

Michael B. Clement

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McCombs School of Business
University of Texas at Austin
Austin, TX 78712
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Education:

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

Academic Experience:

Department Chair, Department of Accounting, University of Texas at Austin, fall 2018 - present.
Professor, Department of Accounting, University of Texas at Austin, fall 2011 - present.
Associate Professor, Department of Accounting, University of Texas at Austin, fall 2004 - spring 2011.
Assistant Professor, Department of Accounting, University of Texas at Austin, fall 1997 - spring 2002.

Other Experience:

Audit Committee Chair and Board Member, New York Mortgage Trust, 2016 - present
Independent Trustee, the Equitable funds complex, 2019 - present
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 (inactive)

Research Interests:

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

Publications:

“A New Perspective on Post-Earnings-Announcement-Drift: Using a Relative Drift Measure” with Joonho Lee (California State Polytechnic University) and Kevin Ow Yong (Singapore Management University), revise and resubmit, *Journal of Business Finance and Accounting*, Forthcoming, Accepted June 2019

“Managing the Narrative: Investor Relations Officers and Their Interactions with Sell-Side Analysts and Institutional Investors” with Lawrence D. Brown (Temple University), Andrew C. Call (Arizona State University) and Nathan Y. Sharp (Texas A&M University), *Journal of Accounting and Economics*, 2019, vol. 67, issue 1

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Publications (cont'd):

- “The Activities of Buy-Side Analysts and the Determinants of Their Stock Recommendations,” with Lawrence D. Brown (Temple University), Andrew C. Call (Arizona State University) and Nathan Y. Sharp (Texas A&M University), *Journal of Accounting and Economics*, 2016, vol. 62, issue 1
- “Inside the “Black Box” of Sell-Side Financial Analysts,” with Lawrence D. Brown (Temple University), Andrew C. Call (Arizona State University) and Nathan Y. Sharp (Texas A&M University), *Journal of Accounting Research* 53 (1) 1-47 (2015)
- “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)
- "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).

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Submissions:

“Labor Market Dynamics and Analyst Ability” with Kelvin Law (Tilburg University), September 2018

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:

“Managing the Narrative: Investor Relations Officers and Their Interactions with Sell-Side Analysts and Institutional Investors” presented at:

- Rutgers University, April 2018
- University of Maryland, December 2017
- University of Miami, November, 2017
- Nanyang Technical University, August 2017
- Florida International University, April 2017

“Skin in the Game: The Inputs and Incentives that Shape Buy-Side Analysts’ Stock Recommendations,” presented at:

- Penn State University Accounting Research Conference, April 2016
- University of Connecticut, April 2016
- University of Pennsylvania, December 2015

“Inside the “Black Box” of Sell-Side Financial Analysts,” presented at:

- Georgetown University, May 2014
- Tulane University, January 2014
- Indiana University, November 2013

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Invited Presentations and Workshops (cont'd):

“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?”

- Temple University, April 2014
- Nanyang Technical University, July 2010
- Singapore Management University, July 2010
- Washington University in St. Louis, April 2010
- Harvard Business School, April 2010
- University of Texas at Dallas, March 2010
- George Washington University, March 2010
- Vanderbilt University, February 2010
- University of Georgia, November 2009
- Baylor University, April 2009
- Purdue University, January 2009

“The Relative Profitability of Analysts’ Stock Recommendations: What Role Does
Investor Sentiment Play?”

“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

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Invited Presentations and Workshops (cont'd):

“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

- Austin -Society of Financial Analysts (Austin, TX), May, 2001
- Institute for International Research (New York, NY), December, 2000
- Corporate Earnings Analysis Seminar (New York, NY), June, 2000

"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 327 (Financial Statement Analysis)
- ACC 381N (Financial Statement Analysis)
- ACC 384K.19 (International Accounting Policies and Procedures)

Service on Dissertation Committees:

Colin Koutney (2018), “Do Analysts Improve on Managers’ Voluntary ETR Forecasts?”
Parth Venkat (2017), “The Effect of Mergers on Human Capital: Evidence from Sell-Side Analysts”

Daehyun Kim (chaired 2016), Board Classification and Shareholder Value: Evidence from Corporate Law Amendments

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Service on Dissertation Committees (cont'd):

- Kathleen Powers (co-chaired 2016), “Managing earnings through tax expense: How effective are monitors and governance mechanisms at constraining last-chance earnings management?”
- Nathan Swem (2016), “Information in Financial Markets: Who Gets It First?”
- Brent Cantrell (2013), “Bank Managerial Ability and Accounting: Do Better Managers Report Higher Quality Loan Loss Reserves and Fair Values?”
- Brent Loa (2013), “Does Earnings Guidance Contribute to Investor Short-Termism?”
- 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:

- Ad hoc reviewer the Journal of Accounting Research, Accounting Horizons, Contemporary Accounting Research, the Journal of Finance, the Review of Financial Studies, the Review of Accounting Studies and the Journal of Financial Economics, Management Science
- University of Texas Representative at Ph.D. Project Conference, 1996, 1997, 1999, 2004, 2005, 2007-2011, 2013, 2017-2020
- Presenter, DYNAMC High School Accounting Program 2003, 2005-2008, 2011-2013, 2015-2019
- Editorial and Advisory Review Board member, Accounting Horizons, 2006-2019
- Editorial and Advisory Review Board member, Accounting Review, 2008-2020
- Member, Men’s Athletics Council, 2008-2020
- Member, Recruitment and Retention Committee, 2010-2013, 2016-2020
- Faculty Athletics Representative to the NCAA 2013-2020

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Other Service Activities (cont'd):

Member, Council for Racial and Ethnic Equity and Diversity, 2015-2020
Member, Student Athletes and Activities Committee, 2016-2020
Member, BBA Accounting Program Committee, 2016-2020
Departmental Minority Liaison Officer, 2004-2020
Member, AICPA National Commission on Diversity and Inclusion 2019-20
Member, Center for Audit Quality Working Group on CPA Licensure Accessibility and Affordability 2019-2020
Member, Deloitte Foundation Wildman Award Committee, 2018
Member, AAA Deloitte Foundation Wildman Award Committee 2017-2018
Member, Senior Vice Provost for Academic Affairs Search Committee, 2016
Graduate Advisor, Department of Accounting, 2011-2016
Member, Provost Search Faculty Forum, 2015
Member, Presidential Search Faculty Forum, 2015
Member, Council Student Life and Activities Committee, 2012-2014
Member, Independent Inquiry Flag Committee, 2011-2014
Executive Committee Member, Conference on Financial Economics and Accounting (CFEA), 2006-2014
Member, Athletics Director Search Committee, 2013
Member, Head Football Coach Search Committee, 2013
Member, Accounting Department Executive Committee, 2004-2006, 2009-2013
Member, Law School Dean Search Committee, 2011-2012
Member, Faculty Council, 1999-2001, 2010-2012
Presentation to McCombs Future Executive Academy (re: Accounting Careers), 2007, 2008, 2010
Faculty Advisor, KPMG Future Diversity Leaders Program, 2006-2010
Member, Undergraduate Program Committee, 2004-2007
Program Co-Chair, 2009 Conference on Financial Economics and Accounting (CFEA)
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 2000-2020
KPMG Centennial Professor of Accounting 2014-2020
Winner, FARS Best Paper within Last Five Years (Inside the 'Black Box' of Sell-Side Financial Analysts) 2018
Finalist, FARS Midyear Meeting Best Paper Award (Skin in the Game: The Inputs and Incentives that Shape Buy-Side Analysts' Stock Recommendations) 2015
Finalist, FARS Midyear Meeting Best Paper Award (Inside the "Black Box" of Sell-Side Financial Analysts) 2014
KPMG Faculty Fellowship in Accounting Education, 2007-2014

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Honors (cont'd):

Winner, Ernst & Young Inclusive Excellence Award, 2009
Finalist, Academy of Management Journal Best Paper Prize (Sociopolitical Dynamics in Relations Between Top Managers and Security Analysts: Favor Rendering, Reciprocity, and Analyst Stock Recommendations) 2009
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