

# Kenneth J. Merkley

Conrad Prebys Professor of Accounting  
Kelley School of Business  
Indiana University

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5155 Hodge Hall  
Kelley School of Business  
Indiana University  
Bloomington, IN 47405

Email: kenmerk@iu.edu  
Office Phone: (812) 855-2655

## ACADEMIC EXPERIENCE

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*Indiana University, Kelley School of Business*

Conrad Prebys Professor of Accounting (2022 – Present)

Weimer Faculty Fellow (2020 – 2022)

Associate Professor (2018 – 2022)

*Cornell University, Samuel Curtis Johnson Graduate School of Management*

Barry and Ann Ridings Sesquicentennial Fellow (2011 – 2016)

Assistant Professor (2011 – 2018)

*University of Michigan, Ross School of Business*

Research Assistant (2006 – 2011)

Instructor (2013 – 2014)

## EDUCATION

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Ph.D.	University of Michigan ( <i>Business Administration – Accounting</i> )	2011
M.Acc	Brigham Young University ( <i>Accounting, High Distinction</i> )	2006
B.S.	Brigham Young University ( <i>Accounting, Summa Cum Laude</i> )	2006

## RESEARCH INTERESTS

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Financial reporting, corporate disclosure, information intermediaries, fintech, and the role of information in capital markets.

## PEER REVIEWED PUBLICATIONS

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“The Effect of Annual Report Readability on Analyst Following and the Properties of Their Earnings Forecasts” [2011] (with Reuven Lehavy and Feng Li), *The Accounting Review*, 86(3): 1087-1115.

“Do Managers use Earnings Guidance to Influence Street Earnings Exclusion?” [2011] (with Ted Christensen, Jenny Tucker, and Shankar Venkataraman), *Review of Accounting Studies*, 16(3): 501-527.

“Detailed Management Earnings Forecasts: Do Analysts Listen?” [2013] (with Linda Bamber and Ted Christensen), *Review of Accounting Studies*, 18(2): 479-521.

“Narrative Disclosure and Earnings Performance: Evidence from R&D Disclosures” [2014], *The Accounting Review*, 89(2): 725-757.

“Does the scope of sell-side analyst industry matter? An examination of bias, accuracy and information content of analyst reports” [2017] (with Roni Michaely and Joseph Pacelli), *Journal of Finance*, 72(3): 1285-1334.

“Audit Personnel Salaries and Audit Quality” [2018] (with Jeff Hoopes, Joseph Pacelli, and Joseph Schroeder), *Review of Accounting Studies*, 23(3): 1096-1136.

“Securities Law Expertise and Corporate Disclosure” [2019] (with Preeti Choudhary and Zahn Bozanic), *The Accounting Review*, 94(4): 141-172.

“Auditors’ Quantitative Materiality Judgments: Properties and Implications for Financial Reporting Reliability” [2019] (with Preeti Choudhary and Katherine Schipper), *Journal of Accounting Research*, 57(5): 1303-1351.

“When Are Firms Sued For Qualitative Disclosures? Implications of the Safe Harbor for Forward-Looking Statements” [2020] (with Richard Cazier and John Treu), *The Accounting Review*, 95 (1): 31-55.

“Cultural Diversity on Wall Street: Evidence from Consensus Earnings Forecast” [2020] (with Roni Michaely and Joseph Pacelli) *Journal of Accounting and Economics*, 101330.

“The Genesis of Voluntary Disclosure: An Analysis of Firms’ First Earnings Guidance” [2021] (with Kris Allee, Ted Christensen, and Bryan Graden), *Management Science*, 67(3): 1914-1938.

“Does FOIA Foil the SEC’s Intent to Keep Investigations Confidential?” [2021] (with Braiden Coleman, Brian Miller, and Joseph Pacelli), *Management Science*, 67(6): 3321-3984.

“Immaterial Error Corrections and Financial Reporting Reliability” [2021] (with Preeti Choudhary and Katherine Schipper), *Contemporary Accounting Research*, 38(4): 2423-2460.

“Through the Eyes of the Founder: CEO Characteristics and Firms’ Regulatory Filings” [2022] (with Brad Hendricks and Mark Lang), *Journal of Business, Finance and Accounting*, 49(3-4): 383-422.

“Response to the FASB Invitation to Comment: Identifiable Intangible Assets and Subsequent Accounting for Goodwill” [2022] (with Elizabeth Blankespoor, Nerissa Brown, Shana Clor-Proell, Elizabeth Gordon, Mahendra Gujarathi, Elaine Henry, Steve Stubben, and Brian White), *Accounting Horizons*, 36(3):1-19.

“Human Versus Machine: A Comparison of Robo-Analyst and Traditional Research Analyst Investment Recommendations” [2022] (with Braiden Coleman and Joseph Pacelli), *The Accounting Review*, 97(5): 221-244.

“The Cost of Waiving Audit Adjustments” [2022] (with Preeti Choudhary and Katherine Schipper), *Journal of Accounting Research*, 60(5): 1813-1857.

“Internal Control Weaknesses and the Demand for Financial Skills: Evidence from U.S. Job Postings” [2023] (with Janet Gao, Joseph Pacelli, and Joseph Schroeder), *The Accounting Review*, 98(3): 203-228.

“Government Guarantees and Banks’ Income Smoothing” [2023] (with Manuela Dantas and Felipe Silva), *Journal of Financial Services Research*, 63: 123-173.

“The Joint Effects of Litigation Risk and Regulation on Non-GAAP Reporting” [2024] (with Richard Cazier, Ted Christensen, and John Treu), *Journal of Business Finance and Accounting*, 51(3-4): 783-818.

“The Paradox of Innovation Non-Disclosure: Evidence from Licensing Contracts” [2024] (with Gaurav Kankanhalli and Alan Kwan), *American Economic Journal: Applied Economics*, 16(4): 220-56.

“Crypto-Influencers” [2024] (with Joseph Pacelli, Mark Piorkowski, and Brian Williams), *Review of Accounting Studies*, 29: 2254-2297.

“Common Media Holding Companies and the Uniqueness of Business Press Content” [2025] (with Joseph Pacelli, Flora Sun, and Brady Twedt), *The Accounting Review*, 100(1): 381-405.

“Customers’ Response to Firms’ Disclosure of Social Stances: Evidence from Voting Reform Laws” [2025] (with Hengda Jin, Anish Sharma, and Karen Ton), *Review of Accounting Studies*, 30, 202-246.

## **WORKING PAPERS**

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“Disclosure benchmarking by lawyers: evidence from the IPO setting” (with Michael Drake, Jeff McMullin, Chase Potter, and John Treu). Under third round submission at the *Journal of Business Finance and Accounting*.

“Cryptocurrency Creation and SEC Enforcement Actions” (with Antonis Kartapanis and Brian Williams).

“Fundamentals in Cryptocurrency Valuation: Evidence from DeFi Markets” (with Simon Harré, Brian Miller, and Brian Williams).

“Expert Networks as Information Intermediaries in Private Markets” (with Betty Liu, Joseph Pacelli, and David Volant).

## **COMMENT LETTERS**

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“Response to the FASB Invitation to Comment: Identifiable Intangible Assets and Subsequent Accounting for Goodwill (Ref. No. 2019-720)” (with E. Blankespoor, N. Brown (principal co-author), S. Clor-Proell (principal co-author), E. Gordon, M. Gujarathi, K. Merkley, P. Munter, S. Stubben (principal co-author), and B. White (principal co-author)).

“Response to the FASB Exposure Draft: Accounting for Convertible Instruments and Contracts in an Entity’s Own Equity (Ref. No. 2019-730)” (with E. Blankespoor, N. Brown, S. Clor-Proell (principal co-author), E. Gordon, M. Gujarathi, K. Merkley, P. Munter, S. Stubben, and B. White (principal co-author)).

“Response to the IFRS Exposure Draft ED/2019/7 General Presentation and Disclosures” (with E. Blankespoor, N. Brown (principal co-author), S. Clor-Proell (principal co-author), E. Gordon, M.

Gujarathi, E. Henry (principal co-author), K. Merkley (principal co-author), S. Stubben (principal co-author), and B. White).

## **MEDIA MENTIONS**

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“News Media Conglomeration and Financial Markets” The Academic Minute, Apr. 25, 2025.

“Crypto-Influencers Give Poor Investment Advice — and the SEC is Taking Notice” Oxford Business Law Blog, Nov. 22, 2023.

“When Celebrity ‘Crypto-Influencers’ Rake in Cash, Investors Lose Big” Harvard Business School Working Knowledge, Apr. 7, 2023.

“What Matters for Audit Quality” The Voice of Corporate Governance (The Council of Institutional Investors), Apr. 15, 2021.

“Why Corporate Management Waivers of Misstatements Identified by Their Auditors Are a Cost to Investors” The Voice of Corporate Governance (The Council of Institutional Investors), Nov. 5, 2020.

“Listen to Your Auditor or Pay the Price Later” The Audit Blog / Dan Goelzer, October 5, 2020.

“New Research Examines When Managers Waive Misstatements Identified By Their Auditors” Forbes, August 3, 2020.

“Out of Balance: Do Analysts Issue Sell Recommendations to Manage their Recommendation Distributions?” The FinReg Blog (Duke Law Global Financial Markets Center), June 15, 2020.

“Stock-Picking Robots Take on Humans in New Study” The Wall Street Journal, May 3, 2020.

“Beating Human Biases with Robo-analysts” Investment Innovation Institute, April 23, 2020.

“Does FOIA Foil the SEC’s Intent to Keep Investigations Confidential?” The FinReg Blog (Duke Law Global Financial Markets Center), March 24, 2020.

“Do stock-pickers have a future?” (recorded) BBC World Service, Business Daily, March 3, 2020.

“Robots outperform humans on investment picks, study finds” (live) Yahoo Finance InTV, Feb. 21, 2020.

“Studies show robots outwit humans on investment picks” (live) CNBC’s Power Lunch, Feb. 19, 2020.

“Robot Analysts Outwit Humans on Investment Picks, Study Shows” Bloomberg, Feb. 11, 2020. (Syndicated on Drudge Report, Business Insider, Finextra, Fintech Insight, Investment News, Society of CPAs, Newsbreak, Daily Mail, Seattle Times, Japan Times, Enterprise AI, and Institutional Money)

“Comparing Robo-Analyst and Human Research Analyst Investment Recommendations” Machine Lawyering (CUHK Law), Feb. 3, 2020

“Man versus Machine: A Comparison of Robo-Analyst and Traditional Research Analyst Investment Recommendations” The Columbia Law School Blue Sky Blog, Jan. 31, 2020

“Shh! Companies Are Fixing Accounting Errors Quietly” The Wall Street Journal, Dec. 5, 2019

“How Do Auditors Determine What’s Material?” The Columbia Law School Blue Sky Blog, Oct. 2, 2019

“Materiality and Financial Reporting Reliability” The Voice of Corporate Governance (The Council of Institutional Investors), Aug. 13, 2019.

“Higher Pay for Auditors Leads to Fewer Restatements” CFO.com, April 27, 2017

Literature Review: “Qualitative Characteristics of Financial Reporting Errors Deemed Immaterial by Managers” Audit Analytics Blog, Nov. 17, 2016.

“On the Role of Companies’ External Securities Law Advisors – Facilitators or Gatekeepers?” The Columbia Law School Blue Sky Blog, Oct. 29, 2015

“Firms and Earnings Guidance” The Harvard Law School Forum on Corporate Governance and Financial Regulation, Sept. 14, 2015

“Future of work: Adapt to technology or be left behind” Asia Business One, July 19, 2015.

“Can You Tell the Difference Between a Robot and Stock Analyst?” The Wall Street Journal, July 9, 2015.

“Narrative Disclosure and Earnings Performance” The Harvard Law School Forum on Corporate Governance and Financial Regulation, Feb. 17, 2012

“Analysts Err When Firms Muddy the Waters” CNBC Stock Blog, April 18, 2011

“Stumped by the Gobbledygook in Company Reports? So Are the Pros.” Reuters, Jun. 3, 2011

## **REGULATORY MENTIONS**

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“Reopening of Comment Period for Listing Standards for Recovery of Erroneously Awarded Compensation”, SEC Rule Proposal (Release No. 33-10998; 34-93311; IC-34399; File No. S7-12-15), Oct. 21, 2021.

“Qualifications of Accountants”, SEC Final Rule (No. 33-10876; 34-90210; FR-88; IA-5613; IC-34052; File No. S7-26-19), Dec. 12, 2020.

“Who Watches the Watchers? Joint Statement on Auditor Independence Amendments”, U.S. Securities and Exchange Commission (Commissioners Allison Herren Lee and Caroline A. Crenshaw), Oct. 16, 2020.

“Statement on Amendments to Registered Debt Disclosure Rules” U.S. Securities and Exchange Commission (Commissioner Allison Herren Lee), Mar. 2, 2020.

Supplemental Comments, File No. S7-22-19: Amendments to Exemptions from the Proxy Rules for Proxy Voting Advice, Minerva Analytics Ltd, Feb. 22, 2020 (SEC Comment Letter).

## **INVITED PRESENTATIONS**

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2025 UTD-SMU Accounting Research Conference (Scheduled)  
University of Illinois Arthur R. Wyatt Young Scholars Research Symposium (Discussant)

2024 Northeastern University  
Hong Kong University of Science and Technology  
University of Michigan, Kapnick Accounting Spring Conference

- Chinese University of Hong Kong
- 2023 Boston College  
Cornell University  
University of Texas at Arlington  
Kellogg Accounting Conference (Discussant)
- 2022 Bayes Business School  
Penn State Accounting Conference  
University of Toronto
- 2021 Egyptian Accounting Seminar  
Syracuse University  
Kent State University  
University of Texas at Austin  
University of Calgary  
Temple University
- 2020 Financial Accounting Reporting Section Midyear Meeting  
University of Kansas  
Penn State Accounting Conference (cancelled due to COVID-19)  
Harvard Business School IMO Conference (cancelled due to COVID-19)  
Madrid International Accounting Symposium (cancelled due to COVID-19)  
Hebrew University Finance and Accounting Conference (cancelled due to COVID-19)  
CETAFE Conference at Cornell University (cancelled due to COVID-19)
- 2019 University of Missouri  
Erasmus University Rotterdam  
Financial Accounting Reporting Section Midyear Meeting
- 2018 Brigham Young University Accounting Research Symposium  
Conference on Financial Economics and Accounting  
Financial Accounting Reporting Section Midyear Meeting  
Indiana University  
University of Arizona  
University of Georgia  
University of Iowa
- 2017 Dartmouth College Accounting Conference  
Financial Accounting Reporting Section Midyear Meeting  
Singapore Management University  
University of Michigan, Kapnick Accounting Spring Conference  
University of Minnesota
- 2016 Cornell University Accounting Summer Mini Camp  
Financial Accounting Reporting Section Midyear Meeting (Discussant)  
Idaho State University  
London Business School  
Syracuse University  
University of Rochester  
Washington University in St. Louis

- Yale University Summer Conference
- 2015 Duke University  
Financial Accounting Reporting Section Midyear Meeting (Discussant)
- 2014 Dartmouth College Accounting Conference  
Financial Accounting Reporting Section Midyear Meeting  
University of Wisconsin
- 2013 Dartmouth College Accounting Conference  
New York Accounting and Finance Forum
- 2012 Cornell University
- 2011 Cornell University  
Emory University  
Georgetown University  
Ohio State University  
Pennsylvania State University  
Northwestern University  
Southern Methodist University  
University of California, Berkeley  
Washington University in St. Louis
- 2010 University of Michigan  
American Accounting Association Annual Meeting  
Brigham Young University Accounting Research Symposium

## **TEACHING EXPERIENCE**

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- Indiana University (Kelley School of Business)  
Intermediate Accounting I  
Financial Reporting I (Online / EdX)  
PhD Seminar – Capital Markets  
Executive Education (CFO Accounting Professional Certificate)
- Cornell University (Samuel Curtis Johnson Graduate School of Management)  
Financial Statement Analysis  
Advanced Financial Statement Analysis  
PhD Seminar – Corporate Disclosure Research
- University of Michigan (Ross School of Business)  
Intermediate Financial Accounting
- Brigham Young University (Marriott School of Management)  
Principles of Accounting

## **PROFESSIONAL EXPERIENCE**

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- Accounting Consultant, FrontPoint Quantitative Fund (2005 – 2006)

## **JOURNAL EDITORIAL AND REVIEWING ACTIVITIES**

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<i>Editor:</i>	Journal of Business Finance and Accounting (2020 – Present)
<i>Editorial Board:</i>	The Accounting Review (2014 – Present)
<i>Ad Hoc Reviewer:</i>	The Journal of Accounting Research The Journal of Accounting and Economics The Journal of Finance Review of Financial Studies Management Science Review of Accounting Studies Contemporary Accounting Research Accounting, Organizations, and Society Accounting Horizons

## **HONORS AND AWARDS**

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American Accounting Association/Deloitte Wildman Medal (2024)  
Kelley Accounting Department Rising Leader Award (2023-2024)  
Outstanding Reviewer Award (*The Accounting Review*), 2023  
Conrad Prebys Professorship, 2022 – Present  
Arthur M. Weimer Faculty Fellowship, 2020 – 2022  
Kelley School of Business Research Award 2021  
Indiana University Trustee Teaching Award (Recipient 2021; Finalist 2018)  
Johnson (Cornell) Teaching Honor Roll, 2012 – 2016  
Barry and Ann Ridings Sesquicentennial Fellow, Cornell University, 2011-2016  
Named to Top 40 Business School Professors Under 40 List, Poets & Quants, 2014  
Half Century Faculty Research Fellowship, Cornell University, 2012  
Spivey/Hall Fellowship Recipient, University of Michigan, 2010  
Close Award Recipient, University of Michigan, 2009  
Paton Accounting Fellowship, University of Michigan, 2006 – 2010  
Ross School of Business Fellowship, University of Michigan, 2006 – 2010  
Summa Cum Laude, Brigham Young University, 2006

## **DOCTORAL DISSERTATION COMMITTEES**

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Katie Daugherty (Accounting), 2026 (expected), Committee Member  
Brittani Jackson (Accounting), 2025, Committee Member  
Kyu Ree Kim (Marketing), 2024, Examination Committee Chair  
Flora Sun (Accounting), 2024, Committee Chair  
Anish Sharma (Accounting), 2023, Committee Member  
Yuxiang Zheng, University of British Columbia (Accounting), External Examiner  
Ben Lee, Indiana University (Marketing), 2022, Examination Committee Member



Braiden Coleman, Indiana University (Accounting), 2022, Committee Member  
Chao Kang, Cornell University (Accounting), 2021, Committee Member  
Chase Potter, Washington University in St. Louis (Accounting), 2019, External Member  
Manuela Dantas, Cornell University (Accounting), 2019, Committee Member  
Felipe Silva, Cornell University (Accounting), 2018, Committee Member

#### **EXTERNAL SERVICE ACTIVITIES**

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Financial Accounting Reporting Section Steering Board Member (2023 – Present)  
International Association for Accounting Education & Research (Faculty Mentor 2022 – 2024)  
Financial Accounting Reporting Section Best Paper Committee (2020 – 2021)  
Financial Accounting Reporting Section Reporting Policy Committee (2017 – 2020)  
FASB Financial Reporting Issues Conference (Chair 2024; Committee Member 2018, 2021-2023)  
AAA Section Liaison for FARS Section  
Ad hoc referee for the AAA annual meetings  
Ad hoc referee for the Financial Accounting Reporting Section midyear meetings  
Ad hoc referee for the Audit Section midyear meetings  
Ad hoc referee for the Conference on Financial Economics and Accounting  
Reviewer for the Conference on Emerging Technologies in Accounting and Financial Economics  
Reviewer for the Research Grants Council of Hong Kong  
Financial Management & Accounting Research Conference (Scientific Committee 2023– Present)

#### **INDIANA UNIVERSITY SERVICE ACTIVITIES**

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Accounting Department Undergraduate Curriculum Committee (Chair 2021 – 2024)  
Kelley School NTT Faculty Review Committee (Chair 2023 – 2024; Member 2022 – 2023)  
Stryker CFO Accounting Profession Certificate Program Lead (2023 – Present)  
Accounting Department Media Group (Member 2023 – Present)  
Kelley School Undergraduate Program Policy Committee (Member, 2021 – 2022; 2023 – Present)  
Kelley School Accounting Doctoral Program Committee (Member 2020 – 2023)  
Accounting Senior Faculty Recruiting (Co-Chair 2024 – Present; Member 2020 – 2024)  
Accounting Financial Faculty Recruiting (Co-Chair 2024 – Present; Member 2018 – 2024)  
Accounting Miami Rookie Camp Representative (2019)  
ALSSS Conference Planning Committee (Member 2020 – 2021)  
Kelley School Research Policy Committee (Member 2018 – 2021)  
Hoosier Accounting Research Conference Planning Committee (Member 2018 – 2021)  
Doctoral Student Advising (2018 – Present)  
Kelley Connect Week Case Competition Judge (2019, 2023)  
Accounting Micro Masters / EdX Course Development (2019 – 2022)  
Kelley Common Read Discussion Facilitator (2020, 2021, 2022)  
Kelley Direct Admit Days Faculty Presenter (2021)  
A310 Course Review Committee (2020)  
A304 Revision and Implementation Taskforce (2021)  
A311/A312 Group Leader (2021 – Present)  
Kelley Research Week Panelist (2024)

#### **CORNELL UNIVERSITY SERVICE ACTIVITIES**

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Johnson School Data Committee (2015 – 2016)

Cornell Accounting Workshop Co-Organizer (2012 – 2015)  
Ad Hoc Appointment Committee Member  
Smart Woman Securities Guest Lecturer