Taloustieteiden tiedekunta

Professor Petri Sahlström (Questions 1&2)
Professor Timo Rothovius (Question 3)

1. Why the normality of distributions of financial ratios is important? What is the usual empirical finding about the normality of the distributions? What can you do if you observe that a ratio has a non-normal distribution?

2.Nikkinen and Sahlström (2004) used several institutional factors to determine low and high quality of accruals. Describe how these factors can bed used to determine quality of accounting.

3. Kross, Ro and Schroeder (1990), study the analysts' advantage. What do they mean by analysts' advantage.