

MAR 20 2009

FLORIDA ATLANTIC UNIVERSITY™

 UGPC APPROVAL _____
 UFS APPROVAL _____
 SCNS SUBMITTAL _____
 CONFIRMED _____
 BANNER POSTED _____
 ONLINE _____
 MISC _____

Graduate Programs—NEW COURSE PROPOSAL

 DEPARTMENT NAME:
 ACCOUNTING

 COLLEGE OF:
 BUSINESS

RECOMMENDED COURSE IDENTIFICATION:

 PREFIX ACG COURSE NUMBER 7835 LAB CODE (L or C) _____

(TO OBTAIN A COURSE NUMBER, CONTACT ERUDOLPH@FAU.EDU)

COMPLETE COURSE TITLE

SEMINAR IN BEHAVIORAL ACCOUNTING RESEARCH

EFFECTIVE DATE

(first term course will be offered)

SPRING 2010

CREDITS:

3

TEXTBOOK INFORMATION:

Behavioral Accounting Research – Foundations and Frontiers, 1997, edited by V. Arnold and S. Sutton, American Accounting Association.

 GRADING (SELECT ONLY ONE GRADING OPTION): REGULAR X PASS/FAIL _____ SATISFACTORY/UNSATISFACTORY _____

COURSE DESCRIPTION, NO MORE THAN 3 LINES:

This seminar introduces the major areas of current inquiry in behavioral accounting research, as well as methodologies employed. The course is designed to provide the background needed for further study of and research in behavioral accounting.

PREREQUISITES W/MINIMUM GRADE: *

COREQUISITES:

 OTHER REGISTRATION CONTROLS (MAJOR, COLLEGE, LEVEL):
 ACCOUNTING, BUSINESS, DOCTORAL

PREREQUISITES, COREQUISITES & REGISTRATION CONTROLS SHOWN ABOVE WILL BE ENFORCED FOR ALL COURSE SECTIONS.

*DEFAULT MINIMUM GRADE IS D-.

MINIMUM QUALIFICATIONS NEEDED TO TEACH THIS COURSE:

A GRADUATE FACULTY MEMBER IN ACCOUNTING CURRENTLY CONDUCTING RESEARCH IN THE BEHAVIORAL AREA.

 Other departments, colleges that might be affected by the new course must be consulted. List entities that have been consulted and attach written comments from each. **No other areas are affected.**
Robin Radtke, rradtke4@fau.edu, (772) 873-3377

Faculty Contact, Email, Complete Phone Number

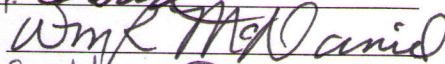
SIGNATURES

Approved by:

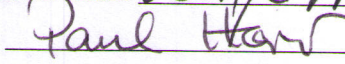
Department Chair:



College Curriculum Chair:



College Dean:



UGPC Chair:

Dean of the Graduate College:

Date:

3/12/2009
3/13/2009
3.18.09
SUPPORTING MATERIALS

Syllabus—must include all details as shown in the UGPC Guidelines.

Written Consent—required from all departments affected.

 Go to: <http://graduate.fau.edu/gpc/> to download this form and guidelines to fill out the form.

 Email this form and syllabus to sfulks@fau.edu and eqirjo@fau.edu one week **before** the University Graduate Programs Committee meeting so that materials may be viewed on the UGPC website by committee members prior to the meeting.

ACG 7935 [ACG 7835 as proposed]
SEMINAR IN BEHAVIORAL ACCOUNTING RESEARCH
SPRING 2009

Dr. Robin Radtke
MP 233 772-873-3377
rradtke4@fau.edu

This seminar introduces the major areas of current inquiry in behavioral accounting, as well as some of the methodologies employed. As such, it is designed to provide a good background on the area and a starting point for further study. We will concentrate on theoretical and methodological issues faced by researchers in behavioral accounting.

When possible, the assignments will begin with a reading from a book or review article that will introduce you to the issues addressed and methodologies used in the area. This is followed by several specific studies. All students should thoroughly read all papers, however, individual students will be assigned to both lead the discussions and prepare a handout for the class for most specific studies. The handout should include the following 5 categories: 1) Motivation and Research Question, 2) Hypothesis, 3) Methodology, 4) Results, and 5) Issues to Discuss.

Each student is required to write a proposal for a research project that involves the analysis of a behavioral issue in accounting. Students can propose an extension of an existing study or a more original project. The proposal should include a brief discussion of the research question and a more detailed plan for the proposed analysis of hypotheses. Written proposals are due and will be presented/discussed in class on April 21. During March each student will be responsible for leading the discussion of 3 articles of his/her choosing that will form the basis for the proposal. A list of these 3 articles is due to the professor by February 24.

The final grade will be based on class participation (35%), proposals (30%), and a final exam (35%) and assigned based on the scale of 90-100% = A, 80-89% = B, 70-79% = C, 60-69% = D, and below 60% = F.

Course Objectives

By the end of the course students should be familiar with many of the major areas of behavioral accounting research. Students should also be familiar with the various methodologies used in this area. As a result, students should be capable of designing and carrying out a basic research study in behavioral accounting research.

Religious Holidays

A student who intends to observe a religious holy day should make that intention known to the instructor prior to the absence. A student who is absent from classes for the observance of a religious holy day shall be allowed to take an examination or complete an assignment scheduled for that day within a reasonable time after the absence.

Changes

Any changes in assignments or due dates will be announced in class. It is the responsibility of each student to attend class and become aware of such changes.

School of Accounting policies are available at the following website:

<http://www.soa.fau.edu/policies.html>

Please familiarize yourself with these policies.

Students with Disabilities

In compliance with the Americans with Disabilities Act (ADA), students who require special accommodations due to a disability to properly execute coursework must register with the Office for Students with Disabilities (OSD) located in Boca Raton – SU 133 (561-297-3880), in Davie – MOD I (954-236-1222), in Jupiter – SR 117 (561-799-8585), or at the Treasure Coast – CO 128 (772-873-3305), and follow all OSD procedures.

University Honor Code

Students at Florida Atlantic University are expected to maintain the highest ethical standards. Academic dishonesty, including cheating and plagiarism, is considered a serious breach of these ethical standards, because it interferes with the University mission to provide a high quality education in which no student enjoys an unfair advantage over any other. Academic dishonesty is also destructive of the University community, which is grounded in a system of mutual trust and places high value on personal integrity and individual responsibility. Harsh penalties are associated with academic dishonesty. For more information, see:

http://www.fau.edu/regulations/chapter4/4.001_Honor_Code.pdf

~~~~~

Note: BAR is used as an abbreviation for *Behavioral Accounting Research – Foundations and Frontiers*, 1997, edited by V. Arnold and S. Sutton, American Accounting Association.

All articles should be available online through the FAU library.



## Coverage Schedule

### January

#### **6** Introduction

Schwartz, B., S. Williams, and P. Williams. 2005. US Doctoral Students' Familiarity with Accounting Journals: Insights into the Structure of the US Academy. *Critical Perspectives on Accounting* 16: 327-348.

#### **13** Survey and field studies

Bryant, S., J. Hunton, and D. Stone. 2004. Internet-Based Experiments: Prospects and Possibilities for Behavioral Accounting Research. *Behavioral Research in Accounting* 16: 107-129.

Alexander, R., A. Blay, and R. Hurtt. 2006. An Examination of Convergent Validity between In-Lab and Out-of-Lab Internet-Based Experimental Accounting Research. *Behavioral Research in Accounting* 18: 207-217.

Gibbins, M., and S. Qu. 2005. Eliciting Experts' Context Knowledge with Theory- Based Experiential Questionnaires. *Behavioral Research in Accounting* 17: 71-88.

Merchant, K., and W. Van der Stede. 2006. Field-Based Research in Accounting: Accomplishments and Prospects. *Behavioral Research in Accounting* 18: 117-134.

Maines, L., G. Salamon, and G. Sprinkle. 2006. An Information Economic Perspective on Experimental Research in Accounting. *Behavioral Research in Accounting* 18: 85-102.

#### **20** Experimental studies

Sprinkle, G. 2003. Perspectives on Experimental Research in Managerial Accounting. *Accounting, Organizations and Society* 28(2-3): 287-318.

Evans, J., R. Hannan, R. Krishnan, and D. Moser. 2001. Honesty in Managerial Reporting. *The Accounting Review* 76(4): 537-559.

Hannan, R., R. Krishnan, and A. Newman. 2008. The Effects of Disseminating Relative Performance Feedback in Tournament and Individual Performance Compensation Plans. *The Accounting Review* 83(4): 893-913.

Liedtka, S., B. Church, and M. Ray. 2008. Performance Variability, Ambiguity Intolerance, and Balanced Scorecard-Based Performance Assessments. *Behavioral Research in Accounting* 20(2): 73-88.



- 27 BAR Ch.1 – The Role of Accounting Information in Organizational Control: The State of the Art

**Focus on Budgeting and Ethics**

- Davis, S., F. DeZoort, and L. Kopp. 2006. The Effect of Obedience Pressure and Perceived Responsibility on Management Accountants' Creation of Budgetary Slack. *Behavioral Research in Accounting* 18: 19-35.
- Rankin, F., S. Schwartz, and R. Young. 2008. The Effect of Honesty and Superior Authority on Budget Proposals. *The Accounting Review* 83(4): 1083-1099.
- Cardinaels, E., and E. Labro. 2008. On the Determinants of Measurement Error in Time-Driven Costing. *The Accounting Review* 83(3): 735-756.

## February

- 3 BAR Ch. 2 – Judgment and Decision Making, Part I: The Impact of Environmental Factors

**Focus on Accountability**

- Gibbins, M., and J. Newton. 1994. An Empirical Exploration of Complex Accountability in Public Accounting. *Journal of Accounting Research* 32(2): 165-186.
- Libby, T., S. Salterio, and A. Webb. 2004. The Balanced Scorecard: The Effects of Assurance and Process Accountability on Managerial Judgment. *The Accounting Review* 79(4): 1075-1094.
- Kadous, K., and L. Sedor. 2004. The Efficacy of Third-Party Consultation in Preventing Managerial Escalation of Commitment: The Role of Mental Representations. *Contemporary Accounting Research* 21(1): 55-82.
- DeZoort, T., P. Harrison, and M. Taylor. 2006. Accountability and Auditors' Materiality Judgments: The Effects of Differential Pressure Strength on Conservatism, Variability, and Effort. *Accounting, Organizations and Society* 31: 373-390.

- 10 BAR Ch. 3 – Judgment and Decision Making, Part II: Expertise, Consensus and Accuracy

**Focus on Expertise**

- Vera-Munoz, S., J. Ho, and C. Chow. 2006. Enhancing Knowledge Sharing in Public Accounting Firms. *Accounting Horizons* 20(2): 133-155.
- McCracken, S., S. Salterio, and M. Gibbins. 2008. Auditor-Client Management Relationships and Roles in Negotiating Financial Reporting. *Accounting, Organizations and Society* 33: 362-383.
- Gibbins, M., S. McCracken, and S. Salterio. 2007. The Chief Financial Officer's Perspective on Auditor-Client Negotiations. *Contemporary Accounting Research* 24(2): 387-422.
- Fedor, D., and R. Ramsay. 2007. Effects of Supervisor Power on Preparers' Responses to Audit Review: A Field Study. *Behavioral Research in Accounting* 19: 91-105.



MAR 20 2009

- 17 BAR Ch. 6 – Examining Accountants' Ethical Behavior: A Review and Implications for Future Research

**Focus on Ethics and Taxes**

- Henderson, B., and S. Kaplan. 2005. An Examination of the Role of Ethics in Tax Compliance Decisions. *Journal of the American Taxation Association* 27(1): 39-72.
- Bobek, D., and R. Hatfield. 2003. An Investigation of the Theory of Planned Behavior and the Role of Moral Obligation in Tax Compliance. *Behavioral Research in Accounting* 15: 13-38.
- Bobek, D., R. Hatfield, and K. Wentzel. 2007. An Investigation of Why Taxpayers Prefer Refunds: A Theory of Planned Behavior Approach. *Journal of the American Taxation Association* 29(1): 93-111.
- Hatfield, R., S. Jackson, and J. Schafer. 2008. An Investigation of the Relation between Tax Professionals, Tax Refunds, and Fees. *Behavioral Research in Accounting* 20(2): 19-35.

- 24 Detailed analysis of:

- Bobek, D., and R. Radtke. 2007. An Experiential Investigation of Tax Professionals' Ethical Environments. *Journal of the American Taxation Association* 29(2): 63-84.

**First draft of research proposals are due** and will also be discussed. Students should bring a list of 3 proposed articles that they will use as the basis of their research proposals. In the first 3 weeks following spring break, each student will lead the class discussion of these 3 articles. This should prove helpful in refining your research proposal topics.

## March

### 3 SPRING BREAK!

10 Student papers

17 Student papers

24 Student papers



**31 Additional Ethics Studies**

- Kaplan, S. 2001. Further Evidence on the Ethics of Managing Earnings: An Examination of the Ethically Related Judgments of Shareholders and Non-Shareholders. *Journal of Accounting and Public Policy* 20: 27-44.
- Kaplan, S. 2001. Ethically Related Judgments by Observers of Earnings Management. *Journal of Business Ethics* 32: 285-298.
- Kaplan, S., J. McElroy, S. Ravenscroft, and C. Shrader. 2007. Moral Judgment and Causal Attributions: Consequences of Engaging in Earnings Management. *Journal of Business Ethics* 74: 149-164.
- Fleischman, G., S. Valentine, and D. Finn. 2007. Ethical Reasoning and Equitable Relief. *Behavioral Research in Accounting* 19: 107-132.
- Radtke, R. 2008. Role Morality in the Accounting Profession – How do we Compare to Physicians and Attorneys? *Journal of Business Ethics* 79: 279-297.

**April****7 BAR Ch. 4 – Judgment and Decision Making Part III: Group Processes**  
**Focus on Group Decision Making**

- Hunton, J. 2001. Mitigating the Common Information Sampling Bias Inherent in Small-Group Discussion. *Behavioral Research in Accounting* 13: 171-194.
- Volkema, R., and R. Gorman. 1998. The Influence of Cognitive-Based Group Composition on Decision-Making Process and Outcome. *Journal of Management Studies* 35: 105-121.
- Cheng, M., P. Lockett, and A. Schulz. 2003. The Effects of Cognitive Style Diversity on Decision-Making Dyads: An Empirical Analysis in the Context of a Complex Task. *Behavioral Research in Accounting* 15: 39-62.
- O'Leary, C., and G. Pangemanan. 2007. The Effect of Groupwork on Ethical Decision-Making of Accountancy Students. *Journal of Business Ethics* 75: 215-228.

**14 BAR Ch. 5 – Judgment and Decision Making Part IV: Information Technology and Decision Aids****Focus on Decision Aids**

- Lowe, D., P. Reckers, and S. Whitecotton. 2002. The Effects of Decision-Aid Use and Reliability on Jurors' Evaluations of Auditor Liability. *The Accounting Review* 77: 185-202.
- Rose, J. 2005. Decision Aids and Experiential Learning. *Behavioral Research in Accounting* 17: 175-189.
- Wheeler, P., and V. Arunachalam. 2008. The Effects of Decision Aid Design on the Information Search Strategies and Confirmation Bias of Tax Professionals. *Behavioral Research in Accounting* 20(1): 131-145.

**21 Proposal Presentations**



MAR 20 2009

Bibliography for new course proposal ACG 7835 Seminar in Behavioral Accounting Research

This course covers the state of the art in behavioral accounting research. As such, the articles included for each offering of the course will change to include the most recent relevant articles.

The course is currently taught under the special topics course number, ACG 7935. The spring 2009 syllabus for ACG 7935 Seminar in Behavioral Accounting Research provides the current bibliography or reading list. The syllabus is included as part of the proposed new course.

One textbook is included that consists of literature review chapters of many of the areas covered during the course of the semester. This textbook is *Behavioral Accounting Research – Foundations and Frontiers*, 1997, edited by V. Arnold and S. Sutton, American Accounting Association.