Michael B. Clement

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Department of Accounting
McCombs School of Business
University of Texas at Austin
Austin, TX 78712
(512)471-0332

Education:

Ph.D., Accounting, Stanford University, 1997
MBA, Finance, University of Chicago, 1988
BBA, Accounting, magna cum laude, Baruch College, 1980

Academic Experience:

Professor, Department of Accounting, University of Texas at Austin, fall 2011 to present.
Associate Professor, Department of Accounting, University of Texas at Austin, fall 2004 to spring 2011.
Assistant Professor, Department of Accounting, University of Texas at Austin, fall 1997 to spring 2002.

Other Experience:

Vice President, Global Investment Research, Goldman Sachs & Co, 2002-2004
Vice President, Capital Planning and Analysis, Citicorp, 1988-1991.
Manager, Audit Division, Citicorp, 1982-1986.
Senior Assistant Accountant, Deloitte Haskins & Sells, 1980-1982.

Professional Certification:

Certified Public Accountant, NY and NJ, 1980 (inactive)

Research Interests:

Capital market use of financial information for valuation purposes, with particular interests in management disclosures and financial analysts' earnings forecasts.

Publications:

"Understanding Analysts' Use and Under-use of Stock Returns and Other Analysts' Forecasts when Forecasting Earnings," with Jeffrey Hales (Georgia Institute of Technology) and Yanfeng Xue (George Washington University), *Journal of Accounting and Economics* 51(3)279-299 (2011)

"Sociopolitical Dynamics in Relations Between Top Managers and Security Analysts: Favor Rendering, Reciprocity, and Analyst Stock Recommendations," with James Westphal (University of Michigan), *Academy of Management Journal,* 51(5): 873–897 (2008)

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Publications (cont'd):

"The Roles of Task-Specific Experience and Innate Ability in Understanding Analyst Performance," with Lisa Koonce (University of Texas at Austin) and Thomas Lopez (University of South Carolina), *Journal of Accounting and Economics* 44(3): 378–398 (2007)

"Financial Analyst Characteristics and Herding Behavior in Forecasting," with Senyo Tse (University of Texas at Austin), *Journal of Finance,* 60(1): 307-342 (2005)

"Do Investors Respond to Analysts' Forecast Revisions as if Forecast Accuracy is all that Matters?" with Senyo Tse (University of Texas at Austin), *Accounting Review*, 78(1): 227-249 (2003).

"Confirming Management Earnings Forecasts, Earnings Uncertainty, and Stock Returns," with Richard Frankel (Massachusetts Institute of Technology) and Jeffrey Miller (University of Notre Dame), *Journal of Accounting Research*, 41(4): 653-679 (2003).

"The Influence of Culture and Corporate Governance on the Characteristics that Distinguish Superior Analysts," with Lynn Rees and Edward Swanson (Texas A&M University), *Journal of Accounting, Auditing, and Finance,* 18(4): 593-609 (2003).

"Analysts' Forecast Accuracy: Do Ability and Portfolio Complexity Matter?" *Journal of Accounting and Economics*, 27: 285-303 (1999).

"Brand Values and Capital Market Valuation," with Mary Barth, George Foster and Ron Kasznik (Stanford University), *Review of Accounting Studies,* 3: 41-68 (1998).

"Hiding in Plain Sight? Bad Earnings News Still Mostly Shows Up on Fridays and Mondays" with Mark Bagnoli and Susan Watts (Purdue University), *Investor Relations Quarterly*, 6 (2), 15-32 (2004).

Submissions:

"Hard Times Analysts," with Kelvin Law (Tilburg University)

"The Interpretive Information Content of Credit Rating Changes for Stock Investors," with Boochun Jung (University of Hawaii) and Sunny Yang (University of Texas)

"The Relative Profitability of Analysts' Stock Recommendations: What Role Does Investor Sentiment Play?" with Mark Bagnoli (Purdue University), Michael Crawley (University of Texas) and Susan Watts (Purdue University)

"Post-Earnings-Announcement Drift and Uncertainty about Future Earnings," with Joonho Lee (Singapore Management University) and Robert Freeman (University of Texas)

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Professional Publications:

"Share-based payments back in the spotlight," with Abby Joseph Cohen, Michael A. Moran, Katerina Shaustyuk, Nathan Swem, Jessica Binder, and Robert Koyfman, Goldman Sachs Investment Research, June 25, 2004

"2004 Dividend Preview: Are larger dividends around the corner?" with Abby Joseph Cohen and Katerina Shaustyuk, Goldman Sachs Investment Research, March 5, 2004

"Dividend-based investment strategies: dividend yields vs. dividend increases," with Abby Joseph Cohen and Katerina Shaustyuk, Goldman Sachs Investment Research, December 16, 2003

"Dividends and equity investing under the new tax law; focus on company performance, not dividends," with Abby Joseph Cohen, Goldman Sachs Investment Research, July 1, 2003

"Analyzing ESO and pension footnotes: A roadmap for analysts and investors," with Michael A. Moran and Abby Joseph Cohen, Goldman Sachs Investment Research, April 8, 2003

"Employee Stock Options: A Roadmap for analysts and investors," with Abby Joseph Cohen, Goldman Sachs Investment Research, December 18, 2002

Invited Presentations and Workshops:

"The Interpretive Information Content of Credit Rating Changes for Stock Investors," presented at:

- Georgia State University, December 2012
- Louisiana State University, November 2012
- University of Southern California, February 2012
- University of Mississippi, October 2011
- University of North Carolina, February 2011

"The Relative Profitability of Analysts' Stock Recommendations: What Role Does Investor Sentiment Play?"

- Purdue University, January 2009
- Baylor University, April 2009
- University of Georgia, November 2009
- Vanderbilt University, February 2010
- University of Texas at Dallas, March 2010
- George Washington University, March 2010
- Washington University in St. Louis, April 2010
- Harvard Business School, April 2010
- Singapore Management University, July 2010
- Nanyang Technical University, July 2010

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Invited Presentations and Workshops (cont'd):

"Understanding Analysts' Use and Under-use of Stock Returns and Other Analysts' Forecasts when Forecasting Earnings," presented at
- University of Virginia, November 2008
- University of Washington, April 2008
- University of Florida, January 2008

"Sociopolitical Dynamics in Relations Between Top Managers and Security Analysts: Favor Rendering, Reciprocity, and Analyst Stock Recommendations," presented at
- Academy of Management annual meeting, August 2007

"The Roles of Task-Specific Forecasting Experience and Innate Ability in Understanding Analyst Forecasting Performance," presented at
- University of Southern California, February 2007
- Oklahoma State University, December 2005

"Do Investors Care about Analysts' Characteristics that are Associated with Forecast Accuracy?" presented at
- Harvard Business School, January 2002
- Purdue University, January 2002
- Emory University, December 2001
- University of Chicago, April 2001
- Rice University, April 2001
- Duke University, March 2001
- Michigan State University, January 2001
- University of Wisconsin at Madison, December 2000

"The Association of Confirming Management Earnings Forecasts with Earnings Uncertainty and Stock Returns," presented at
- AAA Annual Meeting, August 1999
- University of Notre Dame, December 1998

"Analysts' Forecast Accuracy: Do Ability and Portfolio Complexity Matter?" presented at
- AAA Annual Meeting, August 1997
- Boston College, June 1997

Professional Presentations:

"Academic Perspectives on Analyst Forecast Accuracy," presented at
- Barclays Global Investors (San Francisco, CA), May 2003
- Goldman Sachs (New York, NY), July 2003

"Do Investors Care about Analysts' Characteristics that are Associated with Forecast Accuracy?" presented at
- Corporate Earnings Analysis Seminar (New York, NY), June, 2000
- Institute for International Research (New York, NY), December, 2000-Austin
- Society of Financial Analysts (Austin, TX), May, 2001

Professional Presentations (cont'd):

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"The Role of Management and Analyst Forecasts in the Formation of Earnings Expectations," presented at
-Corporate Earnings Analysis Seminar (New York, NY), April, 1999

Courses Taught:

ACC 380K.7 (Financial Statement Analysis)
ACC 381N (Financial Statement Analysis)
ACC 384K.19 (International Accounting Policies and Procedures)

Service on Dissertation Committees:

Michael Crawley (chaired 2010), "Macroeconomic Consequences of Accounting: The Effect of Accounting Conservatism on Macroeconomic Indicators and the Money Supply"
John Mendonca (2009), "Analyst Statements, Stockholder Reactions, And Banking Relationship: Do Analysts' Words Matter?"
Stephanie Sikes (co-chaired 2008), "Are Hedge Funds Better Informed than Other Investors?"
Robert Resutek (2008), "Intangible Growth, Accruals, and Return Reversal: A multi-Period Examination of the Accrual Anomaly"
Jennifer Winchel (2008), "When Does Negative Argumentation in Favorable Sell-Side Analyst Reports Increase Perceived Credibility?"
MinChung Kim (2008) Essays on Advertising's Impact on Firm Risk, Firm Value, and Analysts' Forecasts
Joon Lee (2007), "Is Information Uncertainty Positively or Negatively Associated with Post-Earnings-Announcement Drift?"
Nathan Sharp (chaired 2007), "SEC Regulation and the Strategic Disclosure of Accounting Restatements"
Satyajit Chandrashekar (2006), "New Perspectives on Tests of Stock Market Efficiency"
William Mayew (2006), "Answering the Call: The Causes and Consequences of Managerial Information Rationing During Earnings Conference Calls"
Haidan Li (2002), "Stock Option Compensation and Equity Valuation"
Maureen Mercer (2001), "The Credibility Consequences of Managers' Disclosure Decisions"
Jeffrey Miller (2000), "The Effects of Preannouncements on Reactions to Earnings News"

Other Service Activities:

Editorial and Advisory Review Board member, Accounting Review, 2008-2012
Editorial and Advisory Review Board member, Accounting Horizons, 2006-2012
Ad hoc reviewer the Journal of Accounting Research, Accounting Horizons, the Journal of Finance, the Review of Financial Studies and the Journal of Financial Economics, Management Science
Graduate Advisor, Department of Accounting, 2011-2012
Member, Accounting Department Executive Committee, 2004-2006, 2009-2012
Member, Faculty Council, 1999-2001, 2010-2012
Member, Men's Athletics Council, 2008-2012

Other Service Activities (cont'd):

Member, Recruitment and Retention Committee, 2010-2012
Member, Law School Dean Search Committee, 2011-2012

Member, Independent Inquiry Flag Committee, 2011-2012
Member, Council Student Life and Activities Committee, 2012
Program Co-Chair, 2009 Conference on Financial Economics and Accounting (CFEA)
Faculty Advisor, KPMG Future Diversity Leaders Program, 2006-2010
University of Texas Representative at Ph.D. Project Conference, 1996, 1997, 1999, 2004, 2005, 2007, 2008, 2009, 2010
Presentation to Accounting Career Awareness Program (re: Accounting Careers) 2003, 2005, 2006, 2007, 2008, 2011, 2012
Member, Undergraduate Program Committee, 2004-2007
Presentation to McCombs Future Executive Academy (re: Accounting Careers), 2007, 2008, 2010
Member, CBA Honors Committee, 2004-2005
Presentation to LEAD Summer Program participants, University of Texas (re: Academic Careers), 1997-2002
Faculty Advisor, MBA Christian Fellowship, University of Texas, 2000-2001, 2001-2002
Presentation to KPMG Minority Doctoral Students Conference participants (re: Publication of Thesis), Summer 1999
Presentation to American Economic Association Minority Scholarship Program participants (re: Accounting Research), University of Texas, Summer 1998
Faculty Advisor, National Students Business League, University of Texas, 1997-1998
Stanford University Representative at Ph.D. Project Conference, 1994, 1995

Honors:

Merit-based summer support, Summers 2000-2012
KPMG Faculty Fellowship in Accounting Education, 2007-2012
Winner, Ernst & Young Inclusive Excellence Award, 2009
Finalist, 2009 Academy of Management Journal Best Paper Prize (for Sociopolitical Dynamics in Relations Between Top Managers and Security Analysts: Favor Rendering, Reciprocity, and Analyst Stock Recommendations, with James Westphal)
McCombs Faculty Honor Roll, Fall 2006
CBA Foundation Research Excellence Award for Assistant Professors, 2004
BMAS Faculty Fellowship, Spring 2002
KPMG Peat Marwick Doctoral Fellowship, 1993-1996
National Black MBA Association Doctoral Fellowship, 1995-1996
National Association of Black Accountants' Scholarship, 1993-1994
PAC 10 Conference Doctoral Consortium Representative, 1992
General Electric Foundation Fellowship, 1991-1992
First Chicago Fellowship, 1986-1988
Beta Gamma Sigma, 1980, 1988
Beta Alpha Psi, 1980