

Name: Thao Phuong Nguyen

Class: 2014

Title of Project: Accounting Information Transfers in Vertical and Horizontal Relationships

Mentor: Professor Alina Lerman

Description of the project: The project focuses on determining the extent and effect of information transfer occurring amount horizontally and vertically related firms. We focus specifically on the effect of information transfer through firms' earnings conference call. The tasks include documenting information transfer in conference calls and identify ex-ante horizontal relationships and ex-ante vertical relationship; documenting abnormal changes in the stock prices and volume or peer firms near the time of the conference call and documenting the determinants of the amount of information transfer happening in conference calls.

Responsibilities: I was responsible for collecting and examining the transcripts and audio files of the conference calls, academic literature review and preliminary work with analyst data (IBES). I studied the transcripts and audio files of the conference calls to determine the breakpoint between the presentation sections of the calls and the Q&A sections of the calls, and report my results for Professor Lerman to run regressions. I was also responsible for collecting and reviewing relevant academic papers relating to conference calls and information transfer, as well as on how to determine vertical relationships among firms. For IBES, my job is to identify a number of firms from a data set and confirm their accuracy by comparing the information with the press. I used databases like Factiva, Hein Online, Jstor and a number of others to complement my tasks. I also had the chance to run regressions in Stata and Excel using the data that I collected.

Lessons learned: By working with Professor Lerman this summer I learned tremendously about how to pin down a research question from the start. In particular, I learned to do effective and intensive literature review to identify the gaps in previous researches that need to be filled as well as to determine useful methods that have been used in previous literature. In addition to that, I become much better at reading accounting research papers, which could be truly useful when I carry out my own research project in my senior year. Finally, through the project I had an additional chance to practice running regressions in Stata and Excel and I am much better at those skills now.

Opinion of SRO experience: My experience with SRO is absolutely positive. It significantly enhances my understanding about doing research in accounting and about starting out a research project in general. Professor Lerman has been extremely helpful and considerate to me. I would recommend this program to anyone who is interested in doing research in economics.