

We would like to invite you to the Durham Rutgers Accounting Analytics Network (DRAAN) **Computational Linguistics to Identify Quality Annual Report Discourse** webinar on **Friday 4th March 2022 at 17:00 UK time (12:00 EST)** led by Dr Professor Steven Young

The Speaker:

Steven Young is Professor of Accounting and Interim Deputy Dean at Lancaster University Management School. His research interests cover topics at the interface between accounting and corporate finance including executive remuneration, narrative reporting and natural language processing, and financial reporting quality. His industry research collaborations include the Financial Conduct Authority, the Financial Reporting Council, the CFA Society UK, and the Pensions and Lifetime Savings Association. His research features in leading academic journals including *The Accounting Review*, *Review of Accounting Studies*, and *Accounting, Organizations and Society*. He is Associate Editor for *Journal of Business Finance and Accounting* and an editorial board member for a range of journals including *Accounting, Organizations and Society* and *Accounting and Business Research*.

[Professor Steven Young Webpage](#)

The Session:

We develop and test a model of high quality annual report discourse. The model is trained and evaluated on annual reports published between 2007 and 2018 by London Stock Exchange-listed firms shortlisted for an award by corporate reporting experts. We use methods from computational linguistics to identify discourse features that distinguish quality according to what management say (i.e.: content) and how they say it (i.e.: language structure). Our final model comprises 10 features that characterise high quality reporting including more strategy-related commentary, less focus on growth, and greater language accessibility that promotes cognitive processing (evidenced by more relevancy markers, greater connectivity, more exclusive forms of language, and fewer grammatical words). Out-of-sample tests reveal predictive accuracy rates of around 70%. The methods for identifying discourse properties are transferrable to many other settings including fraud detection, predicting internal control weaknesses and audit qualifications, and identifying takeover targets. The paper explaining the analysis in more detail is available [here](#).

To join the webinar via Zoom, please click on the link below:

[Join the DRAAN Webinar - Friday 4th March 2022 - 17:00 UK Time \(12:00 EST\)](#)

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