

Samuel T. Tan

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EDUCATION

- 2018 *exp.* PhD Business Administration, University of California, Berkeley (*in progress*)
 ▶ Dissertation Chair: Patricia Dechow
- 2015 MS Business Administration, University of California, Berkeley
- 2013 MSc Statistics, National University of Singapore
- 2011 Bachelor of Accountancy & BSc Economics, Singapore Management University

SELECTED RESEARCH

"Accounting Choices and the Legal Environment: the Impact of the *Ex Post* Loss Rule". Job market paper. Currently revising to incorporate very much appreciated feedback and suggestions.

- ▶ *Summary*: I use a Supreme Court case as a natural experiment to examine the impact of a fundamental feature of the legal environment—the *ex post* loss rule—on accounting choices.
- ▶ *Presentations*: AAA/Deloitte/J. Michael Cook Doctoral Consortium, AAA Annual Meeting, AAA Western Region Meeting, CMU Accounting Mini Conference, Conference on Empirical Legal Studies, Trans-Atlantic Doctoral Conference, USC brown bag seminar.

"How Do Accounting Practices Spread? An Examination of Law Firm Networks and Stock Option Backdating", with Patricia Dechow. Preparing for resubmission to *The Accounting Review*.

- ▶ *Summary*: Using a dataset of law firm-client relationships, we find evidence that stock option backdating spread between companies via law firms.
- ▶ *Presentations*: AAA Western Region Meeting Doctoral Student/Faculty Interchange.

"SEC-Affiliated Lawyers and Corporate Disclosures", with Michael Shen (Michigan State University). Analysis complete and manuscript in preparation for conference submissions.

- ▶ *Summary*: We use a hand-collected database of lawyers to examine concerns by advocacy groups and the SEC that SEC employees may continue to influence the agency after leaving.

Other Research in Progress

"The Dynamics of Analysts' Post-IPO Recommendations", with Margaret Fong & Panos Patatoukas

"SEC Investigation Disclosures", with Margaret Fong

EXTERNAL GRANT

- 2016 Gil Geis Memorial PhD Scholarship, awarded by the Institute for Fraud Prevention for a proposal that led to my job market paper (\$10,000 over several milestones).

SELECTED HONORS AND AWARDS

- 2018 *exp.* AAA FARS Doctoral Consortium fellow (*scheduled*)
- 2017 AAA/Deloitte/J. Michael Cook Doctoral Consortium fellow
AAA FARS Excellence in Reviewing & Outstanding Discussion Awards
CMU Emerging Scholar Award finalist

INVITED CONFERENCE AND CONSORTIUM PRESENTATIONS

- 2017 Conference on Empirical Legal Studies, Ithaca; CMU Accounting Mini Conference, Pittsburgh; AAA Annual Meeting, San Diego; AAA/Deloitte/J. Michael Cook Doctoral Consortium, Westlake; Trans-Atlantic Doctoral Conference, London; AAA Western Region Meeting, San Francisco.
- 2016 AAA Western Region Meeting Doctoral Student/Faculty Interchange, Seattle.
- Before 2016 Strategic Management Society Annual Conference, Atlanta; Canadian Council for Small Business & Entrepreneurship Conference, Halifax; 8th International Symposium on Empirical Accounting Research, Beijing.

SERVICE

Ad Hoc Journal Referee

Journal of Accounting Education, Management Science, Review of Accounting Studies

Selected Conference Service

- 2017 Trans-Atlantic Doctoral Conference discussant; AAA Western Region referee and discussant; AAA FARS referee, discussant, and moderator
- 2015 AAA Annual Meeting referee; AAA Western Region referee

Selected University Service

- 2015–2017 AAER database team member, Haas School of Business
- 2015–2016 Social events coordinator, Haas School of Business PhD Program
- 2014, 2016 Instructor, Berkeley Business Academy for Youth
- 2011 Alumni mentor, Singapore Management University
- 2009–2010 Admissions interviewer, Singapore Management University School of Accountancy

TEACHING

Financial Information Analysis, UC Berkeley

- Evening & Weekend MBA, Spring 2017 & Spring 2018 (*scheduled*): Reader for Panos Patatoukas
- Undergraduate, Fall 2015 & Fall 2016: Graduate Student Instructor for Patricia Dechow

Introduction to Financial Accounting, UC Berkeley

- Evening & Weekend MBA, Spring 2016: Reader for Sunil Dutta
- Undergraduate, Fall 2014: Graduate Student Instructor for John Briginshaw

Ethics and Social Responsibility, Singapore Management University

- Undergraduate, 2010–2011: Teaching Assistant for John J. Williams

PROFESSIONAL AND MILITARY EXPERIENCE

- 2008 Intern, Ernst & Young, Beijing
- 2006–2013 Part-time staff member, Tecman Holdings, Singapore
- 2003–2006 Combat signaler, full-time National Service, Singapore

OTHER INTERESTS

Long-distance running, hiking, music

"Accounting Choices and the Legal Environment: the Impact of the Ex Post Loss Rule"

Using a landmark Supreme Court decision as a natural experiment, I examine the impact of a fundamental requirement in securities litigation—the *ex post* loss rule—on income-decreasing accounting choices. *Dura Pharmaceuticals v. Broudo* (2005) established that plaintiffs must show that the alleged misrepresentations caused an actual economic loss. The case resolved a circuit split, allowing me to identify a treatment jurisdiction affected by *Dura*, and control jurisdictions in which the rule was already the prevailing legal standard. Motivated by legal analyses suggesting that *Dura* incentivizes firms to withhold or delay negative corrections, I hypothesize and find that treatment firms in high-litigation industries became more likely to delay write-downs and avoid income-decreasing accrual error reversals at the firm level after *Dura*, relative to matched control firms. This study sheds light on the relationship between securities law and accounting practices, and informs policy makers on the accounting impact of a key feature of the legal environment.

"How Do Accounting Practices Spread? An Examination of Law Firm Networks and Stock Option Backdating" (with Patricia Dechow)

We hypothesize that one way accounting practices spread is through law firm connections. We investigate this prediction by examining companies that avoided reporting compensation expense by engaging in stock option backdating. We hypothesize that executives engaged in backdating because they were desensitized to its inappropriateness when they learned through their legal counsel that other companies were engaging in this practice. Using network analysis, we document that backdating companies are more highly connected with other backdating companies via shared law firms. Further, logistic regressions indicate that the likelihood that a company backdates is 57 to 271 percent higher when its law firm has had another client that backdated. We find that sharing a law firm is incremental to and more economically significant than the impact of board interlocks and geographical location for explaining backdating. Our evidence is consistent with law firms acting as “system supporters” in enabling executives to engage in backdating.

"SEC-Affiliated Lawyers and Corporate Disclosures" (with Michael Shen)

Government officials, advocacy groups, and the business press have raised concerns that former SEC employees may continue to have an influence on the SEC after leaving the agency. Using a hand-collected database of the characteristics of individual lawyers that represent firms in responding to SEC comment letters, we examine the impact of individual lawyers on the comment letter process. We document significant differences between lawyers and law firms in their clients’ resistance to SEC comment letters, and we find that differences between individual lawyers have more explanatory power than differences between individual law firms. After matching on lawyer, comment letter, and firm characteristics, we find evidence that involving SEC-affiliated lawyers in comment letter conversations is associated with less timely resolution, more conversation rounds, and fewer financial statement amendments. However, we find no statistical evidence that SEC affiliation is associated with long-term post-comment letter outcomes, namely future comment letter conversations, restatements, and litigation.