Chongho Kim

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EDUCATION

The Wharton School, University of Pennsylvania
Ph.D. in Accounting, 2020 (expected)

The McCombs School of Business, The University of Texas at Austin
Master in Professional Accounting, 2014

Seoul National University
Bachelor in Business Administration, 2013

RESEARCH INTERESTS

Disclosure, Spillover Effects, Financial Reporting Regulation

JOB MARKET PAPER

"Spillover Effects of Financial Reporting on Public Firms' Corporate Investment"
Committee: Christopher Armstrong (co-chair), Paul Fischer (co-chair), Wayne Guay, and Richard Lambert

WORKING PAPERS

"Analyst Priors and Forecast Efficiency," with Christopher Armstrong and Frank Zhou

"Disagreement about Fundamentals: Measurement and Consequences," with Paul Fischer and Frank Zhou

"How Forward Looking are Short-term Disclosure Decisions?" with Mirko Heinle, Daniel Taylor, and Frank Zhou

RESEARCH PRESENTATIONS

2019: Deloitte Doctoral Consortium; AAA Annual Meeting;
CMU Accounting Mini Conference (Emerging Scholar Session); The Wharton School;
WUSTL Annual Accounting Research Conference (PhD Poster Session);
Wharton-INSEAD Doctoral Consortium;
Accounting PhD Rookie Recruiting and Research Camp (planned)
2018: AAA Mid-Atlantic Region Meeting; The Wharton School
2017: Wharton-INSEAD Doctoral Consortium; The Wharton School
2016: The Wharton School

DISCUSSIONS

Discussion of "Real Effects of Accounting for Leases," 2019 AAA Annual Meeting

Conference And Seminar Participations

2019: Wharton Spring Accounting Conference; Wharton Theory Boot Camp;
Junior Accounting Theory Conference; JAE Conference (planned)
2018: Wharton Spring Accounting Conference; Cornell Financial Reporting Mini-Camp;
Wharton Theory Boot Camp; Junior Accounting Theory Conference;
AAA Annual Meeting
2017: FARS Midyear Meeting; Wharton Spring Accounting Conference;
Mitsui Center Summer School on Structural Estimation in Corporate Finance;
Finance Theory Group Summer School; JAE Conference
2016: Wharton Spring Accounting Conference; RAST Conference
2014: UT Austin Spring Accounting Conference

Ad Hoc Reviewer

Journal of Accounting and Economics; *Review of Accounting Studies*;
AAA Annual Meeting (2019); FARS Midyear Meeting (2019; 2020)

Teaching Experience

Instructor
- The Wharton School, University of Pennsylvania
  - Principles of Accounting (undergraduate), 2017
    - (Instructor Rating 2.95/4; Course Average Rating 2.6/4)

Teaching Assistant
- The Wharton School, University of Pennsylvania
  - Fundamentals of Financial and Managerial Accounting (Executive MBA), 2018
  - Managerial Accounting (undergraduate), 2016
  - Principles of Accounting (undergraduate), 2016
- The McCombs School of Business, The University of Texas at Austin
  - Financial Statement Analysis (MBA), 2014
  - Fundamentals of Financial Accounting (undergraduate), 2013

Honors and Awards

Carnegie Mellon Accounting Mini Conference Emerging Scholar, 2019
AAA/Deloitte Foundation/J. Michael Cook Doctoral Consortium Fellowship, 2019
AAA/FARS Doctoral Consortium Fellowship, 2017
The Wharton School Fellowship for Doctoral Studies, 2015 – Present
Elijah Watt Sells Award, 2015
PricewaterhouseCoopers Accounting Scholarship, 2008

Membership

American Accounting Association (AAA)

Professional Experience and Certification

Certified Public Accountant, Massachusetts (inactive)

Certified Public Accountant, Republic of Korea (inactive)

PricewaterhouseCoopers, Boston, Massachusetts
Associate Accountant, *Tax*, 2014-2015

Republic of Korea Army, Daegu, Republic of Korea
Infantry Sergeant, 2010-2012

PricewaterhouseCoopers, Seoul, Republic of Korea
Associate Accountant, *Assurance*, 2008-2010

References

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RESEARCH ABSTRACTS

Job Market Paper

"Spillover Effects of Financial Reporting on Public Firms' Corporate Investment"

- Presented at: Deloitte Doctoral Consortium (2019), CMU Accounting Mini Conference (Emerging Scholar Session) (2019), WUSTL Annual Accounting Research Conference (PhD Poster Session) (2019), Wharton-INSEAD Doctoral Consortium (2019), and the University of Pennsylvania (2019)
- Abstract: I examine whether public firms' financial reporting has spillover effects on the amount and efficiency of *other* public firms' investment and quantify the relative importance of these indirect *spillover* effects vis-à-vis the *direct* effects due to firms' own financial reporting. Spillover effects are important for understanding (i) how financial reporting affects corporate investment, which is fundamental for generating firm value and macroeconomic growth, and (ii) whether positive externalities are a meaningful economic justification for financial reporting regulation. The primary empirical challenge for studying spillovers is that every public firm not only discloses its own financial report, but also simultaneously benefits from spillovers from other firms' financial reports, making it difficult to disentangle the observed combination of direct and spillover effects. I overcome this challenge by structurally estimating a model that links firms' financial reporting and investment, which I use to decompose the effect of financial reporting into its direct and spillover components. I examine the effect of financial reporting on aggregate output from the public corporate sector's investment, which combines the effects on both the amount and efficiency of investment, and estimate that a significant portion—roughly half of the total effect of financial reporting and a quarter of the marginal effect of an incremental change in financial reporting precision—is due to spillover effects. This evidence suggests that spillovers constitute a meaningful benefit of financial reporting for a wide range of public firms.

Working Papers

"Analyst Priors and Forecast Efficiency," with Christopher Armstrong and Frank Zhou

- Presented at: Wharton-INSEAD Doctoral Consortium (2017), AAA Mid-Atlantic Region Meeting (2018), and AAA Annual Meeting (2019)
- Abstract: The analyst forecast literature generally adopts the framework of pure Bayes estimation in which analysts use new information to update their exogenously-specified priors to form their earnings forecast. This literature focuses almost exclusively on analysts' use of information but has paid little attention to their priors. We adopt an alternative framework of empirical Bayes estimation and focus on how analysts form their priors and related implications for examining their forecast errors. Under empirical Bayes estimation, each analyst forms a single empirical prior from information available for all firms in the analyst's portfolio and apply it to form all the forecasts. This single empirical prior—though unable to reflect the differences in firm-specific true priors—can achieve *constrained efficiency* at the portfolio level by aggregating all of the analyst's information when the analyst has uncertainty about true priors. Consistent with this—at least partial—reliance on a single empirical prior, we find that analysts bias their forecasts downwards (upwards) when the firm likely has a higher (lower) prior mean and that they underreact (overreact) to information when the firm

likely has a higher (lower) prior variance. If analysts form their forecasts jointly across all firms they follow rather than individually—as do most prior studies assume—then the analyst, rather than the analyst-firm is the appropriate unit of analysis. That is, forecasts that are seemingly inefficient at the firm level from a pure Bayes perspective instead reflect constrained efficiency at the portfolio level from an empirical Bayes perspective, which accommodates the more realistic assumption that analysts have uncertainty about true priors.

"Disagreement about Fundamentals: Measurement and Consequences," with Paul Fischer and Frank Zhou

- Presented at: Bauer Accounting Research Symposium (2019)*, Wharton Spring Accounting Conference (2019)*, Colorado Summer Accounting Research Conference (2019)*, Pennsylvania State University (2019)*, and the University of Miami (2019)*
- Abstract: We propose a measure of disagreement (i.e., differences of opinion as opposed to information asymmetry) based on analyst earnings forecasts. Our measure relies on the notion that when analysts agree, the law of iterated expectations applies and a regression of an analyst's forecast on the previous forecast issued by another analyst should produce a slope coefficient of one. Using existing metrics reflecting belief dispersion, we provide evidence that generally validates our measure. Finally, we employ our measure to test for associations between disagreement and expected returns predicted by antecedent theoretical studies, which suggest that disagreement can influence expected returns by altering investor perceptions of uncertainty. Consistent with disagreement increasing perceptions of priced uncertainty on average, we document a positive association between disagreement and expected returns.

"How Forward Looking are Short-term Disclosure Decisions?" with Mirko Heinle, Daniel Taylor, and Frank Zhou

- Presented at: MIT (2018)* and the University of Chicago (2018)*
- Abstract: Several recent empirical papers assert that earnings forecasts that are disclosed shortly before the actual earnings announcement reveal only short-term information and are therefore unlikely to entail proprietary costs. Using a simple dynamic model of voluntary disclosure, we show that the *decision to disclose* a short-term forecast contains information about long-term future performance. We test the predictions of the model empirically and find that the decision to disclose a short-term earnings forecast predicts earnings three years beyond the forecast period; that the predictive ability of the disclosure decision is incremental to short-term earnings; and that the predictive ability of the disclosure decision is greater when short-term performance is poor and managers have long horizons. Our analysis suggests that—despite its short horizon—a short-term earnings forecast contains significant information about long-term performance and thus can entail significant proprietary costs

* indicates presentation by co-author