



Archival Data Analysis

Course objective and motivation

The objective of this course is to provide participants with a better understanding, both conceptual and practical, of a wide range of econometric tools and procedures that are relevant to accounting research. The course should be of interest to anyone who intends to apply quantitative research methods in a broad range of accounting research (financial, managerial, auditing, ESG/sustainability, etc.).

After successfully completing introductory econometrics courses, many academics often need more practical knowledge and experience to be able to apply the concepts to accounting research settings. For example, although many well-trained academics are familiar with the theoretical notion of “endogeneity” and are aware of the econometric methods that are available to deal with this issue, such knowledge is typically helpful only when we truly understand the nature of our data, the underlying problem that we aim to solve, and the boundaries of the methods in addressing the problem.

Using a variety of recent academic papers and example datasets in Stata, this course is designed to help participants better (i) appreciate the relevance of textbook econometric methods for accounting research, (ii) understand how (not) to apply these methods in accounting research, and, perhaps most importantly, (iii) understand and recognize the limitations of these methods. Along the way, we will also explore the benefits of simulation analyses, which often help to make the common econometric problems, and the potential solutions, more salient and easier to understand.

Course planning

Day 1: Wednesday Oct. 14, 2026

Day 2: Thursday Oct. 15, 2026

Day 3: Friday Oct. 16, 2026

Day 4: Monday Oct. 19, 2026

Day 5: Tuesday Oct. 20, 2026

Course setup

This is an intensive and interactive course. I typically introduce the main problems and methods using the relevant literature, datasets, and simulations. Participants then present assigned papers from the reading list (the assignment of papers takes place a

few weeks before the course starts). To facilitate the discussion and learning experience, all participants are expected to have a recent version of Stata installed on their laptops when participating in the course. A separate guide to using Stata for empirical accounting research can be found here: <https://github.com/dveenman/stataguide>.

There are no formal entry requirements for this course in terms of background knowledge. However, participants are highly recommended to have passed at least one introductory econometrics course and to have a basic understanding of the different types of archival data commonly encountered in quantitative accounting research. Without this background knowledge, the learning experience may be less effective. Basic prior experience with Stata and do-files would be helpful as well, but is not required.

As part of the guidelines of the Limperg Institute, the course consists of parts “A” and “B”. The course itself will form “Part B”. “Part A” consists of an assignment that should be submitted before the start of the course. All participants are expected to complete this assignment in order to satisfy the entry requirement for participation in the course week. The assignment details and information on the deadline will be distributed separately from this course outline.

All sessions will be held on campus at the Amsterdam Business School of the University of Amsterdam, Plantage Muidergracht 12. Each day, I plan to start at 9:30 and finish around 17:30. However, note that these are rough indications of the time needed and we might occasionally need more (or less) time, so please ensure you are available from 9:00–18:00 every day. When you are not available to participate on one of the days, you cannot participate in the course.

Course assessment

Successful completion of this course is determined by both a sufficient assessment of the pre-course assignment (“Part A”) and successful participation in the course week itself (“Part B”). More formally, the assessment will be structured as follows:

1. Pre-course assignment: 40% (must be sufficient for entry into course)
2. Assigned paper presentation(s): 30%
3. Participation and contribution to class discussion: 30%

All participants are expected to have carefully read all required material before the start of the course. Also note that the course assessment will not be based on participants’ end-level of knowledge and skills, but rather based on the demonstration of effort in enhancing their knowledge and skills.

Setup of paper presentations

Presentations should be prepared to last approximately 20 minutes without interruption (maximum of 20 slides). To facilitate discussion, however, each presenter will have a time slot of about 60 minutes. All other participants are expected to prepare and ask questions during the presentation.

Because these papers were chosen for their use or discussion of a specific research method, the emphasis of the presentation should primarily be on the empirical part of the paper. Of course, it is also important to understand the setting and concepts examined in a

specific paper, but the description of the prior related literature and institutional setting should receive somewhat lower weights in the presentation (please email me if you have further questions on this).

Detailed overview of topics and study material

Below you can find the details about the required reading material for each day and topic. A selection of papers, marked by an asterisk (*), will be assigned to participants for presentation a few weeks before the start of the course.

Day 1: Endogeneity and controlling for confounding factors

We start with a general introduction and review of the fundamental assumptions underlying the estimation of linear regression models using ordinary least squares (OLS). Following this discussion we will focus on the reasons, and methods available, to “control for” confounding factors in accounting research settings. Doing so, we will also discuss and illustrate the difference between observable and unobservable confounding factors.

Required reading material:

Roberts and Whited [2012]: Chapters 1-2
Gow, Larcker, and Reiss [2016]: Sections 1-3
* Whited, Swanquist, Shipman, and Moon [2022]
* Chen, Hribar, and Melessa [2018]

Day 2: Matching, instrumental variables, and selection models

We continue our discussion on controlling for confounding factors by reviewing the “potential outcomes” framework for causal inference. We do so by moving the discussion to methods that control for confounding factors based on matching (propensity-score matching and entropy balancing) and discuss their benefits and drawbacks. We will also focus on the difference between, and complementarities of, matching and regression. In the second part of the day, we focus on the use of instrumental variables and selection models in accounting research.

Required reading material (matching):

Roberts and Whited [2012]: Chapter 6
* Armstrong, Ittner, and Larcker [2012]
DeFond, Erkens, and Zhang [2016]
Leung and Veenman [2018]: Sections 4.2 and 5.2 only
* Shipman, Swanquist, and Whited [2017]
* McMullin and Schonberger [2022]

Required reading material (instrumental variables):

Roberts and Whited [2012]: Chapter 3
* Larcker and Rusticus [2010]
Lennox, Francis, and Wang [2012]

Day 3: Fixed effects and difference-in-differences estimation

We continue our discussion on confounding effects by focusing on fixed effects. Fixed effects are useful to control for unobservable confounding effects when we can assume that these effects are constant within a specified group of observations. The discussion of this topic will be illustrated by simulations and a hands-on replication exercise. We next move to the use of difference-in-differences estimations as another tool that can be used to control for confounding effects, and which is often combined with fixed effects. We also focus on the benefits and drawbacks of a special type of difference-in-differences design called “staggered” difference-in-differences and the role and limitations of parallel (pre-trend) tests.

Required reading material (fixed effects):

Roberts and Whited [2012]: Chapter 7
Christensen, Hail, and Leuz [2013]
Gormley and Matsa [2014]
* Breuer and deHaan [2024]
* Jennings, Kim, Lee, and Taylor [2024]

Required reading material (difference-in-differences):

Roberts and Whited [2012]: Chapter 4
Armstrong, Glaeser, and Huang [2022]
* Baker, Larcker, and Wang [2022]
* Hribar, McInnis, and Wang [2026]

Day 4: Standard errors

While the previous sessions focused on the violation of the exogeneity assumption underlying OLS, which explains the need to control for confounding factors, we now focus on an OLS assumption that relates to the distribution and independence of regression errors. Understanding this assumption and its violations is essential for the calculation of the precision of our regression estimates. While the focus will be on the understanding and estimation of cluster-robust standard errors, we will also discuss the usefulness and application of bootstrapping methods for the estimation of standard errors.

Required reading material:

* Bertrand, Duflo, and Mullainathan [2004]
* Petersen [2009]
Gow, Ormazabal, and Taylor [2010]
Chen, Hribar, and Melessa [2023]

Day 5: Regression discontinuity design, scaling, and outliers

On the final day, we will discuss some more specific topics. A regression discontinuity design (RDD) is a special form of an instrumental variable design. We will discuss how RDDs are implemented in accounting research and focus on their intricacies and pitfalls. We finish with an evaluation of the need and methods available to treat outliers in archival research, which brings us back to the fundamental assumptions underlying OLS and highlights the importance of understanding the nature and distributional properties of our data.

Required reading material (regression discontinuity design):

Roberts and Whited [2012]: Chapter 5

* Iliev [2010]

* Tan [2013]

Required reading material (outliers and estimation precision):

* Leone, Minutti-Meza, and Wasley [2019]

* Gassen and Veenman [2026]

Credits

6 ECTS (European Credits)

References

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