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“Reporte de responsabilidad social y desarrollo sostenible: La relevancia de una contabilidad financiera, social y ambiental”

Título del Trabajo

Legibilidad de informes financieros como dispositivo de señalización.

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Abstract

This paper proposes that the readability of financial reports can act as a signaling device used by firms that report their performance truthfully to distinguish themselves from those that have manipulated earnings. The signal is credible because manipulators cannot provide a clear narrative without bearing the risk of being identified as such. To test these ideas, we empirically evaluate the effect of report readability on the post-filing stock price volatility among a pool of suspicious firms that barely meet or just beat last years' earnings. Consistent with the signaling effect, we find that readability enhances stock price convergence to fundamental values among this set of firms, and that this effect is stronger when the screening cost for investors is higher.

