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This paper examines the relationship between top executive tenure and forecast innovation (which is equal to current forecast earnings less previous actual earnings). The results are as follows: (1) forecast innovation is greater during earlier years of a top executive's service than later ones; and (2) the probability that a top executive manages earnings to meet current forecast earnings is higher in his/her earlier years of service than in later ones. These findings suggest that top executives attempt to build up their reputations through reporting higher currently forecasted earnings than previous actual earnings when investors are still uncertain about their capabilities.

Information Processing by Investors before and after XBRL Adoption — An Analysis of Post Earnings Announcement Drift —		
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This paper tests whether the adoption of XBRL facilitates information processing on the part of investors. During the post-XBRL period, the relation between earnings surprise and long-term stock price drift was shown to weaken. The result is consistent with additional analysis where management forecasts are considered. It suggests that after XBRL is adopted, investors promptly modify their valuation based on the newly announced financial information.

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