



FACULTEIT ECONOMIE EN BEDRIJFSKUNDE

Course outline Academic Project for Accountancy & Control

Period 2, 2020-2021

1 Information about the course

1.1 Goals of the course

Good writing skills are essential for every student who aspires to become a master student at the UvA. Writing assignments require you to demonstrate your command of various skills: reading skills, research skills, analytical skills and argumentative skills. In the master you will do your own research and you have to be able to report about your research in line with the academic standards that are required in academia. The aim of this course is to make you acquainted with these academic standards and develop your writing skills to such an extent that you are very likely to succeed in the master when you have to write your thesis.

This course will be a challenge: writing is never an easy task and although there should be some overlap with the reports or thesis you had to write for your previous education, there will also be some differences. These differences are mainly related to the sorts of questions that are considered relevant at a university; the writing style you should employ; the types of sources that we consider acceptable to use and how you are to refer to your sources.

At the end of this course you should be able to write a literature review for which you are able to find academic sources and you are able to use these academic sources. You are able to analyse the academic literature you read and you can argue your position based on this analysis. You will produce a report in which you demonstrate your ability to structure the literature and to present it in a clear and concise manner to the reader.

1.2 Workload of the course and literature

The work load for this course is 5 ECTS. This equal to a 140 hours of study divided over seven weeks. You will have six weeks of classes: in week 1 -3 you will have two two-hour seminars and in week 4-6 one two-hour seminar.

Literature

Karreman, B., Werner, G., Van der Molen, H., Ossewijer, E., Ackermann, M., Schmidt, H., & Van der Wal, E. (2016). *Academic writing for Economics and Business Administration*. Amsterdam: Boom

1.3 Contact

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Teachers

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2 Structure and programme of the course

	Activities & topics in class	
Week	Class 1	Class 2
1	<ul style="list-style-type: none"> a) Introduction course <ul style="list-style-type: none"> a. Previous experiences b. Goal b) What is an academic text <ul style="list-style-type: none"> a. What is a discussion? c) What is academic literature? d) Searching for literature <p>Read: Chapter 1 <i>Academic writing for Economics and Business Administration</i></p>	<ul style="list-style-type: none"> a) Checking the literature they found b) Discussion c) Structure of the Introduction
2	<ul style="list-style-type: none"> a) Theoretical Framework <ul style="list-style-type: none"> a. Relationship RQ & TF b. Structure b) Relationship Criteria -RQ & TF c) Criteria <p>Read chapter 3 <i>Academic writing for Economics and Business Administration</i></p>	<ul style="list-style-type: none"> a) Check whether the criteria are useful b) Cohesion c) Paraphrase d) Referencing <p>Read chapter 6 <i>Academic writing for Economics and Business Administration</i></p> <p>Watch video on referencing</p>
3	<ul style="list-style-type: none"> a) Academic Style <p>Read chapter 8 & 9 <i>Academic writing for Economics and Business Administration</i></p>	<ul style="list-style-type: none"> a) What constitutes proof? (Argumentation) b) How to structure the evaluation <p>Read chapter 7 <i>Academic writing for Economics and Business Administration</i></p> <p>Hand in assignment 1: section 1 – 2 and 3 Friday 13 November before 23.59</p>

4	a) Text plan argumentation b) Word order and punctuation
5	a) Feedback assignment 1 b) Conclusion
6	Recap Academic style, punctuation and referencing Read chapter 10 <i>Academic writing for Economics and Business Administration</i>
7	11 December before 10 am: hand in assignment 2

Description of the assignments, the rules and the

3.1 Description of the assignments

During this course you will write a literature review on a topic related to accountancy or control. The text will be written in two steps: in assignment 1 you will write the first three sections. You will receive feedback on this first assignment which should be incorporated in assignment 2 in which, besides the revision of the first three sections, you will write and evaluation and conclusion. The word count is 3000 words (10% deviation allowed, title and reference list are excluded from the word count). The topics you can choose from are given below.

Financial Accounting

1: Financial Accounting Scandals

Recently, the large accounting scandal of Wirecard in Germany raised the question how it is possible that large accounting scandals keep recurring. As a result, auditors faced renewed scrutiny from regulators, investors and the general public for big changes in the profession. However, research evidence on the effectiveness of these changes in preventing new scandals suggest that there is a permanent risk for scandals. What is driving this risk? We need more understanding of the economic determinants and consequences of this permanent risk of accounting scandals, as well as new ways to prevent future scandals.

Camfferman and Wielhouwer (2019) define financial reporting scandals as those financial reporting failures that, despite the general inevitability of such failures, occasion surprise and indignation in society at large, prompting the question: ‘how could this happen?’ Review the most common determinants for accounting scandals and provide a clear regulatory framework for preventing future scandals.

Literature suggestions:

Ball, R. (2009). Market and political/regulatory perspectives on the recent accounting scandals. *Journal of Accounting Research*, 47(2), 277–323.
<http://doi.org/10.1111/j.1475-679X.2009.00325.x>

Camfferman, K., & Wielhouwer, J. L. (2019). 21st century scandals: towards a risk approach to financial reporting scandals. *Accounting and Business Research*, 49(5), 503–535. <http://doi.org/10.1080/00014788.2019.1614267>

2: Fair Value measurement for long-lived assets

Due to the Corona crisis, real estate companies that rent out offices and retail locations face a dramatic drop in revenues from these real estate investments. Unibail-Rodamco is one of the real estate firms facing this reality. The company is a global real estate developer, with a listing on the Amsterdam Stock Exchange since 1983. Among the properties it operates is the Westfield Mall of the Netherlands, the largest shopping mall of the country. At the end of 2019, the company had Investment Properties with a reported fair value €6bn euro, and total assets of almost €14 billion. However, since the beginning of the Corona-crisis, restriction applied to offices and retail building. As a result, the total market value of shares of Unibail-Rodamco (UAW) on the Amsterdam Stock Exchange was only €5.4 billion by September 2020.

Accounting measurement, in particular fair value measurement, remains a difficult topic. There are differences in opinion whether using fair values for long lived assets such as real estate is optimal. For instance, this is allowed under International Financial Reporting Standards (IFRS), but not under U.S. GAAP. How does the Corona-lockdown and reopening of its properties affect the fair value of its assets? How does the firm calculate the recoverable amount in times of crisis? What is the risk of a Going-Concern Opinion by its auditor? Do the firm's creditor face risk of default?

In this assignment, you are asked to review the literature on accounting measurement and fair value accounting. Critically assess if the use of fair value in time of crisis is optimal.

Literature suggestions:

De George, E. T., Li, X., & Shivakumar, L. (2016). A review of the IFRS adoption literature. *Review of Accounting Studies*, 21(3), 898–1004. <http://doi.org/10.1007/s11142-016-9363-1>

Sellhorn, T., & Stier, C. (2019). Fair Value Measurement for Long-Lived Operating Assets: Research Evidence. *European Accounting Review*, 28(3), 573–603. <http://doi.org/10.1080/09638180.2018.1511816>

Management Accounting

3. Fair value/true costing

Companies can use several costing methods, each with its own (dis)advantages. Well-known costing methods which are used in companies include direct costing, full costing and activity based costing. In literature, there is a discussion as to whether firms should include all costs (including environmental and social costs, such as use of water and clean air) in the costs allocated to products or services. This practice is referred to as full cost accounting, true costing, or true pricing. In practice, firms like ABN Amro provide insights in the true price of products (see e.g. <https://www.abnamro.com/en/about-abnamro/in-society/sustainability/sustainable-better-world/true-price/index.html>).

Proponents claim that the inclusion of environmental and social costs provides firms with the 'right' information to make long-term decisions. Opponents suggest that the firm's objective should be to make a profit and deliver dividends to shareholders; it should not be concerned with societal demands, other than legal boundaries.

In this assignment, you are asked to review the literature on management accounting measurement of social and environmental costs. Critically assess if the current cost accounting methods are optimal in current times, where corporate social responsibility (CSR) is (or should be?) important for companies and society.

Literature suggestions:

Figge, F., & Hahn, T. (2013). Value drivers of corporate eco-efficiency: Management accounting information for the efficient use of environmental resources. *Management Accounting Research*, 24(4), 387-400.

Henri, J. F., Boiral, O., & Roy, M. J. (2016). Strategic cost management and performance: The case of environmental costs. *The British Accounting Review*, 48(2), 269-282.

Joshi, S., & Li, Y. (2016). What is corporate sustainability and how do firms practice it? A management accounting research perspective. *Journal of Management Accounting Research*, 28(2), 1-11.

Soderstrom, K.M., Soderstrom, N.S. and Stewart, C.R. (2017). Sustainability/CSR Research in Management Accounting: A Review of the Literature. *Advances in Management Accounting*, Vol. 28, Emerald Publishing Limited, pp. 59-85. <https://doi.org/10.1108/S1474-787120170000028003>

4. Planning, budgeting and forecasting

Planning, budgeting and forecasting are an essential part of management. Most companies use planning and budgeting systems in order to set annual targets for managers in the firm. However, budgeting has been criticized by several authors in the literature: it fixes targets, and takes a lot of time and money. Firms have started to experiment with 'beyond budgeting': a practices that works with more flexible budgets. Alternatively, firms use monthly forecasts to provide short-term planning schedules internally.

In this assignment, you are asked to review the literature on planning, budgeting and forecasting. Critically assess if the current budgeting practices are optimal in times of crisis, where agility is important for most companies.

Literature:

Becker, S. D., Mahlendorf, M. D., Schäffer, U., & Thaten, M. (2016). Budgeting in times of economic crisis. *Contemporary Accounting Research*, 33(4), 1489-1517.

Henttu-Aho, T., & Järvinen, J. (2013). A field study of the emerging practice of beyond budgeting in industrial companies: an institutional perspective. *European Accounting Review*, 22(4), 765-785.

Hansen, S. C. (2011). A theoretical analysis of the impact of adopting rolling budgets, activity-based budgeting and beyond budgeting. *European Accounting Review*, 20(2), 289-319. (note for students: focus on the discussion of the models in each section, not on the mathematics in the paper)

Libby, Theresa, R. Murray Lindsay, 2010. Beyond budgeting or budgeting reconsidered? A survey of North-American budgeting practice. *Management Accounting Research*, 21(1), 56-75.

Assignment 1: Introduction, Theoretical Framework and Criteria (and reference list)

You will write your assignment on one of the topics described above. For this first assignment you will write the introduction, Theoretical Framework and Criteria section. In the introduction you will have to explain why the research question you pose in your assignment is relevant. A question is relevant if academics debate about this issue and disagree with each other. This could entail that they either disagree on what the problem or cause of the problem is or they disagree on what the solution to the problem should be. Use the articles mentioned in the assignment to search other articles that offer a different perspective on the issue. In the introduction you will contrast these articles and your research question should logically follow from this contrast. Bear in mind that the question given in the assignment is still quite broad and you will have to narrow it down. Next you will describe briefly your research method and in the last paragraphs you will describe the structure of your paper.

In section 2 you will write the theoretical framework. This section should be structured in the following way: first you will describe the relevant concepts of your research question. Next you will explain the relationship between these concepts, e.g. why X causes Y. You will discuss the various aspects researchers studied in the past. Bear in mind that a theoretical framework is not “a bunch” of summaries. You have to make clear to the reader how these studies are related to each other, e.g. does study A contradict study B, or does it offer a more nuanced perspective, add a new perspective etc. This discussion should make clear which aspects are important in the evaluation.

In section 3 you will describe the criteria. The criteria should be based on the aspects mentioned in the theoretical framework. Which aspects are relevant and how should they be defined? To give you an example: if some authors pointed out that objectivity of the auditor is vital for a reliable financial report, then it should be clear how objectivity should be measured. In your criteria it should become clear under which circumstances the criteria are met. What are signs that the auditor is objective? You

should not confuse this with arguing whether the auditor is objective. This is something you will do in the next section (part of assignment 2).

Assignment 1 will be handed in on 13 November before 23.59 on Canvas. After this deadline, assignments will no longer be graded. Please bear in mind that it can take several minutes to upload the assignment, so please do not wait to upload it until the very last moment. The word count for assignment 1 is approximately 1800 words.

Criteria

- In your paper you should use at least 6 academic sources. Academic sources are articles published in peer reviewed journals. Newspapers, professional journals etc. do not count as a source.
- Your paper has a short and informative title.
- Write your name and student number below the title.
- Every section should have a header and a header number in bold.
- Use Times New Roman 12.
- Line spacing: 1.5
- Indent a new paragraph.
- At the end of the paper you should include the reference list. The reference list should be in line with chapter 6 of *Academic Writing for Economics and Business Administration*.
- Write down the word count after the last section (this is not the reference list).

Assignment 2 Full report

In assignment 2 you incorporate the feedback you received on assignment 1 and you add the last two sections: the evaluation and the conclusion. The evaluation section will be divided into subsections. Per criterion you should evaluate whether studies show that the criteria are met. You should not repeat section 2; the point of section 4 is that you show that you are able to analyse the literature and you should explain why authors drew different conclusions. This will be explained during class. In section 5, the conclusion, you should summarise your findings and answer your research question. You will end your conclusion with the limitations of your study and one or more questions for future research.

Assignment 2 will be handed in on 11 December before 10 am on Canvas. After this deadline, assignments will no longer be graded. Please bear in mind that it can take several minutes to upload the assignment, so please do not wait to upload it until the very last moment. The word count for assignment 2 is approximately 3000 words (10% deviation allowed, title and reference list not included).

Criteria

- In your paper you should use at least 10 academic sources. Academic sources are articles published in peer reviewed journals. Newspapers, professional journals etc. do not count as a source.
- Your paper has a short and informative title.
- Write your name and student number below the title.
- Every section should have a header and a header number in bold.
- Use Times New Roman 12.
- Line spacing: 1.5
- Indent a new paragraph.

- At the end of the paper you should include the reference list. The reference list should be in line with chapter 6 of *Academic Writing for Economics and Business Administration*.
- Write down the word count after the conclusion.

3.2 Requirements

- 1) Assignments 1 and 2 should be written in English.
- 2) Assignment 2 will only be assessed if assignment 1 has been handed in before the deadline of 13 November 23.59.
- 3) Students who took the course in previous years are not allowed to hand in old assignments; they will have to write a new text.
- 4) Plagiarism and fraud will not be tolerated. It is not allowed to copy texts from others without crediting the source. This applies especially to using the assignments from students of previous years: you are neither allowed to use parts of their assignments nor to use their text as an example on which you base your own assignment. Serious cases of plagiarism will be sent to the Examinations Board. If the Examination Board agrees with the coordinator that you plagiarised, you will be excluded from the course which means that you cannot complete the course this year and you cannot start the master in February or September.

4 Rules concerning the attendance and the assessment of the assignments

4.1 Attendance

- 1) You are expected to attend all seminars. Bear in mind that teachers do not provide extra help and support to students who do not attend class. Only in case of serious personal circumstances that prevent you from attending class will your teacher be prepared to offer support. In case of personal circumstances that prevent you to attend the seminars you should contact the study advisers. Personal circumstances are e.g. serious illness or serious family circumstances.
- 2) In case of conflict with your teacher you can contact the coordinator of the course. You can also contact the coordinator for complaints, suggestions or questions.

4.2 Rules concerning the assessments of the assignments.

- 1) Assignment 1 counts for 40% of your final grade; assignment 2 counts for 60% of the final grade.
- 2) To pass the course you will need to obtain a mark 5,50 or higher for assignment 2 and the final grade for the course should be at least a 6 (rounded off)
- 3) In case the average grade for assignments 1 and 2 is below 6, students have the right to do a re-sit. This grade will replace the grades obtained for both assignment 1 and 2. The re-sit will consist of re-writing the final assignment, and therefore the maximum grade that can be obtained for the re-sit is a 6.
- 4) The re-sit has to be handed in on Tuesday 12 January before 9 am.