



Séminaires décembre 2013

Séminaire Finance,
Salle J 323, 11h 00

13 décembre 2013 : **Paul SMEETS**, (*Université de Maastricht*) : "How social preferences influence financial decisions" ?

Séminaire Comptabilité-Contrôle,
Salle J 323, 11h 00

18 décembre 2013 : **Denis CORMIER** (*Université de Québec à Montréal*): "Financial Reporting Frauds: A Manifestation of Hubris in the C-Suite? Some Exploratory Evidence"

Abstract: In this paper, we investigate if and how a firm's managerial, governance and market oversight attributes relate with a propensity to financial misreporting. Our sample comprises both firms for which there was a regulatory allegation of financial misreporting accompanied by fines as well as firms matched on industry and size with no evidence of misreporting. Our findings suggest that proxies for managerial hubris (active mergers and acquisitions strategy, complex corporate structure, top-

rated managers) fed by fawning media and financial analysts, may be a potential driver of financial misreporting. At an individual level, hubris is characterized by exaggerated selfconfidence, arrogance and oblivion to reality. In contrast, governance and market oversight processes do not seem to have been effective in detecting or preventing financial misreporting, with independent boards of directors proving especially ineffectual. Our findings suggest that formal processes may get coopted by a managerial (C-) suite culture that houses hubristic tendencies.