

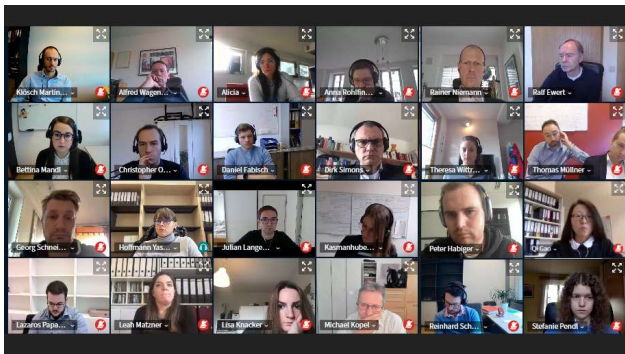


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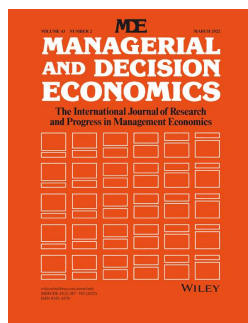
DART Accounting Workshop

In January, this year's traditional two-day DART workshop, joint with the University of Vienna, the University of Frankfurt, and the University of Mannheim, took place online at the University of Graz. The workshop was organized by CAR's Rainer Niemann. DART students Daniel Fabisch, Anna Kasmanhuber, Viktoria Kern, Martin Klösch, Thomas Müllner, Peter Habiger, and Theresa Wittreich presented current research papers, while DART students Bettina Mandl, Matthias Müllner, Bianca Weidinger, and Theresa Wittreich discussed papers by PhD students from Frankfurt and Mannheim. The audience provided many helpful comments and suggestions for improvement of the papers.



"Sharing Managerial Contract Information in a Vertically Related Market"

Recent research shows that in duopolies with strategic delegation, firm owners have an incentive to always share information about managerial compensation contracts. In this paper, published in *Managerial and Decision Economics*, CAR's Michael Kopel and DART student Eva Putz study how sharing of contract information is affected by the presence of a supplier. They find that under quantity competition, a partial information-sharing equilibrium may occur. Firms that share contract information punish their managers for sales to soften supplier pricing. Mandating



information sharing increases total welfare but decreases consumer surplus. Under price competition, firms always want to share managerial contract information. Finally, firm profits can be higher under price competition than under quantity competition.

Defense of Eva Putz

On January 26th, 2022, Eva Putz successfully defended her Doctoral thesis "Revelation of Information in Oligopoly Markets" at the University of Graz, supervised by CAR's Michael Kopel and Georg Schneider. Eva was a DART student for four years, participated in several DART and international seminars, courses, and workshops.

Eva's thesis studies firms' information-sharing strategies in oligopoly models. First, she studied demand information sharing in a Cournot-Bertrand duopoly. Second, she studied firms' incentives to reveal information about the details of their manager's compensation contract. In the third paper, she considered the firms' incentives to reveal the details of their manager's compensation contract. Finally, she studied how a firm's prior information-sharing commitment impacts its subsequent decision-making.

Defense of Anisa Vrenozi

On February 3rd, 2022, Anisa Vrenozi successfully defended her Doctoral thesis "Accounting & Innovation – Accounting Conservatism, Financing Opportunities & Earnings Management: Theoretical Insights & Empirical Evidence" at the University of Graz, supervised by CAR's Ralf Ewert and Alfred Wagenhofer. Anisa was a DART student for four years and an active participant in several DART and international seminars.

Anisa's thesis studies the relation between accounting and innovation. First, she evaluated the position of current analytical and empirical literature. Second, she analytically analyzed the role of accounting in financing innovation via debt. Third, she empirically analyzed the effect of earnings management opportunities on the innovation output of firms.

“Vermeidung der Grunderwerbssteuer durch Gestaltung der Anteilsvereinigung?”

In this article, published in *Österreichische Steuerzeitung*, CAR’s Reiner Niemann, Silke Rürger, and Stefanie Pendl (Institute for Accounting and Taxation) investigate empirically whether the ownership structures of Austrian corporations have been adapted to the modified share deal regulation in the GrEStG as a result of the Austrian tax reform 2015/16.



The analysis provides insights whether the 95% threshold, introduced by the change in the tax law, has been considered when changing ownership structures in order to avoid real estate transfer tax. To do this, they analyze ownership levels of Austrian corporations for their magnitude and changes in this regard for the sample from 2013 to 2018 using probit models. Results suggest that the introduced 95% threshold has been considered by shareholders, especially for property intensive industries.

“On Board monitoring efficiency and the value of conservative accounting”

In this paper, published in the *Journal of Management and Governance*, CAR’s Alfred Wagenhofer and Yanmin Gao (Thompson Rivers University) provide a theoretical



explanation for the observation that firms with strong corporate governance exhibit more conservative accounting. They study one of a board’s most important decisions: to retain or replace the incumbent manager. The board uses accounting information and additional information from costly board monitoring. They show that if the

accounting information is useful only for the replacement decision, then conservatism is harmful because it leads to too much replacement. If accounting information is relevant for the board’s decision whether to monitor, then conservatism is beneficial when the board is a sufficiently efficient monitor. They also provide several predictions for empirical tests.

ARFA Workshop 2022 in Hannover

This year’s Analytical Research in Financial Accounting (ARFA) Workshop took place at the Leibniz University of

Hanover from March 3rd to 4th, 2022. Among faculty and students from several German universities, CAR’s Georg Schneider and DART student Theresa Wittreich participated in the workshop this year. Theresa Wittreich had the opportunity to present her recent working paper “Capital and product market effects on CSR investment incentives” (coauthored with DART student Martin Klösch). The engaged audience provided many valuable suggestions for further research.

Visiting Scholar: Anita Golovkova

I had the great opportunity to spend a month as a visiting scholar at the Center of Accounting Research in March 2022 and Professor Alfred Wagenhofer agreed to be a supervisor during my study visit. The researchers and PhD students from CAR and the accounting institutes were very welcoming and helpful. I was provided with an office space to work on my current paper. I also had a chance to consult my research with researchers and other PhD students, which was very valuable for my current and future work. During my visit, I attended available PhD seminars, lunch



workshops, and most recently the dissertation defense of Theresa Wittreich¹. This experience made me more familiar with the research atmosphere at the Center and aspects of analytical research. I also had a chance to present my work at the DART Lunch Workshop, where I received valuable feedback to enhance my research. I am grateful for spending a month in such an inspiring environment and meeting research colleagues. I look forward to seeing institute members and PhD students in the future.

¹More information on the defense will follow in the upcoming Newsletter in June.

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