

Course Syllabus

Accounting Classics (Doctoral course, 7.5 ECTS credits)

Course Directors:

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Course description and instructions

Accounting Classics is a seven-day PhD-course spread over four seminars during the autumn of 2024. The course is designed as a 7.5 ECTS (European Credit Transfer System) accreditation and aims to attract PhD students who have an interest to get a broad view on various accounting topics.

The course is given in collaboration between Stockholm School of Economics (SSE), Stockholm Business School (SBS) at Stockholm University, Uppsala University (UU), Gothenburg University (GLJ), Jönköping University (JU), Karlstad University (KAU), Linköping University (LIU) and Luleå Technological University (LTU). The seminars are based on active student participation and on student presentations.

The name of the course, Accounting Classics, indicates that the papers can be perceived as having stood the test of time. However, the definition and choice of what is a "classic" is a debated issue. Here, classic indicates either often cited work or work that has been particularly influential in specific areas. Furthermore, classics in accounting research tend not to stand the test of time if we compare e.g. to literature. Nevertheless, the Accounting Classics become obligatory points of reference in terms of framing an accounting field. Therefore, this course offers insights into literature that we could expect to see discussed in the future as well. During the course's first three seminars the students will read and discuss different sets of papers and probe into questions like:

- What are the "take aways" from the paper/book?
- What has (not) made this paper worthy of being labelled a classic?
- What empirical corpus is mobilized? How does this compare to your project?
- What method(s) are being applied?
- How do these readings compare with each other? Are they in conflict with other dominating descriptions of accounting?
- How does the literature stand the test of time?
- What, if anything, can be a resource for your own project?

During the last session the students will present a literature review. The analysis should rely on (some of the) literature discussed in the first three seminars.

Learning outcomes

- To give a broad insight into influential readings in accounting research.
- To broaden the view of accounting research so that it is possible to engage in several discourses in accounting.
- To stimulate the participants to engage with readings that have been influential.
- To introduce competing theoretical and methodological frameworks/approaches.
- To encourage the use of interpretive approaches to accounting research.
- To show how previous Scandinavian PhD-thesis have been composed in terms of accounting classics.
- To develop the participants' transferable skills to international standards.

Application:

The application should be sent to Helene Olofsson, helene.olofsson@sbs.su.se, Stockholm Business School at Stockholm University, **no later than 1 September, 2024**. Please note that the number of students that can attend the course is limited and that students of the PhD School of Accounting in Sweden (FIRE) are prioritized in the admission. The application should include: Name, affiliation, (Preliminary) Project title, what year you started as a PhD.

Examination

The students are expected to be present during all seminars.

It is expected that the students have read the literature for the seminar before the seminar and that the students are ready to discuss and even present various aspects of the text.

Participants will be required to submit a written piece of work to each seminar:

- To the first three seminars (including the first one) the students are expected to write comments on the papers for the seminar. Each paper should not exceed 2000 words. A possible way to write this short review is to relate to the questions above. Each paper is to be submitted to the teacher(s) for the seminar to which the papers apply.
- To the final seminar the students are expected to submit a literature review of a (for them) relevant stream of accounting literature. The review should be no longer than 3000 words. The students should also be ready to present the paper at the last seminar. This literature review is to be submitted to the teachers for seminar 4.
- To the final seminar, the students are expected to read each other's reviews and to give comments at the seminar.

Please note that there may be more specific instructions sent out to the participants during the course.

On this course, students' performance is individually assessed and graded according to the Pass/Fail scale.

Practicalities (Preliminary dates):

The course conductors are faculty from Jönköping University, Linköping University, Mälardalen University, Stockholm School of Economics, Stockholm University, University of Gothenburg and Uppsala University.

Seminar#	Day	Content	Date	Time	Place	Teachers	Papers
1	1	Interdisciplinary perspectives in accounting	8/10	9-16	SBS: Board Room Olympia	Gunilla Eklöv Alander and Bino Catasús	See study guide
	2	Financial Accounting- Different Perspectives on Measurement and Regulation	9/10	9-16	SSE: A350	Niclas Hellman and Milda Tylaite	See study guide
2	1	Classics in qualitative Management Accounting and Control research	21/10	9-16	UU Room: K312	Fredrik Nilsson and Torkel Strömsten	See study guide
3	1	Usefulness of earnings for stock market investors	19/11	9-16	LiU	Jan Marton	See study guide
	2 - AM	Auditing	20/11	9-12	LiU	Pernilla Broberg and Timur Uman	See study guide
	2 - PM	Classics in quantitative Management Accounting and Control research	20/11	13-17	LiU	Tobias Johansson-Berg and Timur Uman	See study guide
4	1	PhD Presentations	17/12	9-16	SBS	Gunilla Eklöv Alander, Bino Catasús	

Literature

Readings for seminar 1

Interdisciplinary Accounting

Burchell, S., Clubb, C., Hopwood, A., Hughes, J., & Nahapiet, J. (1980). The roles of accounting in organizations and society. *Accounting, Organizations and Society*, 5(1), 5-27.

Chua, W. F. (1986). Radical developments in accounting thought. *The Accounting Review*, 601- 632.

Hines, R. (1988). Financial Accounting: In Communicating Reality, We Construct Reality. *Accounting, Organizations and Society*, 13(3), 251-261.

Miller, P. (1998). The margins of accounting. *European Accounting Review*, 7(4), 605-621.

Pentland, B. T. (1993). Getting comfortable with the numbers: Auditing and the micro-production of macro-order. *Accounting, Organizations and Society*, 18(7-8), 605-620.

Power, M (1996). "Making things auditable". *Accounting, Organizations and Society* 21 (2-3), 289-315, 1996.

Young, J. (2006). "Making up Users." *Accounting, Organizations and Society*, vol. 31, no. 6, 2006, pp. 579-600.

Accounting History

Zeff, S. (1999). "The Evolution of the Conceptual Framework for Business Enterprises in the United States". *Accounting Historians Journal* 26 (2): 89-131.

Accounting Regulation

Watts, R. and Zimmerman, J (1978). "Towards a Positive Theory of the Determination of Accounting Standards". *The Accounting Review* 53 (1): 112-134.

Chambers, R (1993). "Positive Accounting Theory and the PA Cult". *Abacus* 29 (1): 1-26.

The "Earnings Quality" Concept in Relation to Classic Views on Capital and Income Measurement

Edwards, E. and Bell, P. W. (1961). *The Theory and Measurement of Business Income*. Berkeley and Los Angeles: University of California Press. Chapters II (32-69) and IX (270- 289).

Schipper, K., and Vincent, L. (2003). "Earnings Quality". *Accounting Horizons*, 2003 (Supplement): 97-110.

Whittington, G. (2017). *Value and Profit-An Introduction to Measurement in Financial Reporting*. Cambridge: Cambridge University Press. Chapters 1 (1-31), 2 (32-59) and 7 (288-314).

Readings for Seminar 2

Classics in Qualitative Management Accounting and Control Research

Hopwood A.G. (1972). "An Empirical Study of the Role of Accounting Data in Performance Evaluation". *Journal of Accounting Research* 10: 156-182.

Miller, P., & O'leary, T. (2007). Mediating instruments and making markets: Capital budgeting, science and the economy. *Accounting, Organizations and Society*, 32(7-8), 701-734.

Otley, D. (1999). Performance management: a framework for management control systems research. *Management accounting research*, 10(4), 363-382.

Roberts J. (1990). "Strategy and Accounting in a U.K. Conglomerate". *Accounting, Organizations and Society* 15: 107-126.

Simons R. (1994). "How Top Managers Use Control Systems as Levers of Strategic Renewal". *Strategic Management Journal* 15: 169-189.

Tomkins, C. (2001). Interdependencies, trust and information in relationships, alliances and networks. *Accounting, Organizations and Society*, 26(2), 161-191

Classics in Quantitative Management Accounting and Control Research

MACS-context Fit

Merchant, K. A. (1981). The design of the corporate budgeting system: influences on managerial behavior and performance. *The Accounting Review*, 813-829.

[Further reading: Gerdin, J., & Greve, J. (2008). The appropriateness of statistical methods for testing contingency hypotheses in management accounting research. *Accounting, Organizations and Society*, 33(7-8), 995-1009.]

Control systems

Chenhall, R. H., & Langfield-Smith, K. (1998). The relationship between strategic priorities, management techniques and management accounting: an empirical investigation using a systems approach. *Accounting, Organizations and Society*, 23(3), 243-264.

[Further reading: Grabner, I., & Moers, F. (2013). Management control as a system or a package? Conceptual and empirical issues. *Accounting, Organizations and Society*, 38(6-7), 407-419.]

MACS and product innovation

Bisbe, J., & Otley, D. (2004). The effects of the interactive use of management control systems on product innovation. *Accounting, Organizations and Society*, 29(8), 709-737.

Predicting MACS change

Baines, A., & Langfield-Smith, K. (2003). Antecedents to management accounting change: a structural equation approach. *Accounting, Organizations and Society*, 28(7-8), 675-698.

Readings for seminar 3

Usefulness of Earnings for Stock Market Investors

Ball, Ray., Brown, Philip. (1968) "An Empirical Evaluation of Accounting Income Numbers", *Journal of Accounting Research*, No. 2.

Burgstahler, D. C., & Dichev, I. D. (1997). Earnings, adaptation and equity value. *Accounting review*, 187-215.

Easton, P. and Harris, T. 1991. Earnings as an explanatory variable for returns. *Journal of Accounting Research*, 29(1):19-36.

Ohlson, J. A. (1995). Earnings, book values, and dividends in equity valuation. *Contemporary accounting research*, 11(2), 661-687.

Holthausen, R. W., & Watts, R. L. (2001). The relevance of the value-relevance literature for financial accounting standard setting. *Journal of accounting and economics*, 31(1-3), 3-75.

Auditing

DeAngelo, L. E. (1981). Auditor size and auditor quality. *Journal of Accounting and Economics*, 3(December): 183–199.

Grey, C. (1998). On being a professional in a “big six” firm. *Accounting, Organizations and Society*, 23(5/6): 569–587.

Koh, H. C., and Woo, E. S. (1998). The expectation gap in auditing. *Managerial Auditing Journal*, 13(3): 147–154.

Pentland, B. T. (1993). Getting comfortable with numbers: auditing and the micro-production of macro-order. *Accounting, Organizations and Society*, 18(7/8): 605-620.

Watts, R., and Zimmerman, J. (1981). The markets for independence and independent auditors. Working Paper Series, No. GPB 80-10, Graduate School of Management, The University of Rochester.

[Further reading: Dirsmith, M., and McAllister, J. (1982). The organic vs. the mechanistic audit. *Journal of Accounting, Auditing & Finance*, 5(3): 214–228.]

Readings for seminar 4

PhD presentations

No readings for seminar 4.