

SCHOOL OF ACCOUNTING & COMMERCIAL LAW

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ACCY 401 Methodology in Accounting

Trimester 1, 2007

COURSE OUTLINE

Contact Details		Office	Telephone
Course Coordinator & Lecturer:	Professor Keitha Dunstan Keitha.Dunstan@vuw.ac.nz	RH 706	463-6957
Lecturer:	Dr Wares Karim Wares.Karim@vuw.ac.nz	RH 704	463-5233 Ex 8547
Administrator	Ms Chloe Thompson	RH 708	463-5383

Class Times and Room Numbers

Tuesday 2.40pm – 5:30 pm RWW501

Course Objective

By the end of this course, you should be able to:

1. Read a typical accounting research article and understand its approach.
2. Construct an appropriate research experiment.
3. Use typical statistical approaches to hypothesis testing and estimation in accounting, whether the data come from experimental, quasi-experimental, or survey sources.
4. Understand the strengths and weaknesses of different methods for gaining evidence about accounting issues.

Course Content

This course aims to provide students with a solid foundation for research methodology for accounting research. The course focuses on research with a positivist flavour, and examines a number of ways of gaining reliable evidence about an assumed real (but socially constructed) world in which accounting is performed. It thus complements ACCY 421, which explores other ways of conceptualising research in accounting.

Presentations

Each student will make two group presentations on papers to be assigned by the lecturers from the list of readings for the course. Your group should prepare a précis of the article to be presented (1-2 pages) and distribute it to other members of the class and to the lecturer by noon on the Monday before presentation.

Assessments

Assessment will be based on the following:

(a) Presentation	10%
(b) Participation	10%
(c) Critiques (2x10%)	20%
(d) Assignment One	20%
(e) Assignment Two	40%

Critiques and Assessments

There will be four pieces of assessment due in class on the dates shown.

Critique One (due 16th March).

Critique Two (due 30th March).

Assignment One (due 27th April).

Assignment 2 (tba).

Course Materials and Handouts

A fee will be charged for course materials.

Lecture Outline

Date	Lecturer	Topic
27 February	KD	Reading and understanding research, Agency Theory
6 March	KD	Research methods in accounting
13 March	KD	Experimental design
20 March	KD	Experimental design cont
27 March	KD	Archival data analysis
3 April	KD	Survey methods
24 April	WK	Empirical Research in Accounting – Introduction to Quantitative Methods
1 May	WK	Use of quantitative methods in accounting research
8 May	WK	Use of quantitative methods in accounting research contd.
15 May	WK	Event Study methodology
22 May	WK	Analysis of survey data: use of non-parametric tools
29 May	WK	Case studies and qualitative methods

Readings

This list is likely to evolve somewhat during the course, particularly as new articles come to hand. Copies will be provided. You should read all articles before the assigned class unless otherwise advised.

1: Reading and understanding research, Agency Theory

Subramaniam, N., 'Agency Theory and Accounting Research: An Overview of Some Conceptual and Empirical Issues' in *Methodological Issues in Accounting Research* ed. Hoque, Z. 2006 Spiramus London.

2: Research methods in Accounting

Smith, M.2003. *Research Methods in Accounting*, Sage Publications London.

Chapters 1 to 4

3: Experimental design

TBA

4: Experimental design cont

TBA

5: Archival data analysis

TBA

6: Survey methods

TBA

7: Empirical research in Accounting – Introduction to quantitative methods

Rogers, Jonathan L and Phillip C Stocken. 2005. Credibility of Management Forecasts. *The Accounting Review*, 80(4): 1233-1260.

Carcello, J. V. D. R. Hermanson, T. L. Neal, and R. A. Riley. 2002. Board Characteristics and Audit Fees, *Contemporary Accounting Research* 19(3): 365-384.

8: Use of quantitative methods in accounting research

Carey, P. and R. Simnett. 2006. Audit Partner Tenure and Audit Quality, *The Accounting Review*, 81(3): 653-676.

Fan, Joseph P H and T J Wong. 2002. Corporate Ownership Structure and the Informativeness of Earnings in East Asia, *Journal of Accounting and Economics*, **33**: 401-425.

9: Use of quantitative methods in accounting research – contd.

Fan, Joseph P H and T J Wong. 2004. Do External Auditors Perform a corporate Governance Role in Emerging Markets? Evidence from East Asia. *Journal of Accounting Research*, **43**(1): 35-72.

Chaney, P. K. and K. L. Philipich. 2002. Shredded Reputation: The Cost of Audit Failure, *Journal of Accounting Research*, **41**: 1221-1245.

DeFond, M. L., K. Raghunandan, and K. R. Subramanyam. 2002. Do Non-Audit Service Fees Impair Auditor Independence? Evidence from Going Concern Audit Opinions,” *Journal of Accounting Research*: **41**: 1247-1274.

10: Event Study methodology

Peterson, Pamela P. 1989. Event Studies: A Review of Issues and Methodology. *Quarterly Journal of Business and Economics*, **28**(3). 36-66.

11: Field Study, Questionnaire Design and Interview Methods

Graham, John R, Campbell R Harvey and Shiva Rajgopal. 2005. The Economic Implications of Corporate Financial Reporting. *Journal of Accounting and Economics*, **40**: 3-73.

12: Case studies and Qualitative Methods

Uddin, S and Trevor Hopper. 2001. A Bangladesh Soap Opera: Privatisation, Accounting, and Regimes of Control in a Less Developed Country. *Accounting, Organisations and Society*, **26**: 643-672.

ACCY 401 Marking Schedule for Presentations

EACH STUDENT IN THE GROUP WILL RECEIVE THE SAME MARK

Student's Name:

Paper presented:

Presentation quality	Possible %	Your Mark %
Strength of opening	5	_____
Pitched at appropriate level	5	_____
Adherence to time limits	5	_____
Appropriate use of visual aids	5	_____
Contact with audience	5	_____
Strength of close	5	_____

Content quality		
Clarity and correctness of research context and findings	50	_____
Clarity and correctness of description of methodology		
Incisiveness of analysis of methodology		
OR		
Clarity of interpretation and depth of understanding of authors ideas		
Insightfulness of analysis and originality of ideas		
Application of the ideas to other research or experiences		
Appropriate, justified conclusions drawn	10	_____
Discussion questions handled well	10	_____

TOTAL	100%	=====

Faculty of Commerce and Administration Offices**Railway West Wing (RWW) - FCA Student and Academic Services Office**

The Faculty's Student and Academic Services Office is located on the ground and first floors of the Railway West Wing. The ground floor counter is the first point of contact for general enquiries and FCA forms. Student Administration Advisers are available to discuss course status and give further advice about FCA qualifications. To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

Easterfield (EA) - FCA/Education/Law Kelburn Office

The Kelburn Campus Office for the Faculties of Commerce and Administration, Education and Law is situated in the Easterfield Building - it includes the ground floor reception desk (EA005) and offices 125a to 131 (Level 1). The office is available for the following:

- Duty tutors for student contact and advice.
- Information concerning administrative and academic matters.
- Forms for FCA Student and Academic Services (e.g. application for academic transcripts, requests for degree audit, COP requests).
- Examinations-related information during the examination period.

To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

General University Policies and Statutes

Students should familiarise themselves with the University's policies and statutes, particularly the Assessment Statute, the Personal Courses of Study Statute, the Statute on Student Conduct and any statutes relating to the particular qualifications being studied; see the Victoria University Calendar or go to www.vuw.ac.nz/policy.

For information on the following topics, go to the Faculty's website www.vuw.ac.nz/fca under Important Information for Students:

- Academic Grievances
- Academic Integrity and Plagiarism
- Student and Staff Conduct
- Meeting the Needs of Students with Impairments
- Student Support

Manaaki Pihipihinga Programme

Manaaki Pihipihinga is an academic mentoring programme for undergraduate Māori and Pacific students in the Faculties of Commerce and Administration, and Humanities and Social Sciences. Sessions are held at the Kelburn and Pipitea Campuses in the Mentoring Rooms, 14 Kelburn Parade (back courtyard), Room 109D, and Room 210, Level 2, Railway West Wing. There is also a Pacific Support Coordinator who assists Pacific students by linking them to the services and support they need while studying at Victoria. Another feature of the programme is a support network for Postgraduate students with links to Postgraduate workshops and activities around Campus.

For further information, or to register with the programme, email manaaki-pihipihinga-programme@vuw.ac.nz or phone (04) 463 5233 ext. 8977. To contact the Pacific Support Coordinator, email pacific-support-coord@vuw.ac.nz or phone (04) 463 5842.