

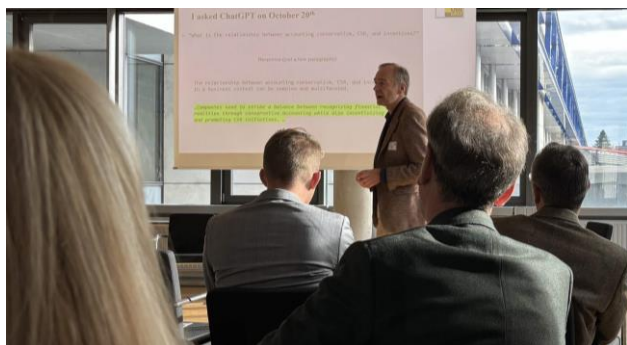


Newsletter

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Center of Accounting Research Symposium: Economics of Sustainability Reporting

On Monday, November 13th, the Center for Accounting Research hosted a Symposium on “Economics of Sustainability Reporting” at the University of Graz. The Symposium was opened by CAR’s Alfred Wagenhofer, followed by four scientific presentations hosted by CAR’s David Windisch and a panel discussion hosted by Caren Sureth-Sloane (University of Paderborn).



Ewert during his talk.

In the first talk, CAR’s Ralf Ewert discussed the topic of “Accounting Conservatism, CSR, and Incentives”. His model shows that conservatism triggers a process that elevates CSR via compensation and through a pull effect, and provides much-desired explanations for mixed empirical findings on the topic. In the second talk, Mirko Heinle (University of Pennsylvania) discussed “Interested Investors and Intermediaries”. He shows that ESG preferences affect investors’ influence on managerial actions, stock prices, and portfolio delegation choices and that free-riding on investor activism plays a central role as it benefits all stakeholders. In the third talk, Hui Chen (University of Zurich) talked about “Responsible Investors and Stock Market Feedback”. Her model shows that greenwashing has an ambiguous real effect on trading through feedback and that responsible investor interests can actually lead to more biasing and fewer green projects. In the fourth talk, Stefan Reichelstein (University of Mannheim and Stanford University) discussed “Corporate Carbon Accounting”. He presented a novel corporate accounting for carbon emissions based on existing accounting systems. The system includes a carbon

balance sheet and a carbon flow statement that generate multiple indicators of a firm’s carbon performance.



Chen during her talk.

In the panel discussion, led by Caren Sureth-Sloane, Michael Finus (University of Graz), Katharina Hombach (University of Frankfurt), Hanno Merkt (University of Freiburg), and CAR’s Georg Schneider had a vivid discussion on the topic of “In the (Data) Jungle? Boon, Bane, and Limits of Sustainability Reporting Regulation”. The discussion showed that many questions regarding the efficient and effective regulation of sustainability reporting remain unanswered. In particular, the lack of harmonization of different standards, the direct and indirect costs associated with the regulation of sustainability reporting and the interaction with other regulatory instruments pose significant challenges. The panel opened up new avenues for accounting research, where analytical research can and should play a pioneering role in providing a conceptual basis for empirical studies.



Merkt, Finus, Hombach, Schneider, and Sureth-Sloane during the panel discussion.

Symposium Smart Regulation 2023

The “field of excellence” Smart Regulation, in which the CAR researchers are active together with researchers from other fields, such as law and psychology, hosted the “Smart Regulation Symposium” on October 6th. The focus of this Symposium was on current regulatory issues related to sustainability in times of crisis, such as the Covid pandemic and the war in Ukraine, and the role of sustainability reporting in these regulatory issues. The energy expert Karl Rose and the CEO of Post AG, Georg Pölzl, both practice professors at the University of Graz, provided insights into the role of smart regulation in the energy sector and the interplay between sustainability and regulation. In three interdisciplinary panels, speakers from different academic and corporate backgrounds, including CAR’s Rainer Niemann, Georg Schneider, and Alfred Wagenhofer, discussed the topic of skimming off excess profits and state aid in times of crisis, as well as the topic of mandatory sustainability reporting, in particular the recently introduced Corporate Sustainability Due Diligence Directive and its link to sustainable corporate governance.



Schmidt, d’Arcy, Milla, and Schneider during a panel discussion.

David Windisch joins CAR



David Windisch has accepted the position of Professor at the Institute of Accounting and Auditing at the University of Graz. He also joined the Center of Accounting Research as a faculty member. Prior to that,

David held an assistant professorship at the University of Amsterdam. He has published in, amongst others, the *European Accounting Review*, the *Journal of Accounting Research*, *Abacus*, and the *Accounting Review* (forthcoming in 2024). He received the EAA 2022 Best Paper Award and the 2021 Richard Mattessich Award for Excellence in Research in Accounting.

Martin Klösch now PostDoc at CAR



After completing the DART program and obtaining a Ph.D. in accounting from the University of Graz in July 2023, I am happy to now join CAR as a PostDoc researcher. I am joining the research project “Non-Financial Reporting: Economics and Real Effects” funded

by the Austrian Science Fund, in which my key responsibility is to conduct high-quality research on the topics of mandatory and voluntary non-financial reporting, the impact of ESG on firm real economic firm decisions, and sustainability audits. I’m looking forward to expanding my research skills by joining the esteemed research environment at CAR, addressing current and relevant issues in accounting, and expanding my network in the scientific community.

Defense of Thomas Müllner

Thomas Müllner successfully defended his Doctoral thesis “Disclosure in Vertically Related Markets: The Effects of Relative Supplier Reliance, Dual-Purpose Suppliers, and Regulatory Interplay” at the University of Graz on September 28th. His thesis was supervised by CAR’s Georg Schneider and Alfred Wagenhofer. The dissertation consists of three essays that address issues of vertically related markets and their impact on firms’ disclosure practices. In the first essay, Thomas examines the impact of different input-output ratios on the disclosure decisions of retailers in vertically related markets. In his second essay, he analyzes the effects of dual-purpose suppliers on the disclosure incentives of retailers in Cournot competition within vertically related markets. In the third essay, he studies the interaction effects between accounting conservatism and input price discrimination, exploring their implications for firms’ innovation decisions and overall welfare.

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