

Propositions (Stellingen)

- I. Ownership structure is a key corporate governance characteristic of corporations. Concentrated ownership could create agency problems for minority shareholders and affect key corporate finance decisions, such as dividend payout policy.
(Chapter 2 of this dissertation)

- II. Investors at large cannot count on companies to always act optimally or have their interests in mind. Dominant owners could wield significant influence on firms and their interests may well differ from those of the other shareholders. Their incentives are therefore an important consideration in making an investment decision, especially during difficult times.
(Chapter 2 of this dissertation)

- III. Unconditional conservatism results from a predetermined accounting process; conditional conservatism is ultimately a measure of judgment.
(Chapter 3 of this dissertation)

- IV. Despite the constant development of (international) financial reporting standards and increasing adoption by companies, there is still much variation in terms of reporting behavior and quality across the world.
(Chapter 4 of this dissertation)

- V. The legal institution and regulatory framework of a country play a role in determining the extent to which firms domiciled in that country exercise conservatism in their financial reporting.
(Chapter 4 of this dissertation)

- VI. Forecasts may tell you a great deal about the forecaster; they tell you nothing about the future.¹

¹ Quote attributable to Warren Buffett

- VII. Financial reporting – to a varying but no small extent – reflects professional judgment exercised by management, accountants, auditors and regulators. Analysts should therefore look beyond the numbers and consider the qualitative factors (personal, behavioral, cultural, etc.) as well as the environments in which they operate. It is no surprise then that great investors are known not only to possess a brilliant mind but also to be a good judge of character.
- VIII. In finance, there may not be the right answer but there are always plenty of wrong ones.
- IX. Following a rigorous scientific process is oftentimes more important than obtaining the desired outcomes.
- X. When you have something to say, silence is a lie.²
- XI. Unreported regression result: When the quality of research is regressed on the number of years spent on the PhD, the coefficient is highly positive and statistically significant at the 0.01 level.

² Taken from “12 Rules for Life: An Antidote to Chaos” by Jordan B. Peterson (2018), Random House Canada