Stephen A. Hillegeist

W.P. Carey School of Business

School of Accountancy April 2021

Arizona State University 480-580-3587

300 East Lemon Street, BA 223F Stephen.Hillegeist@ASU.edu

Tempe, AZ 85287-3606 http://papers.ssrn.com/sol3/cf\_dev/AbsByAuth.cfm?per\_id=163209

**ACADEMIC APPOINTMENTS**

Associate Professor (with tenure since 2012), W.P. Carey School of Business, ASU, 2010 - present

Visiting Professor, University of Melbourne, Faculty of Business and Economics, 2016-2017

Assistant Professor, INSEAD, Accounting and Control Area, 2005- 2010

Assistant Professor, Kellogg School of Management, Northwestern University, 1998-2005

**EDUCATION**

Ph.D. (accounting): Haas School of Business, University of California at Berkeley, 1998

 M.S. (accounting): Haas School of Business, University of California at Berkeley, 1998

B.A. with honors (economics): Princeton University, 1990

#### Research Activities [3680 citations, h-index = 16 (Google Scholar)]

#### Publications in referred journals:

“Institutional Ownership and Insider Trading: Quasi-experimental Evidence” with Liwei Weng (ASU). *Contemporary Accounting Research*, forthcoming.

“Earnings Management to Avoid Debt Covenant Violations and Future Performance” with Scott Dyreng (Duke University) and Fernando Penalva (IESE). *European Accounting Review*, forthcoming*.*

“Capitalization of In-Process Research and Development under SFAS 141R and

Information Asymmetry” with Hyeesoo H. Chung (CSU Long Beach), Jinyoung P. Wynn (LSU), and You-il Park (Nanyang Technological University). *Contemporary Accounting Research* 36(4) (Winter 2019), 2379-2407.

“Financial Distress Risk and New CEO Compensation” with Woo-Jin Chang and Rachel Hayes. *Management Science*, 62(2) (2016), 479-501.

“Directors’ and Officers’ Legal Liability Insurance, Audit Pricing, and Litigation Risk” with Hyeesoo H. Chung and Jinyoung P. Wynn. *Journal of Accounting and Public Policy*, 34 (2015), 551-577.

“The Incentives of Compensation Consultants and CEO Pay” by Brian Cadman, Mary Ellen Carter, and Stephen Hillegeist. *Journal of Accounting and Economics*, vol. 49, No. 3 (April 2010), 263-280*.*

“The Effect of Earnings Surprises on Information Asymmetry” by Stephen Brown, Stephen Hillegeist, and Kin Lo. *Journal of Accounting and Economics,* vol. 47, No. 3 (June 2009), 208-225.

“How Disclosure Quality Affects the Level of Information Asymmetry” by Stephen Brown and Stephen Hillegeist. *Review of Accounting Studies*, vol. 12, No. 2-3 (September 2007), 443-477.

“Conference Calls and Information Asymmetry” by Stephen Brown, Stephen Hillegeist, and Kin Lo. *Journal of Accounting and Economics*, vol. 37, No. 3 (August 2004), 343-366.

“Assessing the Probability of Bankruptcy” by Stephen Hillegeist, Elizabeth Keating, Don Cram, and Kyle Lundstedt. *Review of Accounting Studies*, vol. 9, No. 1 (March 2004), 5-34.

Reprinted in: **Credit Risk: Models and Management**, 2nd edition. Edited by David Shimko. Risk Books, 2004.

“Financial Reporting and Auditing Under Alternative Damage Apportionment Rules” by Stephen Hillegeist. *The Accounting Review*, vol. 74, No. 3 (July 1999), 347-369.

#### Working papers:

“Financial Reporting Frequency and Managerial Learning from Stock Price” with Asad Kausar (American University), Arthur Kraft (Cass Business School), and You-il (Chris) Park (University of Hawaii. Being revised for a second-round submission at *The Accounting Review.*

“Insider Trading and Post Earnings Announcement Drift” with Lyungmae Choi (City University Hong Kong) and Lucile Faurel (ASU). Being revised for a second-round submission at *Journal of Accounting and Public Policy.*

“Principles vs. Rules and the information environment: the case of SFAS 95” with Stephen Brown (University of Maryland) and Steven Orpurt (ASU). Revising for a fourth-round submission at *Abacus.*

“The Association between Quarter Length, Forecast Errors, and Firms’ Voluntary Disclosures” with James Kavourakis and Matthew Pinnuck (both at the University of Melbourne)*.* Revising for a second-round review at *Accounting and Finance.*

“Reducing Short Selling Constraints and Investment-Stock Price Sensitivity: Theory and Evidence” with Tae Wook Kim (University of Hong Kong) and You-il (Chris) Park, University of Hawaii. Under first round review at the *Review of Financial Studies*.

 “Skewness in Expected Earnings and CEO Compensation” with Pierre Chaigneau (Queens University) Woo-Jin Chang (HEC Paris). Under first round review at *The Accounting Review*.

“Do Proprietary Costs Deter Insider Trading?” with Lyungmae Choi (City University Hong Kong) and Lucile Faurel (ASU).

 “Quasi-indexer Ownership and Conditional Conservatism: Quasi-experimental Evidence” with Liwei Weng (Hong Kong Polytechnic University) and Fernando Penalva (IESE).

**Work in progress:**

“Skewness in Expected Earnings and Audit Fees” with Woo-Jin Chang (HEC)

“Using Machine Learning to Predict Earnings at Loss Firms” with Lyungmae Choi (City University of Hong Kong), Lucile Faurel (ASU), and Michael Senteney (ASU).

“The Role of Employees as Information Intermediaries: Evidence from a Business Network” with Lyungmae Choi (City University of Hong Kong) and DuckKi Cho (Peking University HSBC Business School)

**Non-published papers:**

“The Effects of Decoupling Damage Awards on Financial Reporting and Auditing.”

“Management Forecasts and Litigation Risk” by Stephen Brown, Stephen Hillegeist, and Kin Lo.

“Stock-Option Incentives and Firm Performance” by Stephen Hillegeist and Fernando Penalva.

“The Economic Consequences of a Mandatory Increase is Disclosure Frequency: The Case of Singapore” by Stephen Hillegeist and Shyam Sunder.

“Regulation FD and Voluntary Disclosures” by Stephen Brown, Stephen Hillegeist, and Kin Lo.

“How the Stock Market responds to the Tone in Analyst Reports” with Steven Monahan, Benjamin Segal, and Eric Weisbrod.

“Earnings Management to avoid Debt Covenant Violations” with Scott Dyreng (Duke University) and Fernando Penalva (IESE).

“General Managerial Skills and External Communication Ability” with Jenny Brown (ASU), Claudia Custodio (NOVA) and Eugenia Yeh (ASU).

“Competition and Tax Avoidance Activities” with Jenny Brown (ASU), Claudia Custodio (NOVA), and Eugenia Yeh (ASU).

“Earnings Management across the Macro Economic Cycle” with An-Ping Lin (Singapore Management University).

“Analysts’ Monitoring Incentives across the Macro Economic Cycle” with Dan Dhaliwal (University of Arizona) and An-Ping Lin (Singapore Management University).

**Case Study:**

“Keystone Technologies: Testing and Packaging Operations,” INSEAD 2010. European Case Clearing House reference 5716. Includes associated teaching note, ECCH reference 5716(TN).

**Presentations at research seminars:**

Arizona State University

Australia National University (Australia)

Carnegie Mellon University

Chinese University of Hong Kong (China)

City University of New York – Baruch College (3))

Columbia University

Dartmouth College

Emory University

Erasmus University (Netherlands)

Florida Atlantic University

Florida State University

Georgia State University

Hong Kong University of Science and Technology (China)

Indiana University (Bloomington)

Indiana University Purdue University Indianapolis

INSEAD (4) (France, Singapore)

London Business School (United Kingdom)

Mannheim University (Germany)

Monash University (Australia)

Nanyang Technological University (Singapore)

National University of Singapore

New York University (2)

Northwestern University (3)

Ohio State University

Purdue University

Singapore Management University (Singapore) (2)

Southern Methodist University (2)

Stanford University

Tilburg University (Netherlands)

University of Adelaide (Australia)

University of Arizona

University of Auckland (New Zealand)

University of British Columbia (Canada) (2)

University of California at Berkeley

University of California at Davis

University of Chicago (2)

University of Colorado at Boulder

University of Florida

University of Houston

University of Illinois at Chicago

University of Illinois at Urbana-Champaign

University of Melbourne (Australia) (2)

University of Michigan

University of New South Wales (Australia)

University of Notre Dame

University of Otago (New Zealand)

University of Queensland (Australia)

University of Rochester

University of Pennsylvania

University of Sydney (Australia)

University of Tasmania (Australia)

University of Texas at Dallas (2)

University of Toronto (2) (Canada)

University of Western Australia (Australia)

Washington University in St. Louis (2)

**Presentations at Conferences:**

ASU-University of Arizona Accounting Research Conference, Tucson, 2018

Review of Accounting Studies Conference, Barcelona, Spain, invited discussant, 2017

ASU-University of Arizona Accounting Research Conference, Tempe, 2017

UTS Summer Accounting Conference, Australia, 2017

Accounting and Finance Association of Australia and New Zealand (AFAANZ) Annual Meeting, Gold Coast, Australia, 2016 (presented 1 paper, discussant)

American Accounting Association Annual Meeting, Washington DC, 2012 (presented 2 papers, discussant)

American Accounting Association Annual Meeting, New York City, 2009 (discussant)

American Accounting Association Annual Meeting, Anaheim, 2008

London Business School Accounting Symposium, London, 2008

American Accounting Association FARS Midyear Meeting, Phoenix, 2008 (discussant)

American Accounting Association Annual Meeting, Chicago, 2007

American Accounting Association Annual Meeting, Washington, DC, 2006 (discussant)

EAISM VII Workshop on Accounting and Economics, Bergen, Norway, 2006

Contemporary Issues in Capital Markets & Financial Economics Conference, Cyprus, 2006

American Accounting Association Annual Meeting, San Francisco, 2005

Winter Accounting Conference, Salt Lake City, 2005 (discussant)

American Accounting Association FARS Midyear Meeting, San Diego, 2005

American Accounting Association Annual Meeting, Orlando, 2004

American Accounting Association Annual Meeting, San Antonio, 2002

C.R.E.D.I.T. Conference on Assessing the Risk of Corporate Default, Venice, Italy, 2002

American Accounting Association Midwest Region Meeting, Milwaukee, 2002

American Accounting Association Annual Meeting, Philadelphia, 2000 (discussant)

International Symposium of Audit Research, Sydney, Australia, 1998

European Accounting Association Doctoral Consortium, Antwerp, Belgium, 1998

**Conference Invitations** (each multiple times)**:**

Contemporary Accounting Research Conference

Journal of Accounting and Economics Conference

Journal of Accounting Research Conference

London School of Business Accounting Symposium

Review of Accounting Studies Conference

Utah Winter Accounting Conference

#### TEACHING and advising

**Masters and Executive Teaching:**

**Arizona State University, W.P. Carey School of Business, School of Accountancy (2010 – present)**

Managerial Accounting: Daytime MBA program (core).

Managerial Accounting: Executive MBA program (core).

Managerial Accounting: Masters in Business Journalism

PhD Seminar in Capital Markets (2013)

Executive Program for the Mayo Clinic (2015)

Finalist for the W. P. Carey Outstanding Graduate Teaching Award, 2014.

**University of Melbourne, Faculty of Business and Economics, Department of Accounting**

Strategic Cost Management, Masters level

**INSEAD (2005 – 2010)**

Managerial Accounting MBA program (core)

Open Enrollment Executive Education Programs:

 Achieving Outstanding Performance

Inter Alpha Banking Program

 Management Acceleration Program

Management in the Humanitarian Sector

Social Entrepreneurship Program

Company Specific Executive Programs:

Siegwerk

Swire Group

**Northwestern University, Kellogg School of Management (1998 – 2005)**

Managerial Accounting: Fulltime MBA program (elective).

Managerial Accounting: Evening MBA program (elective).

Received 7 letters of commendation for excellent teaching performance from the Dean’s Office.

**PhD Teaching and Advising:**

**Arizona State University, W.P. Carey School of Business, School of Accountancy**

PhD Course: ACC 791: Capital Markets Research (2013).

Co-Chairman of Dissertation Committee of Liwei Weng (2020). Placed at Hong Kong Polytechnic University.

Chairman of Dissertation Committee of Lyungmae Choi (2017). Placed at City University Hong Kong.

Chairman of Dissertation Committee of Margaret Kim (2017). Placed at California State University at Fullerton.

Co-Chairman of Dissertation Committee of An-Ping Lin (2015). Placed at Singapore Management University.

Chairman of Dissertation Committee of Eugenia Yeh (2015). Did not pursue academic position.

Co-Chairman of Dissertation Committee of Laura Wellman (2014). Placed at the University of Illinois at Chicago.

Co-Chairman of Dissertation Committee of Eric Weisbrod (2012). Placed at the University of Miami.

Dissertation Committee Member of Kuan-Chen Lin (2012). Placed at Oregon State University.

**University of Technology Sydney:** PhD Seminar in Capital Markets (2017)

**EXPERT WITNESS**

Loan and Security GRL-Mesa\_Investments, LLC v. Mesa-Sand Realty LLC, et al.

**Professional and University SERVICE**

**Editorial Boards:**

*Contemporary Accounting Research*, 2010-present

*Review of Accounting Studies*, 2013-present

***Ad Hoc* Editor**

*Contemporary Accounting Research*, 2014 - present

***Ad Hoc* Reviewer**[[1]](#footnote-1)

 *Accounting and Business Research*

 *The Accounting Review*

 *Contemporary Accounting Research*

 *European Financial Management*

 *European Accounting Review*

 *Foundations and Trends in Accounting*

 *Journal of Accounting and Economics*

 *Journal of Accounting and Public Policy*

 *Journal of Accounting Research*

 *Journal of Business Logistics*

 *Journal of Empirical Finance*

 *Journal of Empirical Legal Studies*

 *Journal of Finance*

 *Management Science*

 *Review of Accounting and Finance*

 *Review of Accounting Studies*

*American Accounting Association Annual Meeting*

*Financial Reporting Section of the American Accounting Association Annual Meeting*

**W.P. Carey School of Business, Arizona State University**

W.P Carey Executive MBA Curriculum Review Committee, 2016

W.P. Carey Faculty Council, member, 2013-2015, Chair, 2104-2015

 W.P. Carey Administrative Council, *ex officio* member, 2014-2015

W.P. Carey Executive MBA Faculty Advisory Committee, member, 2014 – 2016

W.P. Carey Dean’s Search Committee, member, 2012

 School of Accountancy Personnel Committee, 2012-2014, 2017-2019

School of Accountancy PhD Committee, member, 2012-2013

School of Accountancy Recruiting Committee member, 2010-2012, 2014-15

School of Accountancy Director’s Advisory Committee member, 2018 - present

 Participated in School of Accountancy meetings with CPA firms, 2010 - present

 Participated at numerous MBA and Executive MBA recruiting functions

**INSEAD**

Area Coordinator for the Accounting and Control Area, 2007-2010. Responsible for faculty recruiting (permanent and visiting), arranging the MBA teaching schedule, area supervision and coordination.

Member of the Committee of Area Coordinators (2007-2010), a key school-wide governance body responsible for all non-tenure hiring decisions and a key conduit between the faculty and administration. Tasks included a thorough review of all research centers, planning a new strategy for the school, reviewing and updating the faculty guidelines, and developing cost cutting and revenue generating initiatives.

**Kellogg School of Management, Northwestern University**

Research Computing Committee, 2002-2003

Representative at the Big 10 Doctoral Consortium, 1998-2000

Reviewed faculty applications, 1998-2004

Reviewed Ph.D. student applications, 1998-2004

**AWARDS, HONORS, AND RESEARCH GRANTS**

Nominated for the W. P. Carey Outstanding Graduate Teaching award, 2014-15.

Finalist for the W. P. Carey Outstanding Graduate Teaching award, 2013-14.

INSEAD Research and Development Grant, 22,900 Euros, 2009 (with S. Monahan and B. Segal)

INSEAD Research and Development Grant, 9,650 Euros, 2009

INSEAD Research and Development Grant, 3,500 Euros, 2008 (with S. Monahan and B. Segal)

INSEAD Research and Development Grant, 3,800 Euros, 2008 (with S. Monahan and B. Segal)

INSEAD Research and Development Grant, 7,600 Euros, 2007 (with S. Monahan and B. Segal)

INSEAD-Wharton Alliance Grant, 13,500 Euros, 2007 (with B. Cadman and M.E. Carter)

INSEAD Research and Development Grant, 6,650 Euros, 2006

Kellogg School of Management, Research Grant, $5,000, 2002

Jacobs Scholar, Kellogg School of Management, 2001-2002 (included a teaching load reduction).

1. Since Jan. 2007, I have completed 105+ referee reports, of which 92+ were for top-tier journals. [↑](#footnote-ref-1)