

Table of contents

List of Figures VI

List of Tables..... VI

1. INTRODUCTION1

 REFERENCES.....17

2. ESSAY I: CHRISTIAN NORMS AND THE TONE OF ANNUAL REPORTS.....21

 2.1 INTRODUCTION22

 2.2 LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT.....27

 2.2.1 Religious norms27

 2.2.2 Catholic norms and gambling.....28

 2.2.3 Tone29

 2.2.4 Incentives in corporate disclosure30

 2.2.5 Hypotheses development.....31

 2.3 RESEARCH DESIGN32

 2.3.1 Sample32

 2.3.2 Data sources and variable measurement.....33

 2.3.3 Descriptive statistics38

 2.4 RESULTS39

 2.4.1 Construction of the tests39

 2.4.2 Results.....40

 2.4.3 Robustness checks41

 2.4.4 Additional analyses.....44

 2.5 CONCLUSION46

APPENDIX A49

APPENDIX B.....50

APPENDIX C.....51

APPENDIX D52

REFERENCES53

TABLES56

3. ESSAY II: THE LEARNING EFFECTS OF TARGETS.....	77
3.1 INTRODUCTION	78
3.2 LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT	80
3.2.1 Learning and targets	80
3.2.2 Target difficulty and performance	81
3.2.3 Setting reasonable targets	82
3.2.4 Difficult targets.....	83
3.2.5 Easy targets.....	84
3.2.6 Target difficulty and learning	85
3.2.7 Hypothesis	86
3.3 RESEARCH DESIGN	86
3.3.1 The research site	86
3.3.2 Data collection and variable description.....	88
3.4 RESULTS	94
3.5 SUPPLEMENTAL ANALYSES	96
3.5.1 The role of the level of target over-/underperformance.....	96
3.5.2 Learning and financial performance.....	96
3.6 CONCLUSIONS	97
APPENDIX A	99
APPENDIX B.....	103
REFERENCES	106
TABLES AND FIGURES.....	108
 4. ESSAY III: PROTESTANT NORMS, SOCIAL ETHIC, AND MONITORING.....	 125
4.1 INTRODUCTION	126
4.2 LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT	130
4.2.1 The Protestant Ethic.....	130
4.2.2 The Normative Character of the Protestant Ethic	131
4.2.3 The Protestant Ethic as a Corporate Governance mechanism	131
4.2.4 The Employees' Strength of Protestant Norms and the Shareholders' Use of Monitoring Mechanisms	132
4.2.5 The Role of the Shareholders' Strength of Protestant Norms	133
4.2.6 The Role of the Shareholders' Diversity with respect to the Strength of Protestant Norms.....	133

4.2.7 Related studies.....	134
4.3 RESEARCH DESIGN.....	135
4.3.1 Sample, data sources, and variable measurement.....	135
4.3.2 Descriptive statistics	139
4.4 RESULTS.....	141
4.4.1 Construction of the tests	141
4.4.2 Results.....	143
4.4.3 Robustness checks	145
4.5 CONCLUSION	148
APPENDIX	150
REFERENCES	152
TABLES AND FIGURES.....	154
 5. CONCLUSION	 173
REFERENCES	178