

# Economic Research Fellowships

The PCAOB maintains an Economic Research Fellowship Program that is intended to generate high quality publishable economic research on topics of direct relevance to the mission of the PCAOB. The program provides a way for the Board to obtain an outside perspective in analyzing data collected by the PCAOB through its oversight activities. Fellows have the opportunity to engage closely with PCAOB staff in the development of research projects and serve as a valuable resource to staff economists.

The PCAOB is currently soliciting interested applicants for economic research fellowships. Applications are due no later than **December 15, 2017**.

Ideal candidates for fellowship positions include:

- tenured or tenure-track junior faculty members in economics, finance, accounting, or a related area
- doctoral students who have completed all course work in a doctoral program in economics, finance, accounting, or a related area, and are actively performing research or writing a dissertation

Working papers developed by past and current fellows are available on the [PCAOB's website](#).

## Topics of Interest

Fellows will conduct economic research on topics relevant to the oversight, standard-setting and other activities of the PCAOB in protecting investors and the public interest. While not exhaustive, topics of particular interest to the PCAOB include:

- The market impact of audit regulation and oversight including research that may inform [post-implementation reviews of PCAOB rules and standards](#).
- Economic effects of the application of auditing standards to audits of emerging growth companies, brokers and dealers, and companies in other industries.

- Applications of regulatory economics to auditing including research that may inform the need for and/or development of PCAOB rules and standards or research on the costs and benefits of the financial statement audit and/or audits of internal control over financial reporting.
- The role of the audit and audit regulation in capital formation and economic growth and how economic theory and analysis can be used and further developed to enhance the effectiveness of PCAOB programs.
- The business model and industrial organization of audit firms including, for example, research on audit firm structure, governance and incentive structures within audit firms, staffing of audit engagements and staff to partner leverage and implications for audit quality.
- Competition and concentration in the audit profession and implications for audit quality.
- The growth of advisory and consulting services provided by accounting firms and effects on audit quality.
- Global networks including, for example, research on the consistency of audit quality practices among network affiliates and audits of multi-national companies.
- Economic and social incentives in auditing including research on heuristics, biases and social networks.
- Principal-agent relationships present in auditing.
- Applications of behavioral economics to auditing, financial reporting and the formulation of auditing standards.
- Effects of audit and financial reporting failures on financial markets and research related to the auditor's consideration of fraud.
- Economic and audit quality impacts of international regulatory audit reforms.
- Proxies for and indicators of audit quality and their potential usage and impact including, for example, research on audit quality indicators included in the PCAOB's [Concept Release](#).

- Topics included on the PCAOB research agenda, specifically research related to audit firm quality control systems; the auditor's role in relation to company performance measures, including non-GAAP measures; the use of data and technology in the conduct of audits; and the auditor's consideration of noncompliance with laws and regulations.

Candidates with questions about the scope of the PCAOB generated data available at the PCAOB are encouraged to contact staff at [ERA\\_Fellows@pcaobus.org](mailto:ERA_Fellows@pcaobus.org).

## Application Process

Interested candidates must submit the following information to [ERA\\_Fellows@pcaobus.org](mailto:ERA_Fellows@pcaobus.org):

1. a curriculum vitae
2. a cover letter that summarizes the applicant's qualifications and understanding and interest in the Sarbanes-Oxley Act and the mission of the PCAOB, including a description of the applicant's goals and expectations for the fellowship
3. one or two research papers or recently published articles on topics relevant to the PCAOB
4. two letters of reference sent directly to the PCAOB by the referees
5. at least one research proposal that:
  - a. Explains the proposed research topic, including the hypothesis to be tested if the project is empirical in nature
  - b. Explains why the research is relevant to the PCAOB's mission and work
  - c. Demonstrates the scientific merit and rigor of the proposal, including a proposed methodology
  - d. Describes the nature of data necessary to complete the research, if the research is empirical in nature
  - e. Provides a research plan that includes an expected timeline of the project.
  - f. Discloses the names of any co-authors

- g. Discloses any potential conflicts of interest

## **Selection**

Applications should be submitted no later than December 15, 2017.

In addition to the PCAOB's internal review, applications will be reviewed by an academic proposal review committee. The PCAOB and academic proposal review committee will take into account applicant qualifications, research proposal quality, the nature of non-public data requested by the applicant, and the relevance of the proposed research to the PCAOB.

Finalists will be invited to Washington, DC, for interviews in January and February 2018 and successful applicants will be notified no later than March 31, 2018.

## **Compensation, Benefits, Timing, and Other Relevant Information**

The PCAOB will consider academics for full-time and part-time research fellowship positions. Fellows will receive a salary commensurate with experience as well as a competitive benefits package. The PCAOB will also consider academics who might not be in a position to take a paid research fellowship position but who are interested in performing research using PCAOB data.

Fellowships will start in summer 2018 or a mutually agreed-upon date and will continue for 12 months with the possibility of a single one-year renewal.

All access to nonpublic data must be conducted at the PCAOB's Washington, DC headquarters or a PCAOB regional office.

All fellows will be required to abide by the PCAOB Ethics Code, which regulates employee conduct, requires financial disclosures, restricts certain outside activities while at the PCAOB, and prohibits the dissemination or disclosure of nonpublic information, among other requirements.

## **About the PCAOB**

The PCAOB is a nonprofit corporation established by Congress to oversee the audits of public companies in order to protect the interests of investors and further the public interest in the preparation of informative, accurate and independent audit reports. The PCAOB also oversees

the audits of broker-dealers, including compliance reports filed pursuant to federal securities laws, to promote investor protection.

## **Our Values**

The PCAOB encourages a spirit of cooperation and teamwork, and fosters an environment of professional growth where employees can exercise their leadership ability, creativity, technical competence, and public interest focus in helping the PCAOB fulfill its mission.

## **Equal Employment Opportunity**

The PCAOB is an Equal Opportunity Employer committed to establishing a diverse workforce.