes sociétés, les législateurs américains ont mis en vigueur des règles encore plus rigoureuses, mieux connues sous le nom de loi Sarbanes-Oxley de 2002. Bien que la crise eût surtout lieu aux États-Unis, la réaction s'est faite sentir à l'échelle mondiale. Le Canada n'a pas fait exception. Au cours des quatre dernières années, les législateurs et les organismes de réglementation canadiens ainsi que les comptables professionnels ont adopté des lois et des règles qui imitent les dispositions de la loi Sarbanes-Oxley et les règlements connexes de la SEC.

Au cours de cette séance, on discutera de questions portant sur l'incidence de la loi Sarbanes-Oxley sur la comptabilité, et ce, d'un point de vue canadien et d'un point de vue américain.

Un des produits de la loi Sarbanes-Oxley aux États-Unis et d'autres initiatives semblables au Canada a été la mise en place d'organismes de surveillance et d'inspection des vérificateurs dans les deux pays. Qu'a fait le Conseil canadien sur la reddition de comptes (CCRC) depuis sa création en 2003? Comment ces réalisations se comparent-elles avec celles du groupe semblable instauré aux États-Unis, soit le Public Company Accounting Oversight Board (PCAOB)? Quelle influence le CCRC a eu jusqu'à présent sur la qualité et l'indépendance de la vérification au Canada?

On discutera des observations sur les changements qui se sont produits en ce qui a trait aux règlements canadiens, de leurs causes et de leur capacité de favoriser l'atteinte des objectifs établis ainsi que de leur incidence sur les chercheurs en comptabilité.

Canadian Accounting Department Heads' Information Exchange

(by invitation only)

Sponsor: CAAA

Chair: Suresh S. Kalagnanam, University of Saskatchewan

This year will mark the fifth CAAA Accounting department or area heads Information Exchange. Previous sessions have been well attended and productive. Minutes of these sessions are on the web site at http://www.caaa.ca/conferences_calls/caaa_conference/dhm.html. This year, both Universities and Colleges are invited to send a department or area head to this session, as many of the topics we hope to cover will likely be of mutual interest. The meeting will be convened by Suresh Kalagnanam, University of Saskatchewan

The previous sessions spent considerable time discussing the present and impending shortage of PhDs in Accounting and the resulting recruitment challenges. Several suggestions to increase awareness of the academic alternative were recorded at last year's meeting.

Some suggested topics ideas for the upcoming meeting in June include:

- Recruitment and retention
    - hiring professional (non-PhD) faculty
    - evaluation criteria for professional faculty
    - training and other issues
    - retention of existing PhD-qualified faculty
    - criteria for tenure for Accounting faculty in Canada
    - impact on faculty requirements for new 4-year degree college programs
- Marketing PhD programs to attract more students
    - role of the CAAA in promoting the academic alternative
    - securing increased funding for PhD students
- Roles/responsibilities of the department/area heads and other issues relevant to department heads
    - fundraising
    - training
    - recruitment and retention
    - performance evaluation process for department heads

Friday, June 3 / Vendredi 3 juin **11:00 – 12:30** **Jean-Paul Lemieux**
Lower Level / Niveau plus bas

Session 1A / Séance 1A

Échange entre les chefs de département de comptabilité d'établissements canadiens

(sur invitation seulement)

Commanditaire : L'ACPC

Animateur : Suresh S. Kalagnanam (Université de la Saskatchewan)

Ce sera la cinquième séance d'échange entre les chefs de département de comptabilité organisée par l'ACPC. Les échanges précédents ont connu une bonne participation et se sont révélés productifs. Les comptes rendus de ces séances sont affichés sur le site Web à http://www.caaa.ca/conferences_calls/caaa_conference/dhm.html. Cette année, les universités et les collèges sont invités à envoyer un chef de département. Bon nombre des sujets que nous espérons aborder seront vraisemblablement d'intérêt commun. La réunion sera animée par Suresh Kalagnanam de l'Université de la Saskatchewan.

Lors des séances précédentes, on a consacré beaucoup de temps à la pénurie actuelle et prochaine de titulaires de doctorat en comptabilité et des défis qui en résultent sur le plan du recrutement. Lors de la séance de l'an dernier, plusieurs façons de promouvoir l'enseignement comme choix de carrière ont été proposées. Les sujets suivants, entre autres, sont proposés en vue de la réunion de juin :

- Le recrutement et le maintien en poste
    - l'embauche de professionnels (qui ne détiennent pas de doctorat)
    - les critères d'évaluation de ces professionnels
    - les questions liées à la formation, entre autres
    - le maintien en poste des professeurs détenant un doctorat
    - les critères concernant la permanence des professeurs de comptabilité au Canada
    - l'incidence des nouveaux programmes collégiaux de quatre ans menant à un grade sur le besoin de professeurs
- La promotion des programmes de doctorat pour attirer plus d'étudiants
    - le rôle de l'ACPC dans la promotion de l'enseignement comme choix de carrière
    - l'obtention de fonds accrus pour les étudiants de doctorat
- Le rôle et les responsabilités des chefs de département et autres questions d'intérêt pour les chefs de département
    - le financement
    - la formation
    - le recrutement
    - le processus d'évaluation du rendement pour les chefs de département

Friday, June 3 / Vendredi 3 juin **11:00 – 12:30** **Jean-Paul Lemieux**
Lower Level / Niveau plus bas

Session 1A / Séance 1A

The Teaching Portfolio: Process, Progress, and Product

Alan Wright (Université du Québec à Rimouski at Lévis)

This interactive session will examine the teaching portfolio as a means to document teaching effectiveness, to reflect on one's teaching, and to promote professional growth. Over the last decade Canadian educators have become more sophisticated in describing their teaching aims, activities, and accomplishments. Thousands of our faculty have created teaching portfolios (also known as dossiers) either for submission to tenure and promotion committees or as part of a formative teaching improvement process. Some have produced electronic portfolios for public posting on the web. Alan Wright, established internationally as an advocate of the teaching portfolio, will put the teaching portfolio "movement" into perspective. What is, essentially, the teaching portfolio? How is a portfolio produced? What is the impact of the portfolio? How is the portfolio evaluated? How does the portfolio relate to the notion of "the scholarship of teaching"?

Alan Wright of UQAR, has been an advocate for the creation of teaching portfolios for many years. He has published widely on the subject and has mentored many university teachers in portfolio writing in Canada, the United States, and abroad. Dr. Wright has degrees from Mount Allison, McGill, and the Université de Montréal. He has held a wide variety of teaching and administrative positions in education and was founding executive director of the teaching and learning centre at Dalhousie University. An active scholar, Dr. Wright is currently working with several funded research groups. Dr. Wright is active in professional organizations: he is Publications Chair of the Society for Teaching and Learning in Higher Education. Alan Wright enjoys life in Québec City with his spouse and three teenage children.

Friday, June 3 / Vendredi 3 juin **11:00 – 12:30** **Pilot, Level 3 / Niveau 3**

Session 1F / Séance 1F

Le dossier d'enseignement : processus, progrès et produit

Alan Wright (Université du Québec à Rimouski à Lévis)

Dans le cadre de cette séance interactive, on se penchera sur le dossier d'enseignement en tant qu'outil permettant aux professeurs de documenter l'efficacité de leur enseignement, de réfléchir à la façon dont ils enseignent et de favoriser leur épanouissement professionnel. Au cours des dix dernières années, les professeurs canadiens ont fait preuve de plus de subtilité dans la description de leurs buts d'enseignement, de leurs activités et de leurs réalisations. Des milliers de professeurs ont monté des dossiers d'enseignement qu'ils présentent aux comités de permanence ou de promotion ou dans le cadre de processus formatifs d'amélioration de l'enseignement. Certains ont produit des dossiers électroniques qui sont affichés dans Internet. Alan Wright, champion du dossier d'enseignement reconnu à l'échelle internationale, placera le « mouvement » du dossier d'enseignement en contexte. Qu'entend—on, essentiellement, par dossier d'enseignement? Comment monte—t-on un dossier? Quelle est l'incidence du dossier? Comment le dossier est-il évalué? Comment le dossier véhicule-t-il la notion d'« expertise pédagogique »?

Alan Wright de l'UQAR, est un fervent adepte de la création de dossiers d'enseignement depuis bon nombre d'années. Auteur de maintes publications sur le sujet, il a guidé de nombreux enseignants universitaires dans la préparation d'un dossier au Canada, aux États-Unis et à l'étranger. M. Wright détient des grades de l'Université Mount Allison, de l'Université McGill et de l'Université de Montréal. Il a occupé divers postes administratifs et d'enseignement dans le milieu de l'éducation et il a été directeur général fondateur du centre d'enseignement et d'apprentissage à l'Université Dalhousie. Chercheur actif, il travaille actuellement avec plusieurs groupes de recherche profitant de subventions. M. Wright joue aussi un rôle actif dans des organisations professionnelles. Il est, entre autres, président du Comité des publications de la Société pour l'avancement de la pédagogie dans l'enseignement supérieur. Il jouit de la vie à Québec avec sa femme et leurs trois adolescents.

Taking Back the Classroom — Motivating Class and Student Preparation / Reprise en main de la classe — Motiver la classe et la préparation des étudiants

G. Peter Wilson (Boston College)

This session, offered by a 3M Teaching Award winner and past president of the AAA, is aimed at overcoming the forces that reduce our classroom effectiveness and satisfaction with a teaching career. Peter will discuss students who are rude, demanding, express entitlement, or don't take responsibility for their own learning. Particularly, Dr. Wilson will discuss how to motivate your students to participate and prepare for your classes. This Educational session provide the skills and ideas to help you take back the classroom and recapture your love of teaching.

Cette séance, animée par un lauréat du Prix 3M d'excellence en enseignement et ancien président de l'AAA, vise à aider les participants à surmonter les forces qui réduisent leur efficacité en salle de classe et leur satisfaction envers leur carrière. Peter Wilson parlera des étudiants qui sont impolis ou exigeants, de ceux qui croient que tout leur est dû ou qui n'assument pas la responsabilité de leur propre apprentissage. Plus particulièrement, il abordera la façon d'inciter les étudiants à participer en classe et à se préparer en conséquence. Cette séance éducative vous donnera les compétences et des idées qui vous aideront à reprendre en main la salle de cours et à redécouvrir votre amour de l'enseignement.

Friday, June 3 / vendredi 3 juin **16:00 – 17:30** **Jean-Paul Lemieux**
Lower Level / Niveau plus bas

Session 2A / Séance 2A

Teaching and Researching in the Post-Enron Era: A Multidisciplinary Perspective

Sponsor: Ordre des comptables agréés du Québec

Moderator :	Michel L. Magnan, Professor, The Lawrence Bloomberg Chair in Accountancy (Concordia University)
Panel :	James C. Gaa, Professor (University of Alberta)
	Dan A. Simunic, Professor, CGA Chair in Accounting (University of British Columbia)
	Alfred Wagenhofer, Professor (University of Graz, Austria and European Institute for Advanced Studies in Management, Brussels, Belgium)
	G. Peter Wilson, Professor, Joseph Sweeney Chair of Accounting (Boston College)

Has the collapse of Enron changed our academic profession? Join us for a lively discussion on the subject. Each panel member will have approximately 5 minutes to present his perspective on the theme. The plenary moderator will then ask questions to the members on the panel. Participation from the audience is most welcome. Provided below are brief descriptions of each panel members' views.

Dan A. Simunic – Research in auditing has been profoundly affected by the regulatory and other changes that have occurred following Enron and other financial reporting scandals. The availability of publicly reported U.S. data on audit and non-audit fees has stimulated research examining such critical issues as the impact on auditor independence of non-audit services, auditor tenure, and a variety of other factors. In addition, the demise of Arthur Andersen & Co. has motivated researchers to re-examine the nature of competition in auditing, audit quality and changes in audit quality over time, and the critical role of partner incentives in public accounting firms. On the teaching side, student interest in auditing is high – it's seen by many as an exciting, important, and controversial field in which to work – enhancing the classroom experience. All in all, the post-Enron era is filled with opportunities for auditing academics, as both researchers and teachers.

James C. Gaa – The collapse of Enron and Worldcom are examples of financial fraud, while the difficulties of Nortel have not attracted criminal charges. The strategic manipulation of financial information, often politely called earnings management (but also involving balance sheet management), appears to be nearly ubiquitous in financial reporting today. However, as instructors and researchers, we have little understanding of the conditions under which it might be a morally justifiable course of action – a separate question from what is legally required or forbidden, or what is in people's economic interest.

(Continued...)

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Teaching and Researching in the Post-Enron Era: A Multidisciplinary Perspective

Sponsor: Ordre des comptables agréés du Québec

Alfred Wagenhofer – Enron is a striking example that accounting has really become global. U.S. GAAP has lost much of its myth of being the best in the world and has generated more interest in theoretical foundations and the way different countries deal with accounting and corporate governance issues. Understanding the economic effects of accounting in varying institutional and cultural environments is also important if the world converges to global accounting standards.

G. Peter Wilson — Key teaching and research issues have and have not changed post Enron. Arguably, the most important things that have not changed are the fundamental concepts and theories from information economics, psychology, sociology, and accounting theory that explain in general terms the behaviour of those who affect and are affected by financial, managerial, tax, and auditing reports.

These basic concepts and theories form the foundation of our teaching and research, which is as sturdy as ever and may even be perceived as more robust because it weathered the Enron storm. Still, the practice contexts in which these fundamental concepts and theories are refined and applied have changed significantly. These contexts will be discussed.

L'enseignement et la recherche dans l'ère post-Enron : Une perspective multidisciplinaire

Commanditaire: Ordre des comptables agréés du Québec

Animateur :	Michel L. Magnan, Professor, The Lawrence Bloomberg Chair in Accountancy (Concordia University)
Groupe de discussion :	James C. Gaa, Professor (University of Alberta)
	Dan A. Simunic, Professor, CGA Chair in Accounting (University of British Columbia)
	Alfred Wagenhofer, Professor (University of Graz, Austria and European Institute for Advanced Studies in Management, Brussels, Belgium)
	G. Peter Wilson, Professor, Joseph Sweeney Chair of Accounting (Boston College)

Est-ce que l'effondrement de la société Enron a changé notre profession de professeur? Soyez des nôtres à l'occasion d'une vive discussion sur le sujet. Les membres du panel auront chacun environ cinq minutes pour présenter leur point de vue. L'animateur de la séance leur posera ensuite des questions. Les membres de l'auditoire seront également invités à participer à la discussion. Le point de vue de chacun des membres du panel est décrit ci-dessous.

Dan A. Simunic – La recherche en vérification a été profondément touchée par les changements qui se sont produits sur le plan de la réglementation, entre autres, par suite des scandales en matière d'information financière, dont l'affaire Enron. La disponibilité de données publiées aux États-Unis sur la facturation des services de vérification et celle des services autres que la vérification a stimulé les travaux de recherche portant sur des enjeux critiques tels que l'incidence sur l'indépendance des vérificateurs des services autres que la vérification, de la durée d'emploi du vérificateur ainsi que tout un éventail d'autres facteurs. De même, la chute du cabinet Arthur Andersen & Co. a incité les chercheurs à étudier de nouveau la nature de la concurrence dans le domaine de la vérification, la qualité des vérifications et les changements qui se produisent avec le temps en ce qui a trait à la qualité des vérifications ainsi que le rôle critique des primes de rendement à l'intention des associés des cabinets d'experts-comptables. En ce qui a trait à l'enseignement, la vérification intéresse vivement les étudiants – elle est considérée par bon nombre d'entre eux comme un domaine excitant, important et controversé, ce qui rehausse l'expérience en classe. Somme toute, l'ère post-Enron offre une foule de possibilités aux professeurs de vérification, tant sur le plan de la recherche que de l'enseignement.

(Suite ...)

(...Suite)

L'enseignement et la recherche dans l'ère post-Enron : Une perspective multidisciplinaire

Commanditaire: Ordre des comptables agréés du Québec

James C. Gaa – L'effondrement d'Enron et celui de Worldcom sont des exemples de fraudes en matière d'information financière, tandis que les difficultés de Nortel n'ont entraîné aucune accusation au criminel. Or, la manipulation stratégique de l'information financière, qu'on ne qualifie souvent au minimum que de gestion des résultats (mais elle met également en jeu la gestion du bilan), semble être très répandue dans la communication de l'information financière aujourd'hui. Toutefois, en tant qu'enseignants et chercheurs, nous comprenons à peine les conditions dans lesquelles elle pourrait s'avérer une mesure moralement justifiable. Il s'agit d'une question autre que celle de déterminer ce que la loi oblige ou interdit ou ce qui est dans l'intérêt économique véritable des gens.

Alfred Wagenhofer – Enron est un exemple frappant du fait que la comptabilité a vraiment une portée mondiale. En effet, les PCGR américains, autrefois reconnus comme les meilleurs dans le monde, ont perdu beaucoup de leur renommée et ont suscité un intérêt redoublé envers les fondations théoriques et la façon dont différents pays traitent des questions liées à la comptabilité et à la gouvernance d'entreprise. Il importe aussi de comprendre les effets économiques de la comptabilité dans divers milieux institutionnels et culturels si le monde est pour adopter des normes comptables internationales.

G. Peter Wilson – Les principales questions liées à l'enseignement et à la recherche ont changé et n'ont pas changé dans l'ère post-Enron. On peut soutenir que les éléments les plus importants qui n'ont pas changé sont les notions et les théories de base de l'économie de l'information, de la psychologie, de la sociologie et de la théorie comptable qui expliquent en termes généraux le comportement des personnes qui influent sur les rapports financiers, fiscaux, de gestion et de vérification et le comportement de celles que ces rapports concernent. Les notions et théories de base constituent les assises de notre enseignement et de notre recherche, lesquelles sont aussi solides qu'avant et pourraient même être perçues comme plus solides du fait qu'elles ont survécu à la tempête Enron. Par contre, les contextes pratiques dans lesquels ces notions et théories sont peaufinées et appliquées ont considérablement changé. Ce sont ces contextes qui feront l'objet d'une discussion.

Challenges in Accounting Education – An Open Forum Discussion

Sponsor: Pearson Education Canada

Moderator: David F. Drake (Centennial College)

The interactive nature of this workshop makes it an ideal opportunity for new attendees to get acquainted through stimulating discussion, and for the people who attended last year, an opportunity to pursue several tantalizing threads.

This interactive workshop is an opportunity for conference participants to exchange ideas with their colleagues from across Canada about a wide variety of matters involving our accounting programs and students. What innovations have you introduced into your programs and how successful have they been? How does today's student compare with the student of yesteryear? Should we be teaching our courses differently in order to better connect with changing student expectations and levels of commitment? How can we keep students focused in a generation raised on the internet and who expect to be able to "learn how to swim without getting in the pool"? What new course areas, such as forensic accounting or corporate governance, have been introduced and with what level of success? What challenges are you facing and would like to have feedback on from folks from other institutions?

Because of the success of this session in previous years (and its growth in attendance), a significant portion of the forum will have the attendees split into smaller discussion groups of choice, so that people will be able to participate in more than one topic. Everybody will re-congregate to finish with a discussion of the whole. Be prepared for lively discourse!

Saturday, June 4 / Samedi 4 juin **10:15 – 11:45** **Jean-Paul Lemieux**
Lower Level / Niveau plus bas

Session 3A / Séance 3A

Les défis propres à l'enseignement de la comptabilité – Débat ouvert

Commanditaire : Pearson Education Canada

Animateur : David F. Drake (Centennial College)

Grâce à son caractère interactif, cet atelier s'avère, pour les nouveaux congressistes, l'occasion idéale de faire de nouvelles connaissances ainsi que de participer à une discussion stimulante et, pour les personnes qui étaient de la partie l'année dernière, une occasion de poursuivre plusieurs avenues terriblement tentantes.

Cet atelier donne aux congressistes la chance d'échanger des idées avec des collègues de partout au pays sur toutes sortes de sujets portant sur les programmes de comptabilité et les étudiants. Quelles innovations avez-vous incluses dans vos programmes et dans quelle mesure ont-elles donné les résultats voulus? Comment l'étudiant d'aujourd'hui se compare-t-il à celui d'autrefois? Devrions-nous enseigner nos cours différemment afin de mieux nous aligner avec les attentes changeantes des étudiants et le degré d'engagement de ces derniers? Que pouvons-nous faire pour garder l'attention d'étudiants qui appartiennent à une génération élevée dans Internet et qui s'attendent à « apprendre à nager sans se mouiller »? Quels nouveaux champs ont été introduits, par exemple la juricomptabilité ou la gouvernance d'entreprise, et dans quelle mesure obtient-on les résultats escomptés? Quels sont les défis que vous devez relever et à l'égard desquels vous aimeriez recevoir les commentaires de profs d'autres établissements?

En raison du succès qu'a remporté cette séance les dernières années (et de la participation sans cesse croissante), pour une bonne partie du forum, les participants seront divisés en groupes de discussion particuliers. Ainsi, les participants pourront traiter de plus d'un sujet. Tout le monde se réunira à la fin pour une discussion plénière. Le débat promet d'être animé!

Saturday, June 4 / Samedi 4 juin **10:15 – 11:45** **Jean-Paul Lemieux**
Lower Level / Niveau plus bas

Session 3A / Séance 3A

Case Teaching / L'enseignement à l'aide d'études de cas

Speaker / Conferencier : James A. Erskine
(University of Western Ontario)

One of North America's leading experts in teaching with cases will provide a session on teaching with cases that should appeal to both the experienced and inexperienced case teachers. Jim has long been interested in the case teaching and learning process and in writing cases. Jim's three textbooks relating to the case method include *Writing Cases*, 4th edition, *Teaching With Cases*, 2nd edition and *Learning With Cases*, 2nd edition (all with Michiel R. Leenders and Louise A. Mauffette-Leenders). The case writing and case teaching workshops developed by Mike Leenders and Jim have attracted over 8,000 participants in over 35 countries around the world.

He has been recognized as an Outstanding Contributor by the World Association for Case Method Research and Application (WACRA) and by the North American Case Research Association (NACRA). Jim is a 3M Teaching Fellow, recognizing him as one of Canada's best university professors and he has received the Edward G. Pleva Teaching Excellence Award, the highest teaching honour at The University of Western Ontario. As well, he has received several citations for teaching excellence from the University Students' Council at Western. Jim recently received the Bank of Nova Scotia, UWO Alumni Association and University Students' Council Award of Excellence in Undergraduate Teaching.

Figurant, en Amérique du Nord, parmi les chefs de file dans l'enseignement par la méthode des cas, Jim Erskine animera une séance sur le sujet qui saura plaire tant aux enseignants chevronnés qu'aux non—initiés à ce genre d'enseignement. Il s'intéresse depuis longtemps à cette méthode pédagogique et au processus d'apprentissage ainsi qu'à la rédaction d'études de cas. Il a fait paraître trois ouvrages sur la méthode des cas, soit *Writing Cases*, 4th edition, *Teaching With Cases*, 2nd edition et *Learning With Cases*, 2nd edition (tous en collaboration avec Michiel R. Leenders et Louise A. Mauffette-Leenders). Les ateliers sur la rédaction de cas et l'enseignement par l'analyse de cas mis au point par Mike Leenders et Jim Erskine ont attiré plus de 8 000 participants dans plus de 35 pays.

Ce dernier a d'ailleurs été reconnu en tant que collaborateur extraordinaire par la World Association for Case Method Research and Application (WACRA) et par la North American Case Research Association (NACRA). Jim s'est vu décerner le Prix 3M d'excellence en enseignement, lequel reconnaît les professeurs d'université exemplaires au Canada. En outre, il a reçu le Prix d'excellence en enseignement Edward G. Pleva, la distinction la plus élevée accordée relativement à l'enseignement à l'Université de Western Ontario. Qui plus est, il a été l'objet de plusieurs citations du conseil étudiant de cette université. Il vient d'ailleurs de recevoir le prix d'excellence en enseignement au premier cycle décerné par la Banque Scotia, l'association des anciens de l'UWO et le conseil étudiant de l'université.

Saturday, June 4 / Samedi 4 juin **10:15 – 11:45** **Pilot, Level 3 / Niveau 3**

Session 3F / Séance 3F

The CAAA Innovation in Accounting Education Award Winners: Presentation of Submissions / Le concours de l'ACPC sur l'innovation dans l'enseignement de la comptabilité

Sponsor / Commanditaire : CAAA / ACPC

Moderator / Animatrice : Pascale Lapointe (Université Laval)

Educators were invited to submit descriptions of their innovations in the accounting curriculum. Winners were chosen by the CAAA Education Committee in a blind review process, and prizes will be awarded during the Saturday luncheon at the Conference. Winners will present their innovation in accounting education.

Nous invitons les professeurs à soumettre la description des innovations qu'ils ont apportées au programme d'études en comptabilité. Les gagnants, qui seront choisis par le Comité de formation de l'ACPC au moyen d'un processus d'examen anonyme, devront présenter et démontrer leur innovation dans l'enseignement de la comptabilité au cours d'une séance sur le sujet pendant le congrès. Les prix seront décernés durant le congrès, à l'occasion du déjeuner, le samedi.

Presenters / Conférenciers :

First prize / Premier prix :

Norman T. Sheehan (University of Saskatchewan)
"Paper Planes and Budgets"

Second prize / Deuxième prix:

Robert Sproule (University of Waterloo)
"On-Line Learning Object: Operating Cash Flows — Indirect Method"

Saturday, June 4 / Samedi 4 juin **13:50-15:20** **Jean-Paul Lemieux**
Lower Level / Niveau plus bas

Session 4A / Séance 4A

Learning Strategies Exchange — Poster Session

Sponsor: CAAA

Chair: Nicola M. Young (Saint Mary's University)

The Learning Strategies Exchange Poster Session will showcase curriculum, course, and classroom strategies used by accounting instructors to increase the effectiveness of student learning. The Exchange will feature ideas, research, strategies and education innovations that underlie effective student learning in accounting and accounting-related programs. The session will provide an opportunity for poster presenters to explain and discuss their particular innovation with other conference attendees in an informal and collegial atmosphere. Presentations will be reviewed and chosen from a call for submissions.

Presenters:

Norman T. Sheehan (University of Saskatchewan)
"Paper Planes & Budgets"

Robert Sproule (University of Waterloo)
"On-Line Learning Object: Operating Cash Flows—Indirect Method"

François Brouard* and Rob Riordan (Carleton University)
"HSBC: A Business Game for First Year Course in Financial Accounting"

François Brouard (Carleton University)
"Jouons au Monopoly dans un cours de comptabilité financière"

Barbara A. Trenholm* (University of New Brunswick—Fredericton)
"Bloom's Taxonomy: A Learning and Assessment Framework for Accounting"

Diane Bigras* (Université du Québec en Outaouais)
"L'enseignement par les pairs"

Samir Trabelsi* and Sandra Felton* (Brock University)
"Using WebCT for Formal Feedback and for Increasing Motivation in the Introduction to Financial Accounting Course"

Irene Wiecek* (University of Toronto)
"Partnering with the Profession — A Model for an Opportunity for Continuous Learning"

Benoît Lavigne* and Hélène Bergeron* (Université du Québec à Trois-Rivières)
"Cabinet Virtuel" — invited presentation

* Presenter

Saturday, June 4 / Samedi 4 juin **13:50 – 15:20** **Ballroom Foyer / Salle de Bal Hall d'Exposition**

Session 4A / Séance 4A

Échange de stratégies pédagogiques — Séance de communications affichées

Commanditaire : L'ACPC

Animatrice : Nicola M. Young (Université Saint Mary's)

La séance de communications affichées visant l'échange de stratégies pédagogiques servira à présenter les stratégies pédagogiques (programmes, cours, groupes, etc.) que certains professeurs de comptabilité utilisent pour rehausser l'apprentissage de leurs étudiants. L'échange mettra en vedette des idées, des sujets de recherche, des stratégies et des innovations en matière d'enseignement qui sont à la base de la formation efficace des étudiants en comptabilité et de deux qui sont inscrits à des programmes connexes. Cette séance donnera l'occasion aux présentateurs de communications affichées d'expliquer leur innovation ainsi que d'entamer des discussions avec d'autres participants au congrès, collectivement et en toute simplicité. Les communications seront évaluées et choisies par suite d'une invitation générale.

Conférenciers :

Norman T. Sheehan (Université de la Saskatchewan)
« Paper Planes & Budgets »

Robert Sproule (Université de Waterloo)
« On-Line Learning Object: Operating Cash Flows — Indirect Method »

François Brouard* and Rob Riordan (Université Carleton)
« HSBC: A Business Game for First Year Course in Financial Accounting »

François Brouard (Université Carleton)
« Jouons au Monopoly dans un cours de comptabilité financière »

Barbara A. Trenholm (Université du Nouveau-Brunswick — Fredericton)
« Bloom's Taxonomy: A Learning and Assessment Framework for Accounting »

Diane Bigras (Université du Québec en Outaouais)
"L'enseignement par les pairs"

Samir Trabelsi* et Sandra Felton* (Université Brock)
« Using WebCT for Formal Feedback and for Increasing Motivation in the Introduction to Financial Accounting Course »

Irene Wiecek (Université de Toronto)
« Partnering with the Profession — A Model for an Opportunity for Continuous Learning »

Benoît Lavigne* et Hélène Bergeron* (Université du Québec à Trois-Rivières)
« Cabinet Virtuel » — exposé sollicité

* Donne l'exposé

Saturday, June 4 / Samedi 4 juin **13:50 – 15:20** **Ballroom Foyer / Salle de Bal Hall d'Exposition**

Session 4A / Séance 4A

Practicing What We Preach: An Application of 2nd Generation BSC's to Academic Units / Prêcher par l'exemple : Une application du tableau de bord équilibré de la deuxième génération à l'égard des unités facultaires

Howard M. Armitage, University of Waterloo

Sponsor / Commanditaire : Ordre des CGA du Québec

Most of us are aware of the popularity of Balanced Scorecards (BSC's) and of the Strategy Maps (SM) that often accompany them. BSCs and SMs have been widely adopted by both private and public sector organizations. However, only a very few academic units within our universities and colleges have adopted/implemented them. Why is this and what examples do exist?

In this session, Howard will describe two recent BSC and SM implementations to help refine the strategy and monitor the progress of academic units at the University of Waterloo. Still works-in-progress, Howard will describe the motivation behind these implementations, some of the results achieved to date and the impact that BSC and SM's have had on performance.

La majorité d'entre nous connaissons bien la popularité que remportent le tableau de bord équilibré et les cartes stratégiques qui lui sont souvent associées. Le tableau de bord équilibré et les cartes stratégiques ont été largement adoptés par les organisations des secteurs privé et public. Cependant, rares sont les unités facultaires au sein de nos universités et collèges qui les ont adoptés ou mis en oeuvre. Comment expliquer cet état de chose? Quels sont les exemples?

Au cours de cette séance, Howard Armitage décrira deux cas où ces outils ont été mis en oeuvre récemment pour aider des unités facultaires à l'Université de Waterloo à peaufiner leur stratégie et à surveiller leurs progrès. Bien qu'il s'agisse d'un travail en pleine évolution, Howard Armitage expliquera les facteurs qui motivent cette mise en oeuvre, certains des résultats atteints à ce jour et l'incidence du tableau de bord équilibré et des cartes stratégiques sur le rendement.

Saturday, June 4 / samedi 4 juin **13:50 – 15:20** **Pilot, Level 3 / Niveau 3**

Session 4F / Séance 4F

Future Direction of Standard Setting in Canada / Orientation future de la normalisation au Canada

Sponsor / Commanditaire : Lawrence Bloomberg Chair of the John Molson School of Business, Concordia University / Lawrence Bloomberg Chair, École de gestion John-Molson, Universté Concordia

Speakers / Conférenciers : Thomas W. Scott, University of Alberta

Peter Martin, CA, Director, Accounting Standards, Accounting Standards Board of Canada

As a member of the Accounting Standards Board, Dr. Scott and other senior members of the Board will discuss the exposure draft on the new strategy for establishing standards in Canada. The draft will be sufficiently different from the status quo and have sufficient implications and possibilities not only for standard setting but also education and research. As such this session should be of interest to a wide variety of conference attendees who will want to know what the repercussions of the changes will be on the educational process as well as financial reporting in Canada.

En tant que membre du Conseil des normes comptables, Tom Scott et d'autres membres principaux du Conseil discuteront d'un exposé-sondage sur la nouvelle stratégie d'établissement de normes au Canada. Cette stratégie différera largement de la stratégie en vigueur et elle aura des répercussions et des possibilités non seulement en matière de normalisation mais aussi en matière de formation et de recherche. Par conséquent, cette séance saura intéresser un vaste public, à savoir tous les congressistes qui veulent prendre connaissance des répercussions qu'auront les changements sur la formation et sur la communication d'informations financières au Canada.

Saturday, June 4 /Samedi 4 juin **15:50 – 17:20** **Jean-Paul Lemieux Lower Level / Niveau plus bas**

Session 5A / Séance 5A

Ethics Workshop
A workshop on governance and ethics issues

Sponsor: Centre for Accounting Ethics, University of Waterloo

Chair: Grant W. Russell, University of Waterloo

Our speakers this year are Leonard J. Brooks, Rotman School of Management, Professor of Business Ethics & Accounting, Director, Master of Management & Professional Accounting Program, Director, Diploma in Forensic Accounting (DIFA), Executive Director, The Clarkson Centre for Business Ethics & Board Effectiveness, author of *Business & Professional Ethics for Directors, Executives & Accountants*, and Sally P. Gunz, Director, Centre for Accounting Ethics, School of Accountancy, University of Waterloo and Professor of Business Law, will jointly present a workshop on "Teaching Accounting Ethics to Today's Students".

Len has considerable experience teaching accounting ethics at Rotman and elsewhere. Sally recently spent a month at the Wharton School sitting in on ethics classes and sharing ideas with Wharton faculty. In this session they will share their experiences, what works, what does not, and outline their ideas about designing effective accounting ethics classes. This will be designed as an interactive session with the expectation of a lively exchange of ideas."

Linda Robinson is a faculty member in the School of Accountancy at the University of Waterloo, teaching courses in Forensic Accounting and Assurance. Linda joined the University of Waterloo after practicing forensic accounting as a partner in Kroll Lindquist Avey Forensic Accountants. She has been developing cases in Financial Statement fraud for the Centre.

08:15-09:00	Breakfast
09:00-09:05	Introduction and opening remarks by Grant W. Russell, Acting Director, Centre for Accounting Ethics
09:05-09:15	Presentation of Winner of 2005 Estey Award
09:15-10:00	Presentation of "Nortel, the Cookie Jar Reserves," a new case for the Management Fraud, Corporate Governance and Professional Responsibilities collection of the Centre for Accounting, Linda Robinson, University of Waterloo
10:00-10:15	Break
10:15-12:00	Professor Leonard J. Brooks and Professor Sally P. Gunz

Atelier annuel sur l'éthique
Atelier sur la gouvernance et les questions liées à l'éthique

Commanditaire : Le Centre for Accounting Ethics de l'Université de Waterloo

Animateur : Grant W. Russell, University of Waterloo

Cette année, les conférenciers sont Leonard J. Brooks de la Rotman School of Management, professeur d'éthique en affaires et comptabilité; directeur du programme de maîtrise en comptabilité professionnelle et de management; directeur du programme menant au diplôme en juricomptabilité (DIFA); directeur général du Clarkson Centre for Business Ethics & Board Effectiveness et auteur de *Business & Professional Ethics for Directors, Executives & Accountants*, et Sally P. Gunz, directrice du Centre for Accounting Ethics de la School of Accountancy à l'Université de Waterloo et professeure de droit des affaires. Ils animeront ensemble un atelier sur l'enseignement de l'éthique en comptabilité aux étudiants d'aujourd'hui.

Len possède une vaste expérience dans l'enseignement de l'éthique en comptabilité à Rotman et ailleurs. Quant à Sally, elle vient de passer un mois à la Wharton School pour y observer les cours d'éthique et partager des idées avec les professeurs de cette école. Dans le cadre de l'atelier, ils feront part aux participants de leurs expériences, de ce qui marche et de ce qui ne marche pas et ils présenteront les grandes lignes de leurs idées sur la façon de concevoir des cours efficaces d'éthique en comptabilité. Comme cette séance sera interactive, les échanges devraient être animés.

Linda Robinson est membre du corps professoral de la School of Accountancy de l'Université de Waterloo. Elle enseigne des cours en juricomptabilité et certification. Elle s'est jointe à l'Université de Waterloo après avoir exercé la juricomptabilité en qualité d'associée chez Kroll Lindquist Avey Forensic Accountants. Elle rédige depuis des études de cas pour le Centre concernant les fraudes commises dans les états financiers.

8 h 15 – 9 h	Petit déjeuner
9 h – 9 h 5	Présentations et mot d'ouverture
9 h 5 – 9 h 15	Exposé donné par le lauréat 2005 du Prix Estey
9 h 15 – 10 h	Présentation de « Nortel, the Cookie Jar Reserves », nouvelle étude de cas destinée à la collection du Centre for Accounting Ethics sur la fraude commise par la direction, la gouvernance d'entreprises et les responsabilités professionnelles
10 h – 12 h	Professeur Leonard J. Brooks et professeure Sally P. Gunz

Francophone Day Abstracts

Résumés de la Journée francophone

Le lissage du résultat et l'optimisation fiscale dans la décision d'octroi d'options sur actions : Incidence de la concentration du capital

Denis Cormier* (Université du Québec à Montréal)

Suzanne Landry (Université du Québec à Montréal)

Michel Magnan (Université Concordia)

La rationalité économique prévoit que pour bénéficier de l'avantage fiscal relié aux pertes d'exploitation, l'entreprise optera pour la rémunération en options par rapport aux salaires ou primes dans le but d'augmenter le résultat fiscal. Nos résultats supportent ce comportement des dirigeants d'entreprises lorsque l'actionnariat est restreint. Il ressort également de nos analyses que durant la période où la constatation des options au compte de résultat n'était pas obligatoire, le lissage du résultat constituait un élément important dans la décision d'octroi des options sur actions pour les entreprises à actionnariat restreint ; en particulier pour un actionnariat institutionnel. Un tel constat justifie l'approche préconisée par le normalisateur comptable canadien et l'IASB qui consiste à rendre obligatoire la constatation au compte de résultats de la rémunération en options.

Les auteurs remercient le Conseil de recherche en sciences humaines du Canada (CRSH), le Fonds québécois de la recherche sur la société et la culture (FQRSC) ainsi que la chaire de comptabilité Lawrence Bloomberg de l'Université Concordia pour leur appui financier.

* Donne l'exposé

Un bilan de dix ans de publication dans comptabilité, contrôle et audit

Maurice Gosselin (Université Laval)

La revue « Comptabilité, contrôle et audit » (CCA) a été créée en 1995 et constitue le principal mode de communication des chercheurs francophones dans le domaine de la comptabilité. L'objectif de cette communication est de faire un bilan des articles publiés dans les dix premiers volumes de CCA.

La révélation des faits délictueux par les commissaires aux comptes : une décision délicate en terme d'opinion

Christian Prat dit Hauret (Université Montesquieu)

Le but de la recherche est d'étudier la prise de décision de l'auditeur légal confronté à des situations de révélation de faits délictueux tels que l'abus de biens sociaux ou la fraude fiscale. Une étude exploratoire de la diversité des délits vécus par les commissaires aux comptes met en évidence trois types de délits : les délits « mineurs », les délits « majeurs » et les délits « contraints ». Les entretiens menés et les décisions des auditeurs confrontés à une situation d'abus de biens sociaux montrent une application de l'obligation de révélation qui dépend du contexte dans lequel le délit a été commis, les commissaires aux comptes pouvant adopter une attitude « légaliste » ou « pragmatique ». En dernier lieu, une analyse empirique de la relation entre le niveau de sensibilité éthique étudié à travers la théorie du développement moral cognitif et la révélation des faits délictueux met en évidence que les auditeurs qui révèlent le délit ont un niveau de développement moral cognitif conventionnel. L'apport de la recherche réside dans l'application « contextualisée » de la révélation par les auditeurs français et de l'ancrage théorique de l'explication des décisions prises (éthique de la conviction versus éthique de la responsabilité).

Le rôle des experts-comptables dans l'utilisation de l'information différentielle par les PME canadiennes

Jocelyne Gosselin (Université du Québec à Trois-Rivières)

Benoit Lavigne* (Université du Québec à Trois-Rivières)

Le principal objectif de la présente étude empirique est d'accroître la validité externe de celle de Lavigne et Gosselin (2004). Pour confirmer le rôle des cabinets d'experts-comptables dans l'utilisation des traitements différentiels, nous avons réalisé une enquête postale, avec un court questionnaire, auprès de 300 cabinets de comptables agréés du Québec (taux de réponse de 54 %). Les résultats montrent que plus de la moitié (56 %) des PME admissibles utilisent au moins un traitement différentiel. De plus, ces entreprises dont le cabinet d'experts-comptables est de type régional ou international sont effectivement les plus susceptibles de recourir à un traitement différentiel. Ce n'est toutefois pas le cas pour les entreprises qui sont clientes d'un cabinet situé dans une ville de petite taille. Le critère de simplicité et d'économies de temps ou d'argent est invoqué une fois sur deux par les répondants, pour justifier l'utilisation d'un ou plusieurs traitements différentiels. L'analyse plus poussée montre que ce sont surtout les experts-comptables oeuvrant au sein de cabinets régionaux et internationaux qui invoquent ce critère en raison vraisemblablement de leur structure plus importante de coûts. La présente étude empirique contribue donc à démontrer et à expliquer l'influence du type de cabinets d'experts-comptables sur les choix des PME relatifs à leurs états financiers.

Les auteurs tiennent à remercier l'Association canadienne des professeurs de comptabilité (ACPC) et le cabinet d'experts-comptables Deloitte & Touche pour leur support.

* Donne l'exposé

Développement d'un système expert pour évaluer la veille stratégique

François Brouard (Carleton University)

Les intervenants au niveau de la veille stratégique, qu'ils s'agissent de dirigeants ou de consultants externes, sont confrontés au problème managérial suivant : aider les dirigeants d'une organisation à se sensibiliser aux activités de veille stratégique et à évaluer leurs pratiques de veille stratégique afin de progresser. En effet, malgré les efforts déployés, la sensibilisation à la veille stratégique demeure toujours un défi. Il est proposé qu'un outil diagnostique des pratiques de veille stratégique pourrait contribuer à résoudre ce problème managérial. Ce faisant, les intervenants pourront comprendre les pratiques de la veille stratégique pour intervenir et améliorer l'efficacité stratégique des organisations. L'objectif de la communication est de présenter un outil diagnostique des pratiques de veille stratégique. L'outil se présente sous la forme d'un prototype de système expert développé auprès de PME. Le développement du système expert s'inscrit dans une recherche-action faisant appel au prototypage. En plus des dirigeants d'entreprises, des experts ont contribué à valider le prototype. La communication permet notamment d'insérer la veille stratégique dans le contexte de pilotage des organisations, de décrire la méthodologie de développement, de présenter l'outil diagnostique et de faire ressortir les artefacts résultant du développement. La communication permet ainsi de contribuer à la réflexion sur l'évolution des systèmes de veille.

Examen de la notion de confiance dans le cadre des relations client-vérificateur

Abdelhaq Elbekkali (Université de Sherbrooke)

Plusieurs recherches en marketing et en management ont montré que la notion de confiance joue un rôle crucial dans l'existence et le maintien de relations d'affaires entre les partenaires économiques. Cette étude examine le rôle de la confiance dans la décision du vérificateur externe de s'engager dans des relations à long terme avec son client. Les résultats obtenus, à partir d'une enquête portant sur divers aspects relatifs aux relations client-vérificateur, montrent que la décision du vérificateur de développer des relations à long terme avec son client, est influencée par des considérations tant professionnelles ou contractuelles (confiance contractuelle), que par des considérations comportementales (confiance comportementale).

Abstracts

Résumés

Investigating the Role of Financial Analysts in the 1996-2000 Internet Bubble

Yao Tian* (University of Waterloo)

Patricia C. O'Brien (University of Waterloo)

We investigate financial analysts' role in the 1996-2000 "Internet Bubble," comparing their recommendations in this sector to those for other new companies in the same period. Our research addresses the following two questions: (1) were financial analysts relatively more optimistic about Internet stocks than about other new issues during 1996-2000?; and (2) did their relative optimism for Internet stocks (if it existed) inflate the prices of these stocks, creating or fueling the Internet Bubble? By using other new issues in this time period as our comparison group, we control for analysts' documented optimism when initiating coverage and around equity issues.

* Presenter

Antecedents and Consequences of Financial Analyst Turnover

Emad Mohd* (McMaster University)

Siva Nathan (Georgia State University)

We examine the factors leading to turnover among sell-side financial analysts and the consequences of turnover. We distinguish between two types of turnover, voluntary and involuntary. We define voluntary (involuntary) when analysts leave their employment at one brokerage firm and find (do not find) employment at another brokerage firm. We examine the analyst and brokerage firm specific factors leading to analyst turnover, separately for voluntary and involuntary turnovers. We find that job performance is positively (negatively) related to voluntary (involuntary) turnover. This finding is consistent with Jackofsky's (1984) theory predicting a curvilinear U-shaped relationship between performance and turnover. For voluntary turnover, we examine analysts' performance and job conditions at the new brokerage firm and relate these to the factors leading to turnover. We find that these analysts move to larger brokerage firms and become more accurate. They have lighter workload at the new brokerage firm as they follow fewer firms and industries. Our results suggest that good (bad) performance is rewarded (punished), where more accurate analysts move to larger brokerage houses and have lighter workload, and less accurate analysts leave the profession.

* Presenter

Are Sell-Side Analysts with a Chartered Financial Analyst (CFA) Designation Better?

Gus De Franco (University of Toronto)

Yibin Zhou* (University of Toronto)

This paper is the first to systematically study financial sell-side analysts who hold a CFA charter and address the question of whether they are more skilled and act more independently than other analysts. Using a large sample of forecasts by analysts with and without a CFA designation over the period 1999-2004, our tests indicate that CFA charterholders issue more informative disclosures, produce more bold and less optimistic forecasts in general, and issue forecasts more independent of management forecasts. We find some evidence that CFA charterholder forecasts are more accurate. These results are consistent with the claims of the CFA Institute that charterholders are competent and act with integrity.

* Presenter

Friday, June 3 / Vendredi 3 juin **11:00 – 12:30** **Room 415 / Chambre 415**
Level 4 / Niveau 4

Session 1B / Séance 1B

Value Creation in Public Enterprises: An Empirical Analysis of Coordinated Organizational Changes in the VA Hospital System

Nicole Thibodeau* (Université Laval)

John H. Evans III (University of Pittsburgh)

Nandu J. Nagarajan (University of Pittsburgh)

As part of a government-wide initiative to increase effectiveness and efficiency, the United States' VHA (Veterans Health Administration) recently radically restructured its organizational design and management processes. This study uses clinical, workload and financial data from the 1992-1998 period to examine the effect of this reform on performance. Several previous government attempts to introduce private sector management practices, such as management by objectives (MBO) or program planning and budgeting system (PPBS), have been largely unsuccessful. In contrast to prior reforms, the current restructuring introduced coordinated changes in the organizational structure, performance measurement, and reward systems that are aligned with organizational strategic objectives. Our results document that following the reorganization, the VHA's cost per patient has significantly decreased, while various quality measures have improved. Our analysis suggests that reduction in excess capacity and the more intense use of remaining capacity are among the primary explanations for how the VHA achieved the observed cost reductions. These findings suggest that coordinated changes in organizational structure, performance measures and incentives aligned with strategy may be valuable in public enterprises where control mechanisms are more limited than in private sector settings.

* Presenter

Taxonomy of Performance Measurement Systems and Organizational Context

Jean-François Henri (Université Laval)

The aim of this study is to develop a taxonomy of performance measurement systems (PMS) and to provide a more complete understanding of PMS and their context. Using a survey approach to collect data from a sample of manufacturing firms, I conduct sets of first-level and second-level cluster analyses. A taxonomy of PMS is first developed based on three dimensions, namely the design (mix of financial, customer, internal processes, innovation and learning measures), the use (monitoring, strategic decision making, attention focusing, legitimization), and the updating processes. Three groups of PMS emerge: (i) outcomes surveillance mechanism, (ii) management support tool, and (iii) integrated organizational process. The results also suggest that strategy, internal capabilities and organizational culture simultaneously contribute to the alignment of various dimensions of PMS. This study contributes to the management accounting literature by moving the study of PMS from a Cartesian form of contingency fit to a configuration form.

Jeopardy, Non-Public Information, and Insider Trading Around SEC 10-K and 10-Q Filings

Steven J. Huddart* (Pennsylvania State University)

Bin Ke (Pennsylvania State University)

Charles Shi (University of California)

We document how insider trading is associated with two information releases: the quarterly earnings announcement and the subsequently filed Form 10-K or 10-Q, which contains additional price-relevant information. The association of trades before the earnings announcement with the return at the announcement suggests that insiders avoid profitable trades in this period; however, trades after the earnings announcement are associated with both the preceding earnings announcement and the forthcoming filing in a manner that suggests insiders undertake profitable trades. Insiders condition their trades on foreknowledge of price-relevant public disclosures but trade when the jeopardy is low.

* Presenter

Are Analyst Research and Corporate Disclosures Complements or Substitutes?

Xia Chen* (University of British Columbia)

Qiang Cheng (University of British Columbia)

Kin Lo (University of British Columbia)

This paper examines the relation between analyst research and corporate disclosures. While prior theoretical studies suggest that analyst research substitutes for corporate disclosures, recent empirical studies find that the two complement each other – the aggregate market impact of analyst research and that of earnings announcements are positively correlated. In this paper, we hypothesize that the role of analyst research depends on the timing of analyst reports relative to earnings announcements. We predict that before firms announce earnings, analyst research contains information that substitutes for earnings announcements and that after firms announce earnings, analysts help to interpret the announced earnings information and thus their research serves a complementary role. Our empirical evidence is consistent with both predictions. We find that the information content of an earnings announcement is negatively correlated with that of analyst research in the week prior to the earnings announcement, and positively correlated with that of analyst research in the week afterwards. In addition, we find that the complementary role of analyst research is more important for firms with financial accounting information that is difficult to interpret.

* Presenter

Are Analyst Consensus and Precision of Public Information Related to Market Liquidity Around Earnings Announcements?

Kiridaran Kanagaretnam* (McMaster University)

Gerald J. Lobo (University of Houston)

Dennis J. Whalen (Otterbein College)

This study investigates the relationship between market liquidity changes around earnings announcements and both the quality and quantity of information available about firms. Market liquidity is measured by percentage spreads and quoted depths. We employ the methodology proposed by Barron, Kim, Lim and Stevens (1998) to measure the precision of public information and the level of analyst consensus (i.e., the quality of information); the level of analyst coverage proxies for the quantity of information.

Using both an OLS regression framework and a simultaneous equations model, we find a negative relationship between spreads and the precision of public information and a positive relationship between depths and the level of analyst consensus. We also find a positive relationship between analyst coverage and depths and a weak negative relationship between analyst coverage and spreads. Our results indicate that a greater precision of public information and an increased quantity of information improve market liquidity around earnings announcements; a higher analyst consensus (i.e., lower precision of private information) also improves market liquidity.

* Presenter

Different Types of Knowledge as Determinants of the Expertise of Auditors

Constance A. McKnight (Arkansas Tech University)

William F. Wright* (University of Waterloo)

How well do auditors understand their relative level of job performance compared with their peers? Does the level of relative performance understanding increase with experience? How will the relative weighting of the determinants of job performance change as auditors become more experienced? Are auditors aware of any changes in their weighting of the determinants? We addressed these research questions using a sample of 87 auditors at the staff, senior, manager and senior manager ranks. Relative weighting of 14 performance attributes having three underlying dimensions is assessed using both self-reported levels of job performance and actual CPA firm evaluations. Only after accumulating significant experience do auditors understand their relative level of job performance and the relative weighting of attributes that leads to better performance. Auditors perform better when they perceived their work tasks to be less structured and more variable. We also estimate the value of increasing expertise and the gain in auditor compensation as a result of superior performance.

* Presenter

Do Attributes of Industry Audit Specialists Differ by Their Levels of Expertise?

Mohammad J. Abdolmohammadi (Bentley College)

CANCELLED

Abdolmohammadi, Searfoss and Shanteau (2004) use responses from audit partners to provide evidence on the relative importance of 25 pre-defined attributes of top industry audit specialists. A research question is whether the importance of these attributes differs by expertise level in one's specialty. Using data from auditors of varying ranks and specialties, this paper investigates the degree of possession of each of these 25 pre-defined attributes by specialists of varying expertise levels. The subjects assessed their own possession of the attributes as well as the possession of the attributes that they believed was necessary for various levels of expertise in their specialty. Consistent with the extant literature (e.g., Tan and Libby, 1997; Wright, 2001), the results indicate that possession of many attributes differs significantly by expertise level. For example, "adaptability" was rated as significantly more important for expert specialists than competent specialists and specialty candidates. However, for many other attributes (e.g., "research skills"), there were no differences in possession between levels of expertise. Consistent with the preliminary findings of a recent paper (Thibodeau, 2003), this evidence indicates that some expertise attributes may transfer between levels of expertise and audit specialties. Implications of these results for audit practice and research are discussed.

Do Performance and Documentation of Business Process Analysis Influence Auditors' Risk Assessments?

Natalia Kotchetova* (University of Waterloo)

Thomas M. Kozloski (Wilfrid Laurier University)

William F. Messier, Jr. (Georgia State University)

The paper investigates whether process-level assessments of business risk and risk of material misstatement are associated with request to perform and document an analysis of a client's business processes. Additionally, we examine whether auditors incorporate the results of strategic analysis and the associated entity-level risk assessments in the subsequent analysis of business processes and whether they do so differently for a critical versus a supporting business process. We draw on research in social cognition and marketing to suggest that dual-encoding information processing model applies to the audit risk judgments at the business process level. Results indicate that when participants *are* explicitly asked to perform and document such analyses, their process-level risk assessments show an association with their earlier assessments of entity-level client business risk and with evidence inputs about unmitigated strategic risk, but the latter effect is significant only for the business process of a supporting nature. Auditors' business risk assessments *differ* depending on whether they explicitly perform and document business process analysis. However, when auditors perform and document analysis of client processes, their business risk assessments are *not* contingent upon the *type* of the process. Finally, process-level assessments of risk of material misstatement are influenced mostly by assessments of business risks at the same level, as well as entity-level risk of material misstatement.

* Presenter

The Effects of Audit Methodology and Audit Experience on the Development of Auditor's Knowledge of the Client's Business

Greg Berberich (University of Waterloo)

This study examines how differences between the strategic-systems audit approach and the traditional, transaction-based audit approach affect the content and complexity of client business knowledge in long-term memory, how these mental representations develop with experience, and how the representations affect risk assessment. Knowledge of the client's business is essential to conducting an effective and efficient audit, but researchers have devoted little attention to how this knowledge is represented in memory and what effect it has on audit judgment. Moreover, proponents of the strategic-systems approach argue that this approach leads to the formation of a more-complex client business model and results in better audit judgments than the transaction-based approach. The quasi-experimental results contradict these claims, with the strategic-systems auditors having less-complex knowledge representations than the transaction-based auditors. Also, no experience-related differences were found in the knowledge representations and only marginal support was found for a link between these representations and auditors' risk assessments.

The Auditor's Assessment and Detection of Corporate Fraud: Some Canadian Evidence

Denis Cormier (Université du Québec à Montréal)

Pascale Lapointe* (Université Laval)

This study describes fraud risk factors identified by auditors relative to their own clients, and the relationship of those factors to fraud risk assessment, audit procedures and fraud detection, prior to the revision of auditing standards related to fraud in 2004. We also provide descriptive evidence on the perceived ability of the revised standards to improve external auditors' ability to prevent and detect fraud. In the aftermath of Enron, the role to be played by auditors in fraud detection and prevention has been the object of much debate. Previous research provides evidence on auditors' ability to properly identify fraud risk factors and incorporate them in their fraud risk assessment, as well as on the impact of higher fraud risk on the nature, timing and extent of audit procedures. Yet, whether and how auditors' planning decisions allow for the prevention and detection of fraud has been the object of relatively little attention in literature. We survey auditors to address these issues. First, our results suggest that firms who are members of a larger organization are more likely to experience client fraud but less likely to detect its presence. Second, while general audit procedures are more effective than specific procedures in detecting fraud in general, specific procedures are required to detect financial statement fraud. Finally, external auditor opinions on the implementation of specific auditing standards related to fraud detection differ depending on whether or not they experienced and detected client fraud.

* Presenter

An Empirical Investigation of the Determinants of Plagiarism in Accounting Courses

Mohammad J. Abdolmohammadi* (Bentley College)

C. Richard Baker (Adelphi University)

CANCELLED

We investigate the effects of three explanatory, and several other variables on the degree of plagiarism in graduate and undergraduate accounting courses. The explanatory variables are ethical reasoning, gender, and grade point average (GPA), while the other variables include religion, strength of religious belief, age, timing (beginning vs. end of semester), prior ethics courses and the degree of pressure felt at the time of the experiment. We define plagiarism as the degree of inappropriate copying course work material from the Internet, adjusted for any references as to source. We find support for the expected effects of all three explanatory variables where ethical reasoning and GPA are inversely associated with plagiarism. Also, as expected, we find no effects for gender on plagiarism, nor do we find significant effects for the other variables, except for religion and the timing where we find less plagiarism by subjects who identified themselves as having been raised as Catholics and less plagiarism at the beginning of the semester than at the end. To the extent that plagiarism is a reasonable surrogate for unethical behavior, our results suggest that training is needed to improve students' ethical reasoning in that ethical reasoning is inversely and significantly (along with GPA) related to plagiarism in accounting courses. We also recommend the use of internet based plagiarism detection tools to reduce the degree of plagiarism.

* Presenter

Investigating the Effects of Group Response Systems on Learning Outcomes and Satisfaction in Accounting Education

Carla Carnaghan (University of Waterloo)

Alan R. Webb* (University of Waterloo)

A review of vendor websites indicates numerous claims by proponents about the benefits of group response systems (GRS) on student participation, engagement and performance. GRS enable greater instructor-student interaction through individual student use of electronic response pads, with the student responses then aggregated and displayed by the instructor to provide immediate feedback on class understanding of a particular question. Despite their increasing use and prior research indicating student satisfaction with GRS, there is little empirical evidence of the effect of GRS on learning, measured directly or indirectly through participation or exam performance. This study examines the effect of GRS pedagogies on student learning and satisfaction in accounting education to address this issue.

We use a repeated measures experimental approach to examine class oral participation and performance on exams where the related classes have been conducted with and without use of the GRS. We also conduct surveys to compare within and between student perspectives on the technology and course with and without the use of the GRS. We find clear evidence of student satisfaction with GRS, but it has no effect on self-reported perceptions of the class more generally. Self-reported comfort with participation declines on a within-subjects basis once the GRS are removed, but there is no significant difference in this measure comparing GRS to non-GRS users during the period of technology usage. Analysis of objective participation measures indicates no effect of the GRS on the average number of questions answered, but a weakly significant decline in the average number of questions asked per student when the GRS was used. We also find that a smaller percentage of students participated in class when the GRS was used. We find some evidence that exam performance improvement is associated with GRS usage, but only for those exam questions most closely related to the questions displayed in class using the GRS. However, since these questions were displayed to all students, this results suggests the improved performance may be related to some GRS characteristic, rather than just to greater familiarity with the GRS displayed questions.

Our results are contrary to some of the claims being made by vendors of GRS that the technology can have dramatic effects on student engagement. We discuss possible reasons for these findings, and suggest additional research to address some possible limitations of the current study.

* Presenter

CEO Compensation Mix and Analysts' Forecast Accuracy and Bias

Kiridaran Kanagaretnam (McMaster University)

Gerald J. Lobo* (University of Houston)

Robert Mathieu (Wilfrid Laurier University)

This study investigates the relation between the proportion of total compensation (i.e., cash and stock options) received by CEOs from stock options and the accuracy and bias of analysts' earnings forecasts. It hypothesizes that forecast accuracy decreases as the proportion of stock option pay increases. Higher proportions of stock options induce managers to undertake riskier projects, to change and/or reallocate their effort, to manipulate accounting earnings, and to make opportunistic voluntary disclosures, resulting in less predictable earnings. The study also examines the relation between forecast bias and the proportion of stock option pay. On the one hand, analysts' optimistic forecast bias increases as the proportion of stock option pay increases. Because forecast complexity increases with stock option pay, analysts, needing greater access to management's information to produce accurate forecasts, may increase the optimistic bias in their forecasts. On the other hand, analysts' forecasts may be less optimistically biased because managers with higher levels of stock option pay have greater incentives to guide analysts' forecasts downwards so that they can meet or beat those forecasts.

Our empirical evidence indicates that analysts' earnings forecast accuracy decreases and forecast optimism increases as the proportion of CEO compensation from stock options increases, even after controlling for previously identified determinants of forecasting difficulty. We also find that forecast optimism and compensation mix are not as strongly related when the proportion of executive compensation from stock options is very high. The evidence from our empirical analysis suggests that the managerial incentive effects and the possible managerial opportunism associated with the granting of stock options adds a unique dimension to forecasting complexity or difficulty, one that has not previously been documented in the literature.

* Presenter

The Relative Importance of Determinants of Financial Analysts' Forecasts Quality: A Reappraisal

Alain Coën (Université du Québec à Montréal)

Aurélie Desfleurs* (Université Laval)

Jean-François L'Her (Caisse de dépôt et placement du Québec and HEC-Montréal)

Using a different method than in earlier studies, we analyse the relative importance of country-, accounting-, industry-, and firm-specific factors in explaining the source of variation in the forecast errors made by financial analysts. Following Heston and Rouwenhorst (1994), we first estimate each factor with a dummy variable regression, and then decompose the variance of forecast errors into different effects. We find that industries explain little of cross-sectional variations in analysts' forecast errors of 18 developed countries examined over the 1990-2000 period. We document that the differences among countries, industrial sectors, accounting systems or analyst following offer a weak explanation for differences in forecast accuracy and forecast bias, while the type of earnings – profits or losses — and the variation of earnings increase or decrease — appear to be the two main explanation sources for the performance of financial analysts.

* Presenter

Do Analysts' Earnings Forecasts Fully Reflect the Information in Accruals?

Anwer S. Ahmed (Syracuse University)

S. M. Khalid Nainar* (McMaster University)

Jian Zhou (SUNY Binghamton)

We investigate whether analysts correctly distinguish between (a) accruals and cash flows and (b) discretionary and non-discretionary accruals in forecasting earnings. We find that analysts do distinguish between accruals and cash flows although they generally *underweight* the information in both accruals and cash flows. More importantly, we find that analysts do not distinguish between discretionary and non-discretionary accruals. Our findings complement and extend the findings in recent studies on analyst forecast inefficiency with respect to the information in accruals using alternative research designs.

* Presenter

Attitudes, Incentives, and Tax Compliance

Viswanath Umashanker Trivedi* (York University)

Mohamed Shehata (McMaster University)

Stuart Mestelman (McMaster University)

Data published by the Canada Revenue Agency show that tax compliance at the most basic level (filing and remitting on time) is quite satisfactory, while the more significant levels of tax compliance, as measured by the proportion of taxpayers judged to be at "substantive risk of non-compliance", shows more problems. Whether increased audits and penalties are the best way to deal with this non-compliance depends on the reasons why taxpayers fail to comply. If taxpayers care only about incentives and are "playing the audit lottery", increasing penalty and audit rates should improve compliance. But if psychological factors (including moral and ethical concerns) are important, improved compliance might instead be achieved by strategies that change taxpayers' attitudes towards the tax system such as increasing its perceived fairness and making it easier to comply with the tax laws.

This study contributes to the compliance literature by studying the appropriate measure of tax compliance to use in research aimed at determining those changes in tax laws which would encourage higher levels of compliance. In the past some studies have used measures based on questions about tax compliance in hypothetical situations while others have used measures based on the experimental economics methodology. This paper finds that experimental economics methods produce the measure with the better correlation with self-reported participation in tax evasion, at least if the experimental-economics work is of the type described below in which tax-specific terminology is used.

A second purpose of the paper is to use a controlled experiment of tax compliance with student subjects to test predictions of economic theory as well as a particular psychological theory of why taxpayers might comply or fail to comply, Ajzen's Theory of Planned Behaviour. In the tradition of experimental economics, participants in the experiment are given real monetary incentives to motivate their behaviour. However, in order to introduce psychological factors such as attitudes about the morality of tax evasion, this study breaks with most past experimental-economics work by using tax-specific terminology to describe the decision-making situation to participants. The results generally confirm the predictions of Ajzen's theory and highlight the importance of considering individuals' attitudes and intentions towards tax compliance over and above pure economic considerations. Subsequent research to confirm our findings and to determine how best to apply them in policy contexts is needed before such findings can be applied to make policy decisions.

* Presenter

The Stability of Revenues in British Columbia

Moses Acquaah (University of North Carolina)

Alexander M. G. Gelardi* (University of St-Thomas)

This paper examines the stability of British Columbia's tax and non-tax revenues from 1962 to 2000 using two methodologies: (1) the varying elasticity model, which allows the revenue-income elasticities to vary according to changes in economic conditions across the business cycle; and (2) an index of instability that is dependent on the levels of the various tax revenue sources, the variances, and covariances between the taxes. The results from the varying elasticity model indicate that direct taxes are high-growth and unstable revenue generators across the business cycle, while indirect or consumption taxes are low-growth, but less unstable revenue generators than direct taxes. Total revenues from taxes was a neutral revenue generator and unstable. Revenues from natural resources and aggregate revenue were both high-growth and unstable revenue sources. The results from the instability index confirmed those obtained from the varying elasticity model. Policy implications are presented.

* Presenter

Predominance of Conservative Accounting in High-Tech Firms in Comparison to Low-Tech Firms

Sung S. Kwon* (York University)

Jennifer Yin (Rutgers University)

Jongsoo Han (Rutgers University)

This paper examines systematic differences in the level of accounting conservatism between high-tech and low-tech firms. Relying on the recent development in theoretical models and empirical measures of conservatism, we investigate the conservative accounting practices and the earnings management behavior in high-tech and low-tech firms. The results on the comparisons of cumulative nonoperating accruals, regression coefficients from the income timeliness models in Basu (1997), the distribution of earnings, and discretionary accruals between the two groups are consistent with a higher level of accounting conservatism in high-tech firms vis-à-vis low-tech firms. The evidence of differential conservatism between high-tech and low-tech firms can partly explain why high-tech firms' stocks have the tendency to be more overpriced than low-tech stocks since the New Economy started. The differential conservatism also suggests that direct comparisons of price-earnings ratios and market-to-book ratios between high-tech and low-tech firms for the sake of the overpriced stock argument is likely to be inappropriate unless there is an adjustment for the different levels of conservatism.

* Presenter

Auditor Dismissals and Financial Reporting Conservatism: Preliminary Evidence

Kathryn Bewley* (York University)

Janne O.Y. Chung (York University)

Susan A. McCracken (University of Toronto)

Peggy Ng (York University)

In a sample of former Andersen clients, using net income less cash flows from operations as a measure of conservative financial reporting, we find no significant difference between early switches and late switches. However, using our second measure of conservative financial reporting – change in working capital prior to switching auditors – we find that early switches had more conservative GAAP interpretation than late switches did. Also, subsequent to the change of auditors, those clients that dismissed Andersen later had more correction-related restatements relative to those that dismissed earlier. Finally, there was no significant difference in financial condition indicators between the early switches and the late switches.

* Presenter

Why do Corporate Managers Misstate Financial Statements? The Role of Option Compensation, Corporate Governance, and Other Factors

Jap Effendi (Cal Poly State University)

Anup Srivastava (Texas A&M University)

Edward P. Swanson* (Texas A&M University)

We investigate the incentives that led to the rash of restated financial statements at the end of the 1990s market bubble. Comparing restating companies with industry-and-size-matched control firms, we find the likelihood of a misstated financial statement increases greatly when the CEO has a sizable amount of stock options "in-the-money" (i.e., stock price above exercise price). At the beginning of the earliest year restated, the value of in-the-money options held by CEOs at restating firms averages $50,106,370 (median of $3,928,670), which greatly exceeds the average for control firms of $8,881,680 (median of $386,250). And the average for CEOs at firms with evidence of malfeasance is $130,160,680 (median of $7,215,410), compared to the average for control firms of $14,930,990 (median of $3,172,060). To the best of our knowledge, this is the first empirical evidence that strongly links the likelihood of an accounting misstatement to the CEO's holdings of in-the-money options. Three other factors are significant. We find the likelihood of a misstatement is higher for firms that are constrained by an interest-coverage debt covenant, for firms that raise debt or equity capital during the first year restated, or when the CEO also holds the position of Board Chair (which suggests weaker corporate governance). We also find that CEOs at restating firms exercised a higher dollar value of options compared to CEOs at matched firms (even after controlling for the value of in-the-money options). The overall results support Jensen's (2004) argument that overvalued equity during the 1990s caused an increase in agency costs (Jensen 2004).

* Presenter

The Effects of SFAS 131 Geographic Segment Disclosures on the Valuation of Foreign Earnings

Ole-Kristian Hope (University of Toronto)

Tony Kang (Singapore Management University)

Wayne B. Thomas (University of Oklahoma)

Florin Vasvari* (University of Toronto)

Thomas (1999) documents that investors discount the value of foreign earnings for U.S. multinationals. He conjectures but does not test the possibility that this finding is due to poor disclosure related to foreign operations. In this paper, we investigate whether the market's valuation of foreign earnings is a function of the firm's geographic segment disclosures. Specifically, we examine the effects of (1) the introduction of SFAS 131, (2) the change in the number of geographic segments disclosed, and (3) the inclusion of performance measures in geographic segment disclosures. We find strong evidence that our proxies for increased disclosure are positively associated with the foreign earnings response coefficient (FERC). We further find that increases in the number of geographic segments are incrementally value relevant beyond other SFAS 131 disclosures. Similarly, inclusion of earnings in geographic segment disclosures has an incremental effect on FERC beyond both SFAS 131 per se and a change in the number of geographic segments. In addition, we use the Mishkin (1983) test and find that investors' mispricing of the foreign component of earnings lessens (and in fact disappears) with greater disclosure related to foreign operations. Taken together, our results suggest that the pricing of foreign earnings is associated with important aspects of the firm's information environment.

* Presenter

Pension Information, Human Capital, and Firm Valuation

Yan Li* (University of Alberta)

Thomas W. Scott (University of Alberta)

We re-evaluate the evidence on the association between pension information and firm valuation by considering alternate theoretical constructs that can be captured in pension information. Economically, pension plans, especially defined benefit plans, but also defined contribution plans, are more likely to be employed by firms whose employees are more skilled and difficult to replace. Thus, the pension cost, assets, and liabilities, can act as proxies not only for the normal costs, assets, and liabilities that they are supposed to represent, but also for the omitted human capital asset that forms part of the unrecognized intangible assets of the firm. Additionally, within the context of normal asset and liability recognition, we consider the possibility that the true present value of defined benefit pension liabilities is less than that recorded because in difficult economic times the ability of defined benefit plans to bind the employee to the firm, results in employees making wage concessions such that the expected value of the pension liability across all possible states of the world is less than that recorded by accountants. We provide empirical evidence supporting the human capital hypothesis; the influence of pension cost for defined contribution firms and service cost for defined benefit firms on price and returns is consistent with them capturing human capital rather than employee compensation. However, after controlling for the human capital captured in the service cost for defined benefit plans the pension reported asset and liability behave as pure assets and liabilities.

* Presenter

Usefulness of Comprehensive Income Reporting in Canada

Kiridaran Kanagaretnam* (McMaster University)

Robert Mathieu (Wilfrid Laurier University)

Mohamed Shehata (McMaster University)

Recently, the Canadian accounting standard setters, like many other national accounting bodies, have taken a step towards more all-inclusive (clean surplus) comprehensive income and fair value measures in preparing corporate financial statements. In March 2003, the Canadian Accounting Standard Board (AcSB) issued an Exposure Draft (ED) proposing a new Handbook Section 1530, Comprehensive Income (along with two other related new standards on Financial Instruments — Recognition and Measurement, and Hedges). These proposed standards are partly motivated by the need to recognize the change in the fair value of some financial instruments as other comprehensive income.

The objective of this paper is to examine the incremental information content of the components of the other comprehensive income over net income and the relative predictive power of comprehensive income vis-à-vis net income. Since the exposure draft on comprehensive income issued by the AcSB states that it aims to harmonize the accounting standards between the US and Canada, we investigate the usefulness of comprehensive income under the US GAAP (SFAS 130) which came into effect in December 1997. By using the entire sample of US firms that report comprehensive income, we are able to have a large sample size for our statistical tests. Our empirical tests span the time period from 1994 to 2003, which covers both the pre- and post-adoption periods of the SFAS130.

In contrast to the results documented by Dhaliwal et al. (1999) of no significant association between the components other comprehensive income and stock returns, we provide evidence that each of the components of other comprehensive income are associated with market returns. This association is stronger for the post-adoption period of SFAS 130 than for the pre-adoption period. The results also hold for non-financial institutions. For a reduced sample, we incorporate the change in fair value of cash flow hedges. The results indicate that the market positively reacts to the present of a hedged position, regardless whether it is a winning or a losing position. We observe, however, that net income is a better predictor of future net income/comprehensive income/cash flows from operations than comprehensive income. These results are robust to different model specifications. Overall, our findings suggest that requiring Canadian firms to disclose other comprehensive income components is likely to improve the usefulness of accounting information. These findings, therefore, are of interest to the accounting standard setters in Canada.

* Presenter

The Incremental Value Relevance of Geographic Segment Disclosures: Canadian Evidence

Roger C. Graham, Jr. (Oregon State University)

Cameron K.J. Morrill (University of Manitoba)

Janet B. Morrill* (University of Manitoba)

Recent changes to segment reporting standards in the U.S. and Canada have served to downplay the importance of geographic segment reporting in favour of segment reporting based on the internal decision-making structure of firms. Canada is a unique arena in which to study the potential value-relevance of geographic segment disclosure because it is an advanced, industrial nation characterized by significant political uncertainty related to the Quebec independence movement. Building on recent studies of the "Quebec discount" on firm values, we investigate the value-relevance of information related to the extent of firm operations within the province of Quebec. Using data provided by Quebec-based business newspaper *Les Affaires*, we find that variables proxying for extent of operations in Quebec are associated with market-to-book valuation multiples on book value and earnings, even after controlling for location of corporate headquarters.

* Presenter

An Empirical Study of the Impact of Corporate Governance and Risk on Corporate Social Performance

Paul Dunn (Brock University)

Barbara J. Sainty* (Brock University)

This paper develops and tests a model of corporate social performance (CSP) based on the quality of the firm's corporate governance structures and its level of debt. Using a sample of firms from 2002 to 2004, we find empirical support for our model. The quality of a firm's social performance is positively related to the quality of the firm's board of directors. We speculate that this is so because both CSP and corporate governance structures have long-term orientations. Furthermore, consistent with signaling theory, firms with a high level of debt tend to engage in socially responsible activities, in part, to signal that their management is of a high quality, thereby mitigating the risks associated with a bond issuance.

* Presenter

Incremental Disclosure on Canadian Corporate Web Sites

Samir Trabelsi* (Brock University)

Réal Labelle (HEC Montréal)

The objective of this paper is to study the impact of the Internet on the financial disclosure strategy of the firm. Trabelsi. Labelle and Laurin (2004) document a significant difference between Internet (IFR) and traditional financial reporting (TFR). They use SEDAR as a proxy for TFR. In this paper, we use an enhanced version of the Botosan (1997) disclosure index scoring sheet to measure the extent of this difference for a random sample of firms selected from the Stock Guide Data Base. Unlike TFR, disclosure on Web sites is voluntary and depends on the discretion of the firms' managers. Our objective is to examine managers' incentives to first voluntary broaden the access to their firms' financial information through the use of the Web site and, second, to increase the extent of that information. As a by product, our results also determine if these determinants are the same as those identified in the literature on the quality of voluntary disclosure under TFR.

The result of our content analysis of corporate Web sites and TFR shows that the information available on the Web site is primarily incremental for most of the firms. Our multivariate analyses of the determinants governing the decision to increase the access to financial information and its extent through the use of the firm's Web site show that the pressure from investors, the complexity of TFR, the search for visibility, and the threat of litigation all influence the management of financial disclosure on the Internet. In line with the findings obtained by Richardson et al. (1999) in their work on MD&A, our results lead us to conclude that the Internet is part of the firm's overall disclosure package.

* Presenter

Auditors as a Constraint on Earnings Management in the Presence of Internal Control Weaknesses

Chris E. Hogan* (Southern Methodist University)

Michael S. Wilkins (Texas A & M University)

In an effort to enhance financial reporting reliability, recent regulation has been targeted at improving firms' internal control environments (Sarbanes-Oxley sections 302 and 404). In this study, we investigate the link between internal control weaknesses and earnings management, and the role the auditor plays in mitigating earnings management. We find that abnormal accruals, accruals quality and the frequency of meeting or beating analysts' forecasts are not significantly different for a sample of firms that have disclosed internal control weaknesses relative to a matched set of control firms. These results run counter to the popular belief that weaknesses in the system of internal controls over financial reporting are more likely to allow managers to get away with earnings manipulation.

We also examine whether auditors appear to increase their level of effort — likely in the form of increased substantive testing — for firms with internal control weaknesses to ensure that final balances are fairly stated. We find evidence consistent with this conjecture, as audit fees are significantly higher for internal control weakness firms after controlling for size, risk and profitability, and appear to be increasing in the severity of the underlying internal control problems. Overall, our results suggest that auditors constrain potential earnings management for firms with internal control weaknesses by increasing their level of testing.

* Presenter

Accounting Conservatism, Discretionary, Accruals, and Audit Quality

Jinhan Pae (Queen's University)

This paper examines the role of discretionary accruals in accounting conservatism. The accounting conservatism literature documents that earnings are conservative in the sense that accounting recognizes bad news (proxied by negative stock returns) in earnings on a timelier basis than it does good news (proxied by positive stock returns), and that accounting conservatism reflected in earnings is mainly due to the accrual component of earnings, not the cash flow component of earnings. This paper extends the accounting conservatism literature by showing that accounting conservatism reflected in accruals is mainly due to discretionary accruals. This result has an important policy implication for standard setters when they decide on whether to keep the flexibility of accounting. When accounting conservatism is perceived valuable for investors, this result advocates a flexible accounting regime rather than a rigid accounting regime. Next, given that accounting conservatism is reflected in earnings, accruals, and discretionary accruals, it is examined whether the level of accounting conservatism differs between Big 5 and non- Big 5 clients. Empirical results do not support the hypothesis that Big 5 auditors enforce more conservative accounting. There is no significant difference in the level of accounting conservatism reflected in earnings, accruals, and discretionary accruals, implying that the higher audit quality of Big 5 auditors does not translate into the greater level of accounting conservatism in Big 5 clients than non-Big 5 clients.

* Presenter

Voluntary Audit and the Cost of Debt Capital for Privately Held Firms: Korean Evidence

Jeong-Bon Kim (Hong Kong Polytechnic University)

Dan A. Simunic (University of British Columbia)

Michael T. Stein (University of Oregon)

Cheong H. Yi* (Hong Kong Polytechnic University)

Using a large sample of privately-held Korean firms that are not subject to the statutory audit requirement, we examine the impact of voluntary decisions by companies to have financial statements audited by public accounting firms on the interest cost of firm debt. For those firms choosing to be audited, we also examine the impact of the decision to utilize a Big Six or a non-Big Six public accounting firm on the interest cost of debt. The effect of an audit per se and the choice of audit quality on the interest cost of debt capital is an interesting issue on which there is little existing empirical evidence. We find that the voluntary decision to be audited significantly reduces the interest rate on firm debt. The estimated magnitude of the interest rate reduction varies with specific test designs, but when firm size is controlled in a matched sample of audited and unaudited firms, the estimated rate reduction is 64 basis points, ceteris paribus. With respect to the interest rate impact of the choice of audit quality (Big Six vs. non-Big Six), our results are more mixed and this effect appears to be of distinctly second order importance. Overall, our evidence shows that the decision to be audited is of first order importance to suppliers of debt capital, while the choice of audit quality is of second order importance (at best). Our evidence on the value of audits per se in reducing the interest cost of debt adds to our understanding of auditing institutions in an environment that has not been much studied - where audit decisions are made voluntarily rather than being mandated by law.

* Presenter

Did Earnings Management Change after the Sarbanes-Oxley Act and CEO/CFO Certification of Financial Statements? Evidence from Canadian Companies

Gerald J. Lobo* (University of Houston)

Jian Zhou (SUNY at Binghamton)

We examine whether firms engage in less income-increasing earnings management following the Sarbanes-Oxley Act and the resulting requirement by the SEC that financial statements be certified by firms' CEOs and CFOs. Unlike other research on this topic that examines US firms, we focus on Canadian firms that are listed on both Canadian and US exchanges. Because these firms are listed on US exchanges, their CEO/CFOs have to certify their financial statements in accordance with the SEC's rule. We find that earnings management in the certification year is significantly lower than in the pre-certification year for these dual-listed firms. We perform a similar comparison for a sample of Canadian firms that are listed only on Canadian exchanges. These firms are not subject to the SEC's certification requirement; therefore, their incentives to manage earnings upwards have not changed from the pre-certification to the certification year. Consequently, they serve as a natural control sample for our tests. Our empirical evidence is consistent with this prediction. We find no significant difference in earnings management in the certification and pre-certification years for these firms. Our findings suggest that the Sarbanes-Oxley Act and the resulting SEC requirement that CEO/CFOs certify their financial statements enhanced the quality of reported earnings by reducing the extent of income-increasing earnings management.

* Presenter

Income Smoothing and Institutional Ownership

Kee-Hong Bae (Korea University)

Sandra Ho* (Concordia University)

Jeong-Bon Kim (Hong Kong Polytechnic University)

This study examines if managerial incentives for income smoothing through discretionary accrual choices are affected by institutional ownership. We use the Japanese market for its unique ownership structure. Our results show that, similar to US managers, Japanese managers engage in income smoothing in consideration of both current earnings and expected future earnings. In particular, we find that managers' ability to smooth income through discretionary accrual choices is constrained by external monitoring by financial institutions, while it is entrenched by cross-corporate shareholdings. This study contributes to the extant literature on earnings management by documenting the interaction effect of managerial incentives for discretionary accrual choices and external conditions affecting the incentive-driven accrual choices.

* Presenter

Shareholder Characteristics and Accruals Manipulation to Meet Earnings Targets

Michael S.H. Shih (National University of Singapore)

This study examines how firms' tendency to manipulate accruals to meet quarterly earnings targets, as measured by abnormal accruals volatility, relates to transient and non-transient institutional shareholdings. Abnormal accruals volatility is found to increase with transient (short-term) institutional shareholdings, but decrease with non-transient (long-term) institutional shareholdings. Robust across Jones-type models commonly used to estimate abnormal accruals, this result can be interpreted as suggesting that relative to individual investors' shareholdings, transient (non-transient) institutional shareholdings put more (less) pressure on firms to manipulate accruals. The difference in pressure applied is understandable given the difference in investment horizons and trading strategies across institutions; while transient institutions have short investment horizons and trade on short-term earnings news, non-transient institutions have long investment horizons and are insensitive to short-term earnings news.

The study also finds that estimated abnormal accruals volatility increases with analyst following, research and development expenditures, and the value-relevance of earnings, but decreases with firm size and the long-term growth rate of earnings.

Uncertainty Among Analysts Around Voluntary Management Earnings Forecasts: Good News vs. Bad News Forecast

Joung W. Kim (Concordia University)

Using the uncertainty measure developed by Barron et al. (1998), this study provides evidences for the effects of management earnings forecasts on information risk in the market. To extend prior research, this study focuses on the following two issues: (1) a change in uncertainty among analysts from the date of forecast to earnings announcement date and (2) the differences in analysts' reactions between the release of bad news forecast and the release of good news forecast. After controlling the compounding effects of other news releases, the results show that the manager's decision to release a good news management forecast is not related to a higher level of uncertainty. The study finds weak evidence that good news forecasts affect the analysts' behavior at the time of the management forecast release. Conversely, the study reports strong empirical evidences that bad news forecasts affect analysts' behavior. Consistent with Aginka and Gift (1984), bad news forecasts are related to higher uncertainty. While uncertainty is significantly reduced after the release of a bad news forecast, the level of uncertainty after the release is still higher in the forecasting year than in the non-forecasting year at least until earnings announcement date.

Insider Trading and Voluntary Disclosures

Qiang Cheng* (University of British Columbia)

Kin Lo (University of British Columbia)

We hypothesize that insiders strategically choose disclosure policies and the timing of their equity trades to maximize trading profits. We find that when managers purchase shares, they withhold good news and increase the number of bad news forecasts to reduce the purchase price. These relations are stronger for trades initiated by chief executive officers than those initiated by other executives, and the findings are robust to using an instrumental variable approach to control for the endogeneity of trading and disclosures. We do not find that managers increase good news frequency or withhold bad news forecasts when they are selling, likely due to higher litigation concerns associated with insider sales. Consistent with Noe (1999), we also find that managers are successful in timing their trades both before and after management forecasts. These results suggest that insider trading is an important consideration in voluntary disclosure decisions.

* Presenter

Voluntary Disclosure of Good versus Bad Earnings News – Australian Evidence

Philip T. Sinnadurai (Macquarie University)

Using a sample of Australian Stock Exchange-listed company-years from 1993-1996, this study investigates whether disclosure policies differ between good and bad news companies. Contrary to the traditional position in the disclosure literature, recent U.S. evidence suggests that a bad news bias may prevail. These studies assume that a primary motivation for a bad news asymmetry is to minimize expected costs of shareholder litigation. However, the importance of this versus other potential explanations is unclear. This motivates investigation of the research question in Australia, a lower litigation setting than the U.S. The results indicate that the probability of pre-emption does not differ between good and bad news companies. However, there are significant asymmetries regarding disclosure venue, timeliness and specificity. The findings differ from those in previous (U.S.) studies in a manner consistent with the countries' institutional features. The study also provides evidence on the determinants of disclosure policy.

Investors' Assessment of Analyst Forecast Bias – The Effect of Analyst Track Record and Analyst / Firm Relationship

Xiaofei Song (Saint Mary's University)

George R. Chesley* (Saint Mary's University)

This study examines in an experimental setting how investors use analyst forecast track record and analyst/firm relation to assess analysts' forecast bias. We find strong effect of analyst forecast track record on investors' assessment of analyst forecast bias. We find the effect of analyst/firm relationship to be marginal if an analyst discloses his forecast track record but the effect becomes more significant if the analyst withholds his forecast track record. Furthermore, if an analyst withholds his forecast track record, his perceived bias is less than that of an analyst who discloses a biased track record but more than that of an analyst who discloses an unbiased track record. However, if an analyst withholds the information about his relationship with the firm he covers his perceived forecast bias is greater than that of an analyst who discloses his relationship with the firm, regardless the relationship is independent or non-independent. The findings of this study are useful for the future review and evaluation of the new SEC requirements for financial analysts to disclose, along with their forecasts and recommendations, their forecast track records and their financial interests in the firms covered. The findings of this study support mandatory disclosure of analyst forecast track record. However, based on the results of this study, the mandatory disclosure of analyst/firm relationship does not appear to be necessary.

* Presenter

Alternative Stock Option Compensation Disclosure and the Effect on Loan Officers' Judgments and Decisions: An Experimental Study in Canada

Chantal Viger* (Université du Québec à Montréal)

Réjean Belzile (Université du Québec à Montréal)

Bruce Lagrange (Centre financier aux entreprises du Bas St-Laurent)

Asokan Anandarajan (New Jersey Institute of Technology)

Research on the ability of financial statement users to interpret stock option information has been mainly empirical thus far. In this study, we contribute to this understanding by conducting a between-subjects experiment with loan officers. Specifically, our objective was to examine whether changes in the way stock option compensation is reported (e.g., recognition of an expense in the income statement or note disclosure of pro forma net income and earnings per share) affect loan officers' judgments of an entity's credit worthiness and other subsequent decisions.

Our results suggest that full recognition conveys a stronger signal than footnote disclosure of pro forma net income and earnings per share (EPS) does. Specifically, the results indicate that loan officers estimate a higher overall risk rating and a more pessimistic overall risk trend when the expense related to stock options is recognized in the income statement (full recognition) in comparison with note disclosure of pro forma net income (disclosure). Loan officers were also less likely to grant a loan and charged a higher interest premium in the presence of full recognition; they also had significantly less favorable judgments of the company's (1) overall financial condition, (2) ability to sustain growth and (3) ability to pay its debts.

Our results also show that judgments of the "overall risk trend" and the "company's ability to pay its debts" mediate the effect of format on the loan officers' decisions to grant a loan. Similarly, the primary judgment of the "overall risk rating" mediates (marginally) the effect of format on the loan officers' decisions regarding the interest rate premium to charge.

Based on our results, we conclude that *disclosure is not a substitute for recognition*, as loan officers' judgments and decisions are influenced by the way stock options are presented in the financial statements.

* Presenter

Managers' Incentive Scheme and Explanation: An Experimental Examination of Reporting Behavior and Investors' Reaction

Lucy F. Ackert (Kennesaw State University)

Bryan K. Church (Georgia Tech)

Ping Zhang* (University of Toronto)

We report the results of an experiment designed to examine the effect of managers' incentive scheme and ability to explain inaccurate earnings reports on managers reporting behavior and investors reactions to such behavior. We conduct 20 experimental sessions, each comprised of one manager and three or four investors. The manager has an incentive to inflate investors' expectations either on an ongoing basis (every period) or a periodic basis (a period selected by the manager). Investors, on the other hand, have an incentive to accurately predict value.

We find that the manager reports with an upward bias a majority of the time. The magnitude of the bias, however, is lessened considerably when the manager faces a periodic incentive scheme and is allowed to explain inaccurate (i.e., biased) reports. The data suggest that if the managers period-by-period incentive is not transparent (as with the periodic scheme) the manager seeks to avoid reporting inaccurately and having to choose an explanation.

We also find that investors anticipate the managers' behavior, to some extent, and adjust the reported amount downward a majority of the time. Investors' downward adjustment, though, is reduced when the manager is allowed to explain inaccurate reports. Investors seem to recognize that the manager prefers not to have to choose an explanation. In turn, investors expect explanation to dampen the managers' upward reporting bias.

* Presenter

Value Relevance of Disclosed Information about Related Party Transactions

Wenxia Ge* (McGill University)

Donald H. Drury (McGill University)

Steve Fortin* (McGill University)

Feng Liu (McGill University)

We examine the value relevance of disclosed information about related party transactions to investors in China. We focus on three related party transactions: sale of goods, sale of assets, and loan guarantees. Based on a sample consisting of 297 firm-year observations, and using an empirical setting derived from Barth (1994), we find that, during 1997-2000, the reported earnings of firms selling goods or assets to related parties have a lower valuation coefficient than that of firms without such transactions. This phenomenon is not observed during 2001-2003, after a new accounting rule for related party transactions became effective. However, this result for asset sales transactions is unfortunately not robust, since it is conditional on the sample being used. Contrary to our prediction, firms offering guarantees for other companies' debts do not have a significantly lower book value valuation parameter than firms not assuming guarantee risk, suggesting that the information regarding these guarantees are probably not fully utilized by investors, or that no significant risk is perceived with respect to the existence of these transactions. This study contributes to the literature in two ways. First, it expands value relevance tests from traditional financial statement numbers to related party transactions. These transactions are used by investors to assess the reliability of the released accounting information for valuation purposes. Second, it also contributes to the earnings management literature. Our evidence is consistent with the scenario that earnings management through related party sales is perceived as an opportunistic behavior in China, and that earnings of firms entering in these transactions are less valuable.

* Presenter

Partners' Common and Private Interests as Determinants of Use of Performance-Related Compensation in International Joint Ventures

Yasheng Chen* (Simon Fraser University)

David J. Sharp (University of Western Ontario)

This study investigates the impact of partners' common and private interests on the use of performance-related compensation in international joint ventures (IJVs). Using a sample of 3,495 IJVs in China, we found that the use of performance-related compensation in IJVs is affected by both the common and private interests of partners. The results also suggest that more powerful partners are able to influence the compensation design in favor of their private interests. Specifically, we found that IJVs with both partners sharing highest priority on short-term profits, and IJVs with larger percentage of foreign equity ownership put more weight on accounting performance measures. In contrast, older IJVs and IJVs with long-term commitment from both partners put less weight on accounting performance measures.

* Presenter

Propping and Tunneling: Evidence from the Largest Takeover in China

Yaqi N. Shi* (Concordia University)

Michel Magnan (Concordia University)

In 2000, Huaneng Power acquired Shandong Huaneng in a deal valued at US$ 695 million. This is the largest ever takeover in China and the first merger between two Chinese cross-listed firms. Moreover, the acquirer and the target are related parties since they are both controlled by Huaneng Group, an entity that is ultimately controlled by the Chinese government. Thus, this transaction provides us with a unique opportunity to study the influence of corporate structure on firm values. We examine how investors on the New York Stock Exchange (NYSE) reacted to this group-affiliated takeover. We find that contrasting with tunneling hypothesis, minority investors in both Huaneng Power and Shandong Huaneng gained from the transaction. We explore the underlying reasons and trace the value creation to synergy effect, propping up by the parent company (i.e., Huaneng Group), and increased corporate transparency. To further test the effect of propping up, we analyze three following asset injections from Huaneng Group to Huaneng Power, and we conclude that corporate ownership structures play an important role in Huaneng Power's recent striking performance. Clearly, our evidence adds to the evolving literature on the corporate governance in East Asia, and identifies factors that warrant future large-sample analysis.

* Presenter

Is More Monitoring Better?

Yanmin Gao (University of British Columbia)

Interaction between the earnings management behavior of a manager and the corporate governance mechanisms chosen by the Board of Directors (BoD) helps to determine a firm value. To study this interaction more carefully, we develop a theoretical model which combines agency theory and the Feltham and Ohlson (FO) valuation model to recognize explicitly the effect of a manager's productive actions on the firm's operating information dynamics. In the internally consistent model specifically designed to use accounting information, we solve for a long term agency contract between the BoD and the manager which is renegotiation-proof. The resulting equilibrium enables us to analyze the degree of earnings management and the BoD's monitoring endogenously.

The model provides insight into when, why and how the manager manipulates bad debt accruals to shift earnings over time. Even though the BoD anticipates the earnings management, we show that the BoD may prefer to not monitor if the cost of monitoring creates only a deadweight loss to the firm. But the BoD may prefer to monitor at least a little if monitoring sufficiently improves the manager's productivity or if earnings management lowers the firm value. We use this model to offer testable predictions concerning the direct and indirect effects of various kinds of changes in corporate governance measures mandated by governments in many countries in recent years.

* Presenter

Smoothing, Conservative Smoothing, and Truth-Telling

Varda Yaari (Morgan State University)

This analytical study offers an insight into why the largest accounting scandals and meltdowns occur in the United States, which is renowned for having the most developed financial accounting system and firms with the lowest level of managed earnings. We postulate that the answer lies in the demand for beating targets, where targets are set for a variety of reasons, such as public debt (since debt covenants specify a minimal accounting performance) and market expectations. We show that without the demand to meet targets, the optimal reporting strategy is smoothing: the report overstates (understates) low (high) outcomes. When there is demand to beat a target report, the earnings management strategy is conservative: instead of overstating low earnings, the firm either "takes a bath" or subtracts a downward bias from a truth-telling report. We also show that the firm combines a low level of discretionary accruals with a restatement, because a restatement de facto allows the firm to report the same dollar performance twice: In the past, when it overstated performance, and then again when the past is corrected and earnings are boosted at present.

Audit Committee Independence, Tenure, Ownership, and Number of Meetings: Embezzlement Amount in Publicly Held Companies

Sameer T. Mustafa (Concordia University)

Previous studies in the literature of corporate governance and fraud have examined the relationship between audit committee characteristics and financial fraud using binary logistic models (Persons (1995); Green and Choi (1997); (Beasley (1996); McMullen (1996); Bell and Carcello (2000); Abbott et al. (2000); and Abbott et al. (2004)). Prior studies have focused on analyzing the differences between publicly held companies experiencing misreporting and control companies using matched design models. This study extends the previous literature by examining the effectiveness of audit committees in reducing embezzlement amounts in US publicly held companies, and has two distinguishing contributions. First, this study uses a ratio variable to measure financial fraud, compared to previous studies that examine financial fraud as dichotomous phenomena. Second, this study examines the effectiveness of audit committees in reducing the amount of embezzlement by employees, compared to previous studies that focus on misreporting by top management. The results indicate that effective audit committee characteristics are significantly related to the embezzlement amount. Effective audit committee characteristics include a higher percentage of independent members in the audit committee, a longer average tenure of members on the audit committee, and more frequent audit committee meetings during the year.

Audit Pricing, Legal Liability Regime, and Big 4 Premium: Theory and Cross-Country Evidence

Jong-Hag Choi (Hong Kong University of Science and Technology)

Jeong-Bon Kim (Hong Kong Polytechnic University)

Xiaohong Liu (Hong Kong University of Science and Technology)

Dan A. Simunic* (University of British Columbia)

In this paper, we first develop a model in which national legal environments play a crucial role in determining audit fees. Based on our model and analysis, we make the following predictions. First, audit fees increase monotonically with the strictness of a country's legal liability regime. This occurs because as the legal regime becomes stronger, the auditor is more likely to suffer from greater legal liabilities in case of an audit failure, which leads him to charge a higher audit fee to compensate for the increased expected legal liability costs. Second, given a legal liability regime, Big 4 auditors charge higher audit fees than non-Big 4 auditors. The reason underlying this prediction is as follows: As the potential legal liability cost is greater for a Big 4 auditor than for a non-Big 4 auditor, the Big 4 auditor has a greater incentive to increase audit effort than the non-Big auditor. Given a legal liability regime, the Big 4 auditor thus charges a higher audit fee than the non-Big 4 auditor to compensate for the increased effort costs. Third, the Big 4 fee premium decreases as a country's legal regime shifts from a weak to a strong regime. The reason for this result is as follows: Since a non-Big 4 auditor has a higher audit failure rate (i.e., a lower audit quality) than does a Big 4 auditor, the non-Big 4 auditor increases the audit fee more significantly than the Big 4 auditor to compensate for the larger increase in the expected legal liability costs (caused by the relatively higher audit failure rate), when the legal regime shifts from a weak to a strong regime. Thus, the fee spread between the two types of auditors becomes smaller when the legal regime becomes stronger. We then test the model's predictions using a large sample of audit clients from 15 countries with different legal regimes where audit fee data are publicly available. The results of our cross-country regressions strongly support the above three predictions, and are robust to a battery of sensitivity checks. Overall, our regression results indicate that a country's legal environment plays an important role in determining both audit fees and the fee spread between Big 4 and non-Big 4 auditors.

* Presenter

The Auditor-Client Relationship in Financial Reporting Negotiation: Focusing on the Dyad

Michael Gibbins (University of Alberta)

Susan A. McCracken* (University of Toronto)

Steve E. Salterio (Queen's University)

Prior research on auditor-client management accounting negotiation has typically focused on the individual sides, ignoring the effects of the dyadic relationship on the accounting negotiation process. This paper contributes to the growing literature on the auditor-client management negotiation relationship by focusing on the dyad. Our eight audit partner-CFO dyads describe the process of resolving issues related to financial reporting as being dependent on the nature and type of the audit partner-CFO relationship. These relationships can be characterized as "proactive" or "reactive" in type and within these two types of relationships their nature can be characterized as "good" or "poor". Our informants assert that the CFO determines the type of the relationship; however, it is the audit partner's responsibility to manage the nature of the relationship. Further, our informants consistently reported that the negotiation process is not a sequential process, but can move backwards or skip steps. We denote this as "fluidity" of negotiation. Overall, this qualitative research substantially increases our understanding of the nature of the CFO-audit partner dyadic relationship and improves our understanding of the components of prior models of audit-client management negotiation.

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* Presenter

Cooperation and Fairness: Setting Balanced Scorecard Targets Using Two-Party Negotiation Models

Hemantha S.B. Herath* (Brock University)

Wayne G. Bremser (Villanova University)

We investigate how two party negotiation models can be used to enhance cooperation and procedural fairness in setting balanced scorecard targets. Our research setting assumes an idealized environment, with only two negotiating parties who are willing to jointly use quantitative models; and we assume that there is no gaming and the two parties have full open truthful exchange in the negotiations. We present the two-party negotiation problem as a mathematical programming model and discuss what is fair and equitable. While the research setting is restrictive, quantitative models can be used to understand the implementation (behavioral) issues associate with groups in setting targets. We discuss how this model can be applied to determine performance target in a balanced scorecard. A stylized case is used to illustrate how the models can be applied.

* Presenter

The Construction and Customization of the Balanced Scorecard: A Field Study of Management Consultants in Diffusing Popular Management Accounting Techniques

Sandy Qu (University of Alberta)

Based on a field study in a specialized management-consulting firm, this paper gathers initial evidence on how consultants construct and customize the Balanced Scorecard (BSC). Abstract universal generalizations about the BSC obscure wide variations within its use and implementation. Drawing on actor-network theory, this paper seeks to understand how consulting knowledge around the BSC is constructed, the role of consultants in its production and diffusion, and how this consulting knowledge may differ from other forms of knowledge such as academic knowledge. This paper provides preliminary evidence on how management accounting ideas and techniques are transformed and reconstructed throughout a consulting process in which the BSC is made thinkable, operable and necessary at a particular time and space. The use of the BSC by consultants can be seen as reassembling existing 'facts', and linking and distributing activities and resources. The BSC is re-defined, talked about, modified, re-constructed and implemented in a client organization throughout a translation process. The role of technology is crucial in constructing the networks through the use of texts, software and graphic tools to reinforce what consultants say and do in the workplace. This paper contributes to the literature by highlighting the importance of the social interactive process in building the network of support whereby translation occurs throughout. It challenges the superficial divide between designers and users suggested by extant innovation diffusion literature, which fail to recognize the active and mobile roles of these actors, their actions, and the changing nature of the 'innovation' being diffused over time.

Empirical Validity of the Balanced Scorecard and the Weighting Effect on Performance

Emilio Boulianne (Concordia University)

CANCELLED

The objectives of this study are to examine 1) if the Balanced Scorecard (BSC) with its four dimensions and suggested measures is a valid performance measurement model, 2) if the BSC with its four dimensions provides a better assessment of performance than the sole Financial dimension and, 3) when we ask managers to weight the four BSC dimensions, does it provides a better assessment of performance than when dimensions are equally weighted? To answer these questions, we conducted a survey research and secondary data analysis amongst 90 Canadian business units.

First, referring to the concepts of content validity, reliability, factorial validity, and nomological validity results indicate that the BSC with its four claimed dimensions and measures is a valid performance model. Second, results reveal that the four BSC dimensions — Financial, Customer, Internal business processes, and Learning & Growth — when equally weighted provide a better assessment of performance than the Financial dimension alone. Finally, results show that the four BSC dimensions, when equally weighted, provide a better assessment of performance than when they are weighted by managers. Accordingly, the results reinforce a basic BSC assumption that, by definition, the scorecard should be "balanced" that is, the four dimensions should be represented evenly. Equally weighted the four dimensions may likely produce an effect similar to a reminder to take into account and utilize every BSC dimensions and measures.

Termination Fees in Mergers and Acquisitions: Protecting Investors or Managers?

Samer Khalil* (Concordia University)

Michel L. Magnan (Concordia University)

Paul E. André (University of Edinburgh)

Unknown less than 15 years ago, termination fees (otherwise called kill fees) are now a commonplace component of merger and takeover agreements. Such fees typically require target firms to pay a monetary consideration to bidders if a merger or takeover agreement is broken. However, institutional investors have expressed strong reservations about the magnitude of such termination fees in recent large transactions such as the acquisition of Clarica by Sun Life and the merger between EnCana Petroleum and Alberta Energy. We argue that the magnitude of termination fees reflects either potential agency problems or economic efficiency considerations.

Focusing on a sample of mergers and acquisitions involving Canadian firms, both as bidder and as target, we evaluate the determinants of the magnitude of termination fees in such transactions. Results are mostly consistent with termination fees being an efficient mechanism that enhances the attractiveness of the transaction for the target firm's shareholders. For instance, termination fees are found to be higher if the transaction entails operating synergies, has a cash component and involves extensive expenses for the bidder. Among agency variables, there is some evidence that independent boards of directors have a lowering influence on the magnitude of termination fees. These findings provide the first empirical evidence about a recent and controversial development in Canadian friendly business combinations.

* Presenter

Financial Reporting Regulation and the Reporting of Pro Forma Earnings

Gary M. Entwistle (University of Saskatchewan)

Glenn Feltham (University of Manitoba)

Chima Mbagwu* (University of Saskatchewan)

A primary objective of the Sarbanes-Oxley Act (SOX) was to bolster public confidence in the U.S. capital markets. To help achieve this objective, SOX directed the SEC to issue rules targeting the use of alternate (from generally accepted accounting principles) earnings measures, colloquially referred to as pro forma earnings. The SEC rules, while not prohibiting pro forma earnings, restricted how they were to be reported. In particular, the regulation was intended to restrict the use of potentially misleading pro formas. This paper examines whether firms changed their reporting practice–that is, did the regulation have an affect on practice. We document a significant shift in pro forma reporting by S&P 500 companies between their 2001 and 2003 year ends, a period which covers the SOX-inspired regulation. We find that fewer firms reported pro forma in 2003 than in 2001 (a 30% reduction) and, for those firms that did report pro forma in 2003, they tended to do so in a way that is less likely to mislead investors. These results suggest a strong impact of the recent regulation of pro forma reporting, and provide important empirical evidence for policy makers.

Acknowledgements

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* Presenter

Advertising, Recessions, and Current and Future Earnings

Roger C. Graham* (Oregon State University)

Kristina D. Frankenberger (Western Oregon University)

This study investigates the earnings effect when firms increase or decrease advertising spending, both in general and during recessionary periods. We examine advertising earnings effects with a sample of 19,181 firm-years of annual financial statement data covering 1970-2003 and advertising earnings effects from the recessionary periods of 1973-1975, 1980, 1981-1982, 1990-1991, and 2001. We find, consistent with prior research, that on average and over all years, changes in advertising spending are associated with corresponding changes in earnings and market values. When advertising changes during recessions are compared to advertising changes during non-recessionary periods we find that recessionary increases in advertising are associated with incremental earnings increases that persist past the end of a recession. Thus, increases in advertising during recessions appear to create a subsequent competitive advantage. We also find that recessionary decreases in advertising have a delayed association with incremental earnings effects appearing three years following a recession.

* Presenter

Institutional Pressures on the Web-Based Disclosures of Corporate Environmental and Social Responsibility: A Canada and U.S. Comparison

Carolyn P. Egri (Simon Fraser University)

Irene M. Gordon* (Simon Fraser University)

This study examined the Internet and web-based communications of large Canadian ($n = 497$) and U.S. ($n = 494$) companies. Institutional theory informed this investigation of Canada-U.S. differences in the prevalence and determinants of the website reporting of corporate environmental and social responsibility performance within countries and industry sectors. We found that national cognitive institutional pressures were more predictive of corporate web-based environmental and social disclosures than were national regulatory or normative institutional pressures. We also found that institutional pressures at the industry sector level matters for environmental website disclosures but not for social disclosures. Organization size and media attention were found to be influential determinants of environmental and social corporate website disclosures. In addition, social responsibility (SR) website disclosures were found to be predictive of the future profitability of U.S. companies but not that of Canadian companies.

* Presenter

Deinstitutionalization within the Accounting Industry

Kobboon Chotruangprasert (York University)

The accounting industry underwent dramatic changes recently. This paper explores the factors that contributed to the deinstitutionalization (defined here as the discontinuation of an activity or practice that used to be prevalent in the industry) within this industry. The eight external factors proposed by Oliver (1992) were examined in the context of the accounting industry.

Can Environmental Management Add Value? An Event-study with Extended Analysis

Vanessa Magness (Ryerson University)

An environmental accident at a Placer Dome mine in the Philippines provides the context for this event study. This accident triggered a contagion effect across the Canadian mining industry. The decline in equity prices was moderated by environmental information disclosed prior to the accident. There is evidence to support the interpretation by Blacconiere and Patten in their 1994 study of the Union Carbide accident, that investors interpret environmental disclosure as a signal of the extent to which the company is managing environmental risks and costs. In this current research, however, the modifying effect of disclosure is limited to information on high-level commitment to environmental management.

This analysis proceeds to examine the correlation of disclosure with the volume of pollution emissions. The correlation is negative, suggesting that companies with the high level commitment are better environmental performers.

This paper draws on legitimacy theory to explain the image companies wish to project, and signal theory for insight into how managers decide what to disclose. The findings of this study are consistent with prior research that examines factors contributing to disclosure credibility. This study extends prior research into signal theory by assessing whether or not the proposed signals are coming from companies with superior environmental performance.

Transitional Goodwill Impairment Losses: Economic Determinants, Reporting Incentives and Constraints

Pascale Lapointe (Concordia University)

This paper investigates the determinants of transitional goodwill impairment losses recorded by Canadian firms following the adoption of revised standards on purchased goodwill in 2001. Despite standard setters' contention that the impairment approach forces firms to be more transparent with respect to the underlying economic value of goodwill, the new standards have been criticized for leaving significant room for management interpretation, judgment and bias. Thus, the impact of the impairment approach on reporting flexibility is unclear a priori. Moreover, Canadian standards on goodwill (section 3062) diverge from American standards (SFAS 142) in that transitional losses are charged to equity rather than net income. As such, this study provides new evidence on whether those accounting choices that do not affect net income are influenced by managers' reporting incentives. The empirical results show a significant association between transitional losses, managers' reporting incentives and the constraints imposed by independent and financially literate audit committees. The observed associations between transitional losses and reporting incentives mean that consistent with criticisms of the standards, the impairment approach has not been entirely successful in forcing firms to be more transparent with respect to the underlying economic value of goodwill. However, because goodwill impairment losses are also associated with the quality of monitoring provided by the audit committee, the empirical results demonstrate the importance of not focusing solely on managers' incentives to act opportunistically to explain observed accounting choices.

Economic Consequences of Regulation of Financial Reporting: The Case of Contingent Convertible Securities

Carol A. Marquardt (New York University)

Christine I. Wiedman* (University of Western Ontario)

This paper examines the economic consequences of changes in the regulation of financial reporting for contingent convertible securities (COCOs). Using a sample of 190 COCO issuers from 2000-2004, we document significant shareholder wealth effects around event dates in 2004 that relate to the disclosure and recognition of COCOs in diluted EPS computations. In particular, we find significant mean abnormal portfolio returns of –2.05 to –2.20 percent around April 9, 2004, when the FASB finalized increased disclosure requirements for COCOs, and of –1.90 to –2.55 percent around July 1, 2004, when the EITF first proposed recognizing COCOs in diluted EPS computations regardless of whether contingent conversion thresholds were met. These results provide compelling evidence that investors view disclosure and recognition of accounting information differently, consistent with contracting cost theory. We also examine firms' responses to the rule change and find that the likelihood that issuers restructure the COCOs to qualify for more favorable accounting treatment is positively associated with the use of EPS as a performance metric in CEO bonus contracts, corporate lobbying efforts against the proposed change, and firm size. We also provide weak evidence that the restructurings are positively related to the financial reporting impact on diluted EPS and negatively related to firms' overall leverage. Our results contribute to the literature examining shareholder reactions to mandated accounting changes, the valuation effects of disclosure versus recognition, and the relations among financial reporting, regulation, and executive compensation.

* Presenter

The Determinants of Transitional Method to Adopt Fair Value Accounting for Employee Stock Options

Flora F. Niu (Wilfrid Laurier University)

This paper examines firms' motivations of using one of the three alternative transition approaches as specified in FAS 148 when adopting fair value accounting for employee stock options (ESOs). Using a sample of U.S. firms that announced their intentions to voluntarily expense ESOs in 2002 and 2003, I show that Prospective method users are characterized by a significantly larger amount of pro forma ESOs expenses related to options awarded in prior years. Prospective method users are also more likely to display a long string of past earnings growth and to show earnings close to zero in the year prior to the adoption. This evidence is broadly consistent with the contention that avoiding the capital market punishment being a driver behind the decision to adopt FAS 123 prospectively. In addition, I also find evidence consistent with firms expensing ESOs retroactively in order to manage growth expectations. This research contributes to prior and ongoing research related to the controversy surrounding the expensing of stock options by providing insights into firms' discretional behavior when choosing transitional methods when adopting FAS 123.

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3997 Chesswood Drive
Toronto, Ontario M3J 2R8
Tel: 416-486-5361
Fax: 416-486-6158
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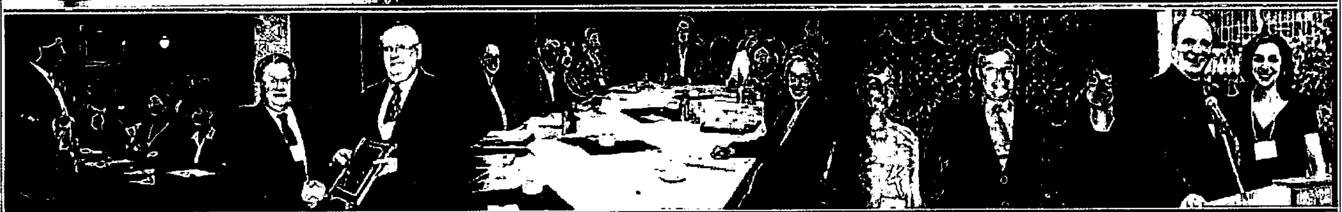

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