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# Forschungsbericht 2024

Lehrstuhl BWL, insb. Unternehmensrechnung und Controlling

# LEHRSTUHL BWL, INSB. UNTERNEHMENSRECHNUNG UND CONTROLLING

Universitätsplatz 2, 39106 Magdeburg

Tel. 49 (0)391 67 58728, Fax 49 (0)391 67 41137

<http://www.bwl1.ovgu.de/>

## 1. LEITUNG

Prof. Dr. Barbara Schöndube-Pirchegger

## 2. HOCHSCHULLEHRER/INNEN

Prof. Dr. Barbara Schöndube-Pirchegger

## 3. FORSCHUNGSPROFIL

Die Forschungsprojekte am Lehrstuhl befassen sich mit der Analyse von Verhaltenssteuerungsproblemen bei asymmetrischer Information und strategischer Interaktion in Unternehmen. Zentrale Themen sind die Wahl und der geeignete Einsatz von Performancemaßen, unter besonderer Berücksichtigung von Rechnungswesengrößen, die Analyse von Corporate Governance- und Organisationsstrukturen sowie die Kontrolle von Informationsströmen im Unternehmen.

Methodisch kommen spieltheoretische, empirische sowie experimentelle Ansätze zur Anwendung.

## 4. KOOPERATIONEN

- Dr. Max Frederik Neubert
- Prof. Dr. Guido Voigt, Universität Hamburg
- Prof. Dr. Jens Robert Schöndube

## 5. FORSCHUNGSPROJEKTE

**Projektleitung:** Prof. Dr. Barbara Schöndube-Pirchegger  
**Förderer:** Haushalt - 01.01.2023 - 31.07.2025

### **Internal and External Information System Choices and Mutual Interdependencies**

This paper considers a one shot principal-agent problem. The owner of a firm hires a manager. As firm value is non-contractible, an incentive contract is written on accounting income. The manager performs some productive task that increases firm value as well as income but can also engage in window dressing to increase income only. At the beginning of the game, the owner decides whether to implement an internal information system (IIS) and either installs a more or less restrictive set of accounting standards.

If he implements an IIS, it provides the manager with private information about the business environment the firm faces. If he picks a restrictive financial accounting system, as opposed to a discretionary one, window dressing activities become less effective. In the absence of an IIS, the agency problem is a moral hazard problem. Implementing an IIS creates an adverse selection problem on top.

We find that it can either be optimal to implement a restrictive accounting system with or without an IIS, or to combine a discretionary system with an IIS. Whenever the business environment the firm faces is more likely to be bad than good, restrictive accounting is preferred. If it is more likely to be good than bad either combining restrictive financial accounting with no IIS or combining discretionary financial accounting with an IIS is optimal. Implementing an IIS becomes favorable if the firm's environment is sufficiently heterogeneous. However, more heterogeneity per se increases agency costs and reduces the principal's payoff.

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**Projektleitung:** Prof. Dr. Barbara Schöndube-Pirchegger  
**Projektbearbeitung:** Max Frederik Neubert  
**Förderer:** Haushalt - 01.01.2023 - 31.01.2025

### **Costs and benefits of discretion in performance evaluation and patterns of bias**

This paper investigates incentive effects from subjective performance evaluation in an agency setting. A manager (agent) is evaluated by his superior (principal) via a subjective performance report. Naturally, the superior is able to distort the report. The manager appreciates favorable ratings but also despises arbitrary or inaccurate evaluations. Accordingly, his response to a perceived reporting bias is not straightforward. His reaction to an undervaluation is always negative, his reaction to overvaluation, in contrast, not unequivocally positive. Within this setting, we find that reporting discretion can be either beneficial or detrimental to the principal. In particular, the option to bias renders incentive provision more costly but also reduces the agent's risk exposure and allows to control his evaluation response to the benefit of the firm. Moreover, we find that frequently observed bias patterns such as centrality bias and leniency bias arise endogenously in our model.