Feedback for Project Number 16

## Title: CEO optimism and financial reporting quality / Presenter: Xiaorong Lan

**What is their topic on?**

* *Is the title consistent with the topic?* Yes, the title of the project is consistent with the topic itself. The area of research and the related procedures and results pertain to whether CEO personality in the dimension of optimism can explain the variation in financial reporting quality.
* *In other words does the title make sense for the project?* Yes, the title makes sense for the project.

**Are the objectives of the project clearly identifiable?**

* *What are they wanting to study?* The author/ presenter wants to study whether there is an association between financial reporting quality and CEO personal characteristics utilizing the CEO’s linguistic style (as this goes beyond the observable demographic traits studied in the prior literature).
* *What is the motivation of this project?* The author/ presenter notes the motivation within the background section of the presentation; prior studies have used CEO demographics to infer the influence on financial reporting quality however some have argued that this approach may lead to limited or incomplete proxies in terms of executive cognitive characteristics.
* *What does the presenter hope to accomplish with this project?* The author/ presenter hopes to identify an association between CEO optimism and financial reporting quality (one proxy used in this study).

**What data are used?**

* *What website(s) are scraped?* For CEO optimism scores, the author/ presenter extracted conference call transcripts from Nexis Uni for firm quarterly earnings calls during the sample period.
* *Are other data brought in from outside sources?* Yes. In addition to the data mentioned above from Nexis Uni, data from Compustat and Execucomp is used.
* *If so, what are they and how do they add to the project?* The Compustat and Execucomp information provides firm-specific accounting data about the CEO’s respective company (Compustat) and individual demographic details on the executive (Execucomp).

**What is your overall impression of the project?**

The author/ presenter has spent a lot of time and effort gathering the details on the prior studies and the supporting theories in this area of research. I think this is a very interesting and innovative. It is apparent that there is a knowledge gap in the literature that she is attempting to examine. Also, I do like the use of the regression plot.

**Other encouragements/critiques you would like to provide to your colleague in order for them to have a more refined project.**

For this specific project, it would have been helpful to have provided more information on the research design. I think the data collection, results and conclusion were discussed in about one minute of the 8-9 minute presentation. In particular, it would have been helpful for someone not close to the project or accounting research to have more information on the measure used for financial reporting quality (what does “ab\_disexp” represent?). Also, are there other adjustments the research design you plan to take in the future?