Yifei Liao

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EDUCATION

PhD in Accounting
University of California, Irvine 2020 – 2025 (Expected)
Master of Finance
University of California, San Diego 2018 – 2019
Master of Power Engineering
Shanghai Jiao Tong University, China 2015 – 2018
BSc in Engineering
Northeastern University, China 2011 – 2015

RESEARCH

Research Interests

AI/ML/LLMs in Financial Accounting, Human Capital, Disclosure, Limited Attention

Job Market Paper

"Mandatory Pay Range Disclosure and Firm Information Environment"

- Committee Members: Ben Lourie (Co-chair), Terry Shevlin (Co-chair), Chenqi Zhu
- Presentations: UC Irvine (2024); Doctoral Student Faculty Interchange (2024); AAA/Deloitte Foundation/J. Michael Cook Doctoral Consortium (2024)

Publication

"Using Machine Learning to Measure Conservatism"

(with Jeremy Bertomeu, Edwige Cheynel, Mario Milone)

- Forthcoming at ***Management Science***

Working Papers

"Supply Chain Monitoring Under Limited Attention"

(with Ben Lourie, Siew Hong Teoh, and Chenqi Zhu)

- Presentations: UC Irvine (2023)

"Less is More: Lender Distraction and Workplace Safety"

(with Liang Ma and Shijun (Tonni) Xia)

- Presentations: UC Irvine (2021); University of South Carolina (2024) [*]; CAAA Annual Meeting (2024); AAA Annual Meeting (2024); AAA Spark (2024); FMA (2024)
  [*] = Presented by a coauthor
- One of six semifinalists for the **Best Paper Award** at the 2024 FMA Annual Meeting
- Ready for submission to ***Journal of Corporate Finance***

Work-in-progress

"Attention Allocation Systems"
(with Ed deHaan, Yifan Li, Ben Lourie, and Chenqi Zhu)

TEACHING

Teaching Interests:

- Data Analytics, Accounting Information Systems, Managerial Accounting, Financial Accounting

Instructor, UC Irvine

- Managerial Accounting, August 2024 (Undergraduate, ongoing)

Teaching Assistant, UC Irvine

- Data Analytics for Audit (2024)
  - rating: 4.00 out of 4.00
- Intro to Data Analytics for Accounting (2024)
  - rating: 3.91 out of 4.00
- Financial Statement Analysis (2023)
  - rating: 3.99 out of 4.00
- Intermediate Financial Accounting (2021-2023)
  - most recent rating: 3.83 out of 4.00

AWARDS & HONORS

- AAA/Deloitte/J. Michael Cook Doctoral Consortium Fellow 2024
- Wayne Bian Research Achievement ($2,000) 2024
- AAA FARS Doctoral Consortium Fellow 2023
- UC Irvine Paul Merage School of Business Doctoral Fellowship 2020 – 2024

CERTIFICATIONS & SKILLS

Programming Skills

- Python, Stata, OpenAI API, SQL, Tableau, Power BI

Language

- English (Fluent), Mandarin (Native)

Certifications

- Generative AI with (Fine-tuning) Large Language Models
- Prompt Engineering for ChatGPT
- ChatGPT Advanced Data Analysis

CONFERENCE PARTICIPATION

- 2024: AAA/Deloitte/J. Michael Cook Doctoral Consortium, UCI Accounting Mini-Conference
- 2023: AAA FARS Doctoral Consortium, CAR Machine Learning Workshop, 19th Haskell & White Academic Conference
- 2022: AAA Annual Meeting, USC CETAFE Conference, Hawaii Accounting Research Conference, Southern California Accounting Research Forum

- 2021: AAA FARS Midyear Meeting, MIT-Asian Accounting Conference, RAST Conference, USC/UCLA/UCI/UCSD Joint Conference

ABSTRACTS

"Using Machine Learning to Measure Conservatism"

- Abstract: This study proposes an approach to measure conservatism using AI or machine learning techniques that are not constrained by functional form restrictions. We extend the differential timeliness model to allow for observable characteristics related to conservatism to follow nonlinear relationships. By developing machine learning measures of conservatism, we draw attention to potential benefits and drawbacks and show how its insights complement conventional measures. Our broader goal is to investigate the effectiveness of machine learning algorithms for filtering noise in traditional archival studies and uncovering more complex empirical patterns.

"Mandatory Pay Range Disclosure and Firm Information Environment"

- Abstract: Mandatory pay range disclosures in job postings are increasingly prevalent across the United States. After such disclosures, competitors can access detailed salary data across various departments and time periods of focal firms, gaining insights into labor costs of production and making informed entry decisions. Given these conditions, this study investigates the effects of pay range disclosures on corporate voluntary disclosures and the information environment. I observe a significant decrease in proprietary information disclosures, as indicated by fewer product and customer announcements, following the implementation of pay range disclosure mandates. This relationship is particularly evident in highly competitive environments and research and development (R&D)-intensive firms. Even though firms reduce their disclosures of product and customer information, the granular salary information can still compensate for this reduction in voluntary information and enhance the corporate information environment, as evidenced by a reduction in the bid-ask spread.

"Supply Chain Monitoring Under Limited Attention"

- Abstract: This paper studies the effect of supplier distraction on supply chain monitoring, measured as pageviews on a specialized supply chain monitoring platform. Identifying supplier distraction based on attention shifts due to other buyers that experience industry shocks, we find buyers receive significantly fewer pageviews from distracted suppliers. This distraction is stronger for non-summary information, consistent with the fact that suppliers rely relatively more on summary and salient information to alleviate cognitive burden. We also find positive shocks have a stronger distraction effect than negative shocks, highlighting the difference between supply chain monitoring and other creditor monitoring. Further cross-sectional analyses show that the distraction effect is stronger when the supplier has a smaller buyer portfolio, and the relationship has a longer tenure. Finally, we find that buyers with more distracted suppliers receive less trade credit, consistent with less monitoring when suppliers are distracted. Our findings increase our understanding of the determinants and consequences of supply chain monitoring and broaden the literature on limited attention.

"Less is More: Lender Distraction and Workplace Safety"

- Abstract: We examine the effect of lender distraction on workplace safety. To identify lender distraction, we use exogenous shocks to lender attention induced by attention-grabbing events in unrelated industries in the lender's portfolio. We find that a decrease in lender attention leads to an

increase in workplace safety for borrower firms. The positive effect of lender distraction on workplace safety is more pronounced for borrowers not in financial distress and those with lower union memberships. Additionally, we explore plausible mechanisms and find that lender distraction improves workplace safety through both reducing renegotiation pressure and lowering workload. Overall, our results document an unintended yet positive effect of corporate stakeholder distraction.

REFERENCES

Ben Lourie (Co-chair)
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Chenqi Zhu
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University of California Irvine
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Terry Shevlin (Co-chair)
Professor of Accounting
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