Jared R. Flake

j.flake@northeastern.edu | 480.340.0545 | https://jaredflake.com

EDUCATION

Boston College, Carroll School of Management *Chestnut Hill, MA*
Ph.D., Accounting Dec 2023
Dissertation Committee: Mark Bradshaw, Lian Fen Lee, and Miao Liu
Brigham Young University, Marriott School of Business *Provo, UT*
Master of Accountancy; B.S., Accounting; Minor, Economics 2018

PROFESSIONAL EXPERIENCE

Northeastern University, D'Amore-McKim School of Business *Boston, MA*
Visiting Assistant Professor 2023-Present

RESEARCH

I am broadly interested in studying the voluntary disclosures made by managers, the role of sell-side analysts, and how their interactions collectively influence firms' information environments.

Working Papers (* denotes presentation by coauthor)

1) "Why Do Managers Interact with Unfavorable Analysts during Earnings Calls?" (Job Market Paper)
   - Under review at the *Journal of Accounting Research*
   - Committee: Mark Bradshaw (Chair), Lian Fen Lee, Miao Liu
   - Presented at BYU Accounting Research Symposium 2022, AAA/Deloitte Foundation/J Michael Cook 2022 Doctoral Consortium, Boston College, 2022 Accounting PhD Rookie Camp, Indiana University, 2023 AAA Annual Meeting
2) "Predictability of Analyst Stock Recommendation Revisions" (with Mark Bradshaw and Mark Piorkowski)
   - Preparing for submission
   - Presented at BYU Accounting Research Symposium 2021, FARS Midyear Meeting 2022*, Deakin University*, CeFARR 3rd Analyst Research Conference 2022*, CUHK*, Emory University*
3) "Analysts' Role in Managerial Learning: Evidence from Analyst Activity around M&A Announcements" (with Farzana Afrin)
   - Presented at Boston College
4) "The Credibility of Complex and Evasive Answers in Conference Calls: a Real-time Market Response Approach" (with Yang Cao and Miao Liu)
   - Submitted to 2024 Financial Accounting and Reporting Section Midyear Meeting

Work in Progress

1) "Disclosure Processing and Investor Reliance on Analyst Research: Evidence from Concurrent Earnings Announcements and 10-K Filings"
   - Presented at Boston College

TEACHING

Northeastern University, D'Amore-McKim School of Business *Boston, MA*
Average rating of 4.20 out of 5.00
Financial Accounting and Reporting 2023
Managerial Accounting 2023 – 2024

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PROFESSIONAL SERVICE

Ad-Hoc Conference Reviewer: AAA Annual Meeting (2020, 2022,2023), Hawai'i Accounting Research Conference (2024)
Discussant: Boston Empirical Accounting Conference (2019)

CONFERENCE PARTICIPATION

AAA Annual Meeting	2021, 2023
Accounting PhD Rookie Camp	2022
BYU Accounting Research Symposium	2016, 2017, 2019, 2020, 2021, 2022
FARS Midyear Meeting	2021, 2022
AAA/Deloitte Foundation/J Michael Cook 2022 Doctoral Consortium	2022
Duke Accounting Theory Summer School	2022
Boston Empirical Accounting Conference	2018, 2019, 2021, 2022
FARS Doctoral Consortium	2021
BYU SAS Boot Camp	2017

OTHER TEACHING AND RESEARCH EXPERIENCE

Boston College, Carroll School of Management	*Chestnut Hill, MA*
Financial Accounting (TA, Natalie Berfeld, Ki-Soon Choi, and Ben Yost)	2022, 2023
Dive, Dissect and Decide with Big Business Data (TA, Alvis Lo)	2020, 2021, 2022
Financial Accounting Standards and Theory (TA, Lian Fen Lee)	2020, 2021
Managerial Cost Analysis (TA, Jeff Cohen)	2019
Brigham Young University, Marriott School of Business	*Provo, UT*
Research Assistant for Mike Drake	2017 – 2018
Corporate Finance for MAcc (TA, Karl Diether)	2017
Introductory Economics (TA, James Kearl)	2015

OTHER PROFESSIONAL EXPERIENCE

Polaris Industries (Treasury Intern)	2017
Platinum Dental Care (Accountant)	2016 – 2017
English3 (Accountant)	2014 – 2017
Office of Senator Jeff Flake (Congressional Intern)	2014

AWARDS/HONORS

Excellence in Reviewing Award: AAA Annual Meeting	2020

REFERENCES

Mark Bradshaw (Chair)
Professor of Accounting, Department Chair
Boston College
617-552-3831
mark.bradshaw@bc.edu

Lian Fen Lee (Committee Member)
Associate Professor of Accounting
Boston College
617-552-3780
lianfen.lee@bc.edu

Amy Hutton
Professor of Accounting
Boston College
617-552-1951
amy.hutton@bc.edu

Miao Liu
Assistant Professor of Accounting
Boston College
917-392-5887
miao.liu@bc.edu

Paper Abstracts

"Why Do Managers Interact with Unfavorable Analysts during Earnings Calls?" (Job Market Paper)

Managers prioritize questions from favorable analysts during earnings announcement conference calls, reinforcing analysts' incentives to be optimistic. However, managers also interact with unfavorable analysts on calls. I seek to understand why managers engage in these interactions by exploring the consequences. I find that unfavorable analysts attenuate their negative views after their interactions with managers. Additionally, the stock price response is stronger for forecasts from managers who regularly interact with unfavorable analysts, consistent with enhanced credibility of these managers. Finally, I use peer firm restatement announcements as exogenous shocks to investors' assessment of a firm's accounting quality, and I find that nonrestating firms with managers who regularly interact with unfavorable analysts experience attenuated negative returns, relative to other nonrestating peers. Overall my findings are consistent with managers' interactions with unfavorable analysts providing significant benefits to the firm, such as resolving analysts' concerns and increasing managers' credibility.

"Predictability of Analyst Stock Recommendation Revisions" (with Mark Bradshaw and Mark Piorkowski)

On average, analysts' stock recommendation revisions have immediate effects on stock prices. However, recent research suggests that only a small subset of recommendations are influential in the sense that they are associated with significant short-window returns. We attempt to reconcile these findings by examining the predictability of recommendation revisions. Because analysts experience frictions in frequently revising recommendations, we predict that analysts signal future revisions through changes in the tone and quantitative forecasts of sequential reiteration reports, possibly preempting market reactions to subsequent revisions. Indeed, future recommendation revisions are positively associated with the signed change in analyst report tone, the level of forecasted returns, and target price revisions. We identify reiteration recommendations but with reports that imply future revisions and show they are significantly positively associated with short-term market reactions. Upgrades preceded by implied revisions are associated with attenuated market reactions and a lower likelihood of being classified as influential, consistent with investors preempting returns to the subsequent upgrades. Our model is better at predicting upgrades than downgrades and has performance commensurate with prediction models in other settings.

"The Credibility of Complex and Evasive Answers in Conference Calls: a Real-time Market Response Approach" (with Yang Cao and Miao Liu)

We study how managers can credibly communicate complex or the absence of information during earnings calls. We match granular time-stamped earnings call conversations with high-frequency trading data, resulting in a novel dataset that enables us to examine immediate real-time market reactions to distinct linguistic features within conversations between managers and analysts. We find that improved agency considerations, characterized by higher manager ownership and lower financial distress, bolsters managers' credibility when disseminating complex information. However, these measures offer limited efficacy in conveying non-information. Conversely, establishing a transparent disclosure reputation — evidenced by more accurate management forecasts and proactively engaging with bearish analysts — proves to be a robust alternative strategy for establishing credibility in communicating both complex and absent information. Our study sheds light on strategies that managers can adopt to ensure credible communication within the dynamic context of real-time scenarios.

"Analysts' Role in Managerial Learning: Evidence from Analyst Activity around M&A Announcements" (with Farzana Afrin)

We examine the impact of sell-side analysts' research on the re-evaluation of M&A deals. We construct and use a measure of analyst tone to examine the soft information contained in a large sample of 14,000 analyst reports issued shortly after M&A deal announcements. We find that a more positive analyst tone is associated with a higher likelihood of deal completion, consistent with deal participants learning from analyst reports. Moreover, the effect is stronger when analysts have more experience covering the firms involved in the deal, and when there is greater managerial uncertainty surrounding the deal. We also find that more positive analyst reports are associated with a shorter time to deal completion. Last, we find that more positive analyst reports are associated with fewer target shareholder activist campaigns opposing the deal, consistent with target shareholders learning from analyst reports. Overall, our findings suggest that key decision-makers learn about the merits of the deal from analysts.