

# Raziskovalni center Ekonomske fakultete

organizira znanstveno - raziskovalni seminar,

ki bo v **petek, 02. Marca 2012,** ob **12:00 uri**

v **P-111** na **Ekonomski fakulteti v Ljubljani.**

Predstavljen bo članek:

**˝Earnings Targets and Annual Bonus Incentives˝**

*avtorji:* ***prof.* *Michal Matějka***, *W.P. Carey School of Business, Arizona State University* (*skupaj z* *Raffi J. Indjejikian, Ross School of Business, University of Michiga;* *Kenneth A. Merchant, Leventhal School of Accounting, University of Southern California;* *Wim A. Van der Stede, London School of Economics and Political Science)*

˝We examine the extent to which firms use past performance as a basis for setting earnings targets in their executive bonus plans and assess the implications of such targets for managerial incentives. We find that well-performing firms commonly reduce earnings targets when executives fail to meet their prior-year target but rarely increase targets. Conversely, we find that poorly-performing firms commonly increase earnings targets when executives meet or exceed their prior-year target but rarely decrease targets. This target revision process yields a serial correlation in target difficulty in that targets remain relatively easy (or difficult) through time. We also find that firms are reluctant to revise earnings targets below zero resulting in an unusually high frequency of zero earnings targets that are abnormally difficult to achieve. Collectively, our findings suggest that firms incorporate past performance information into targets yet they do so only to a limited extent. This is consistent with theoretical arguments that highlight the benefits of contractual commitments.˝

Na brezplačni seminar se lahko prijavite v Službi za znanstveno raziskovalno delo, po telefonu (01) 58-92-490, ali po e-pošti na naslov [research.seminars@ef.uni-lj.si](mailto:research.seminars@ef.uni-lj.si), in sicer do četrtka, 01.03.2012.

**Vljudno vabljeni!**