SUGGESTIONS FOR DEGREE PAPER FOR CIVILEKONOM 2015
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I supervise in several areas, corporate governance, auditing, accounting (except for studies about specific norms) and some finance.
I prefer frequent supervision, i.e., normally one personal meeting each twice/third week, and students that invest in their dissertation.
If you find any of my suggestions interesting, or if you have other suggestions for a dissertation where you would like to have me as a supervisor, contact me on masterdissertation@yahoo.se and we can make an agreement for a meeting.

Below are some suggestions for specific subjects.

Corporate governance

Governance strategy

How owners govern their corporation through influencing the governance mechanisms. Private, public, family, governmental, voluntary firms. Today I am especially interested in family firms.

What's in a family?

Governance of family firms, for example, board composition, to manage a professional CEO, financing of family firms, family firm and auditing, to create a familiar family firm, to govern the family, nepotism of family firms and so on.
For example, financing of family firms. We know that they tend to have lower leverage than comparable firms. But what dividend policy do they have? What is the relationship between the financial structure of the family firm, and the financial conditions of each family member engaged in the firm? Is there a close financial relationship between the family and the family firm, for example, the family being comparably poor since the money has to be in the firm in order to keep the leverage low and thereby keep the bank and other financial stakeholders as far away from the firm as possible?

Board of directors

This is a broad area, but one very specific project could be to put a focus on the functions of the board and try to measure them through, for example audit fees, where for example, a board focusing on monitoring or conflict resolution will have high audit fees.

Board diversity, or rather, gender diversity is in the debate, with strong political interest mudding the knowledge. Why do firms have female directors, could be an upsetting question, but there are indications that due to institutional pressure firms include more females, with the effect that the board grow in size, i.e., they do not replace a male. And family firms, basing their recruitment on nepotism, have more females, i.e. due to nepotism they can override the male dominance. But other diversity indicators could be of interest, for example ethnicity and social class.

Then, of course, board of directors in other organizations, such as voluntary organizations, do they have different functions, and different tasks?

Financial structure
We often predict firm behavior through financial leverage, but very seldom put an emphasis on debt and its structure. It could, however, influence the other governance mechanisms of the firm, for example, a lot of short term debt could be the first sign of financial stress, which would indicate a more active board and tendencies towards strategic change. Leverage is also measured in a very primitive way. If I know that I can easily lend more money or if my suppliers are willing to extend their credit time, I have higher financial capacity than is reported in the balance sheet. Thus, real leverage instead of reported leverage would be interesting to explore.

Executive compensation
Executive compensation, influencing the executive, the managers, the employees and the stakeholder. For example, does high executive compensation influence the organization? Some claim it increase the efforts by those would-be top manager. Some claim, especially in a society hailing equality, it will reduce efforts and create a lot of negative energy. And! Fully explore the tendency to use bonus and options. Why use it, and what effect do variable compared to non-variable compensation produce?

Green and social governance
Some firms need to consider environmental and/or social consequences of their operations, some firms want to do it, which makes green and social management a strategy factor. How do and how can corporate governance mechanisms influence this strategy factor.

Ethical governance
Some firms need to consider ethical consequences of their operations, some firms want to do it, which makes ethical management a strategy factor. How do and how can corporate governance mechanisms influence this strategy factor. Does ethical management, if existing, influence efficiency, for example, possibility to recruit, to be used in promotion of products and services, to attract investors and so on.

This should not be mixed with corporate social responsibility, although it can appear to be close. But CSR is about fulfilling societal expectations (i.e., mostly driven by actual fashion), while ethical governance could be to fulfil ethical principles, independent of the actual fashion of society.

Corporations give money and other resources to charity or to operations that are only slightly related to their business, i.e., it is in the grey area between charity and promotion. This project would be to study the composition and drivers of corporate charity.

CSR
Corporate social responsibility is an ideology claiming that the corporation has responsibilities beyond ordinary economic goals. Why do firms assume this ideology and how do they implement this ideology in their strategy and structure? Since it has been in

place some years now, and since social expectations change, it could be interesting to explore how CSR has changed and to find explanations why it change. After all, strategy for a firm has to include the future, so those that can adjust to the future before others could gain competitive advantage. Most research of CSR are well adjusted to the CSR ideology, so a more critical approach is welcome.

Interest of the owner and the manager
In economics we assume utility maximization, which for shareholders tend to be operationalized as profit maximization, given a specific level of risk. But human motives to act differ, and they are influenced by the individual's normative set-up, from childhood and youth, but also by the actual conditions the human experience when conducting the act. Some individuals and some situation drives egoistic acts, some act for the benefits of others and some for the benefits of norm fulfilment. One interesting question is if people are selected or self-selected making people employeed in, for example, human resources department (motivated by the benefits of others?) deviate from those employed in financial department (motivated by egoism?), and from those employed in the accounting department (motivated by norm fulfilment?). Other examples could be if managers of not-for-profit differ in motivation from for-profit corporations; what is the driver of a manager of a municipal operation compared to a manager of a public association, such as a riding school manager, compared to a manager of an investment fund?

This is very basic research, focusing on the smallest, but most influential element of humans. As I said at my lecture, we behave in accordance to the interest of the individual, to the interest of the group and in accordance to principles.

Moral standing
This is a special version of the above project. It has been found that humans differ in their moral standing, for example, students in economics have higher tendency towards egoistic moral (i.e. individual utility), while students in art score higher on more altruistic moral. But there are also indications that students learn moral behavior during the studies. This project is very close to my research project about duty as a human motivator of action. It could be developed in different directions, but the main objective would be to find differences in moral standings among humans and try to explain these differences. One dissertation has been made in this area.

Ownership structure
The ownership structure of a corporation could be assumed to influence the corporation. Some studies have found correlation with investments, with performance, with CEO change and so on. One could study a set-up of variables that can be assumed to vary due to differences in the ownership structure. Then there is the problem of describing the ownership structure. Is it enough to focus on ownership concentration? No, is my belief, based on a paper I am working with, claiming that the identity is important. A dissertation could continue in this path.

Auditing

Audit firm strategy
Today we experience the effects of deregulation of auditing for small firms. What has happened in the audit firms today? Have they developed new products, or have they chosen a path of cooperation with other audit firms, or have they abolished the auditing business and become focused accounting firms or just business consultancy? And on the other side, what has happened in the firms that have had the opportunity to abolish auditing? Have the decided to have an auditor, if so, why? And those that decided to fire the auditor, what have they experienced?

Audit and ownership
Audit is a professional activity and should only vary due to professional demands. But even within this restriction it could very well be the case that auditing of a firm dominated by a family differs to audit of a firm with dispersed ownership structure. Maybe especially the auditing risks could be different. But then, the relationship between the auditor and the owner differ, which presumably could have some influence on the auditors work and activities. Thus, the question is if there are any systematic differences in audit due to ownership structure, especially between firms dominated by families, and other firms. We have had some dissertations in this field, and one dissertation, made by Karin Berg and Amelie Karlsson explored the different functions of a auditor, which I have converted into a paper (I can send you the draft if you are interested).

Audit quality
How to manage audit quality in 1. the profession, 2. the audit firm. But also, how to observe audit quality, if it is possible. And if not, what can be done in order to create impression of audit quality. And finally, the quality of auditing differ, as expressed in the expectation gap, that the profession things quality is one thing, the partners thing maybe differently, and the clients, to be sure, think totally different.

Last year we had one dissertation that inspected what can be termed the going concern gap, where auditors file a warning concerning the corporation's possibility to exist within a period of 12 months, and compared it to the actual outcome. And found that most firm that received the warning survived. Then there is the opposite, firms that goes bankrupt, but the auditors did not report a warning. This could be indications of audit quality.

Management of professional firms
Governance of firms that contains a profession, such as audit firms, hospitals and universities, could be assumed to differ compared to ordinary industrial firms, since these organizations have to manage individuals with loyalty towards two masters, the organization and the profession.

Governance of audit firms
Audit firms have an ownership structure organized as a partnership structure. While we study intensively the ownership structure of the corporation, since we believe it influence the strategy and the performance of the corporation, the partnership structure is left without any attention. One dissertation have studied the structure, and I would like a a group to continue this work since I believe, and have some indications that it is influential on how the audit firm is conducting its business, including even consequences on audit quality.

Whistle blowers
Whistle blowers can be disastrous for the firm if they go public, but can be an asset if they can be used internally. Today we see that organizations misbehave, punishing those that dare to tell the public about very unethical behavior. The question could be, how to organize for an efficient use of whistle blowers, i.e., to create incentives for whistle blowing and to create an organization for managing the process of whistle blowing.

Professionalizing the auditor
When employed at the firm, the firm starts the introduction of the assistant auditor into the profession. How is this made, by whom, with what instruments? How do firms evaluate the assistants and promote them? In a way it would be a project about the production of an auditor!

Going concern warning
Going concern warning issued by the auditor is a very strong and dramatic information created by the auditor. Several studies could be done with this information in the centre, for example, what happens to the corporation afterwards, and what are the characteristics of those that go bankrupt, and those that do not, what actions can one find, for example, change of auditor? Another is if one can find predictors of going concern warning, i.e., is it possible to predict the year before that this corporation will receive a warning? And so on. As I wrote above, we had two dissertation dealing with this issue, so knowledge exist and therefor opportunities to find new streets to walk.

Accounting

Accounting choice
Managing the balance sheet and the profit and loss statement through accounting choice. Since many studies have been made using archival data, it would be informative to have studies performing case studies, for example, three case studies explaining the three corporations decision to present their accounting numbers as they do. A newly presented PhD dissertation from Gothenborg indicates that even in one corporation, the choices are different because people interpret regulations differently.

Pricing
According to legislation, many governmental operations have to be according to cost price. One could therefore expect these operations to have advanced systems for calculations of costs. How do they calculate and what explains their calculus? I have

some indications that the calculus of costs is not advanced, which push the question, how can they claim they are fulfilling the legislation? And even more, who, if any, gain and who losses by the methods used?

Finance

Family firm financing
Family firms tend to have high levels of equity. But how do they do it? Do they sacrifice projects and operations because they do not want to lend money, or do they find innovative financing solutions, such as boots-trapping strategies?

Dividend
Dividend is hard to explain. It could be due to tradition, due to decision. But it could also be due to ownership interest, for example heavily indebted owners push for dividend, while other owners have no interest in dividend, i.e., the question is if corporations obey liquidity preferences of their owners, or if they have a dividend in order to attract owners with a specific liquidity preference.