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Education

Rice University, Houston TX

Ph.D., Accounting, 2019 (expected)

Brigham Young University, Provo UT

M.Acc., Taxation, 2011

Utah Valley University (UVU), Orem UT

B.S., Accounting, 2010

B.S., Banking and finance, 2010

A.S., Journalism, 2008

Research Interests

Topics: Performance measurement, accounting systems, aggregation rules, managerial incentives, accounting standards, organizational design, CEO talent

Methodologies: Analytical, archival

Dissertation / Job Market Paper

Committee: Thomas Hemmer (chair), David De Angelis, Ted Loch-Temzelides

“Toward an accounting-centric principal-agent framework: Theory and some applications”

I develop a principal-agent framework that reflects double-entry accounting. Agents take actions that influence the firm's accounts, which can serve as performance measures themselves or can be aggregated to construct other measures such as earnings. My framework is tractable and facilitates optimal closed-form solutions without assuming preferred actions or imposing exogenous restrictions on contractual form. I apply the framework to several settings and a consistent theme emerges: it is cheaper to motivate efficiency improvements than revenue growth. This is driven by a seemingly trivial property of double-entry systems, that debits and credits are bounded below by zero. I find that this accounting feature influences optimal team size, firm strategy, job design, and aggregation rules. My analyses produce many readily-testable predictions and can help explain empirical regularities; for example, I predict that the low pay-performance sensitivities empirically observed in loss firms may be driven in part by life cycle. My findings demonstrate that when studying the optimal use of accounting information, we should take seriously the double-entry mechanics which generate that information.

Working papers

“Size attracts talent, but talent creates size,” with David De Angelis and Thomas Hemmer

Using theoretical insights from Holmström and Milgrom (1987) and Hellwig and Schmidt (2002), we construct a novel empirical measure of CEO marginal product and test its relation with wage and corporate outcomes. Our measure helps explain residual variation in excess compensation models, indicating that it reflects CEO talent. Our measure also varies predictably with economic cycles and across industries, and responds predictably to competition shocks. While our measure predicts growth in firm size for up to 15 years, it is inversely related to current firm size. This result is at odds with the common notion that the most talented CEOs are matched to the largest firms and underscores the endogeneity of firm size with respect to talent, consistent with dynamics in income inequality.

Selected works in progress

“The role of aggregation in coordinating efficient resource allocation,” with Jonathan Bonham

We develop a model that illustrates how strategic aggregation of accounting information facilitates coordinated resource allocation in the economy. When stakeholders disagree about the implications of particular transactions and events for future profits, disaggregated information leads to equilibria in which stakeholders forgo the gains of coordination and spread their investments across different firms. In contrast, an accounting regime that aggregates transactions about which stakeholders disagree leads exclusively to socially efficient equilibria in which stakeholders coordinate their investments in a few firms with the best prospects.

Teaching interests

Financial accounting, managerial accounting, financial statement analysis, taxation

Teaching/tutoring experience

Teaching assistant / substitute lecturer, Rice University
MBA Financial Statement Analysis with Eric Floyd, 2015
Tutor, Utah Valley University
Accounting, Finance and Economics Lab, 2008-2010

Conferences

Accounting Research Conference in memory of Nicholas Dupoch, St Louis MO, 2018 (poster presenter)
AAA Deloitte Doctoral Consortium, Dallas TX, 2017 (presenter and participant)
11th Annual Bauer Accounting Research Symposium, Houston TX, 2017 (participant)
Junior Accounting Theory Conference, New York City NY, 2016 (participant)
EIASM 12th Workshop on Accounting and Economics, Tilburg, Netherlands, 2016 (discussant)
10th Annual Bauer Accounting Research Symposium, Houston TX, 2016 (participant)
Lone Star Accounting Research Conference, Houston TX, 2016 (participant)

AAA Financial Accounting and Reporting Section Meeting, Newport Beach CA, 2016 (participant)
AAA FARS Doctoral Consortium, Newport Beach CA, 2016 (participant)
AAA Management Accounting Section Meeting, Dallas TX, 2016 (participant)
MAS/IMA Doctoral Colloquium, Dallas TX, 2016 (participant)
12th Annual BYU Accounting Research Symposium, Provo UT, 2015 (panelist)
11th Annual BYU Accounting Research Symposium, Provo UT, 2014 (participant)
8th Annual BYU Accounting Research Symposium, Provo UT, 2011 (performer and participant)
7th Annual BYU Accounting Research Symposium, Provo UT, 2010 (participant)
Western Decision Sciences Institute Meeting, Incline Village NV, 2010 (presenter)
Utah Valley University Conference by the Faculty, Orem UT, 2010 (presenter)

Publications

Smith, S.R. & **Riggs, A.** (2012). Anomalies of Tax Legislation: The First-Time Homebuyer Credit. *Journal of Business and Accounting*, 5 (1), 103-111.

Smith, S.R. & **Riggs, A.** (2011). Temporary Tax Benefits Under Economic Stimulus Legislation: How Temporary? *Journal of Business and Behavioral Sciences*, 23 (2), 135-144.

Smith, S.R. & **Riggs, A.** (2010). Ethical and Public Policy Issues in Tax Legislation: The Case of the First-Time Homebuyer Tax Credit. *Journal of Accounting, Ethics & Public Policy*, 11 (2): 167-192.

Riggs, A. & Smith, S.R. (2010). Attributes of Good Tax Policy and The First-Time Home Buyer Credit. *Tax Notes*, 127 (5), 94-99.

Professional experience

EY tax staff, Houston TX, 2013
Expatriate individual tax compliance
EY tax staff, Portland OR, 2012
State and federal corporate tax compliance
EY tax intern, Portland OR, 2011
State and federal partnership tax compliance

Honors and Awards

Recognized for 3rd highest CPA exam score in Oregon state, 2012
UVU Student Scholar of the Year Award, 2010
UVU Outstanding Student of the Year Award in Finance and Economics, 2010

Academic service and engagement

Founding President of the UVU Beta Alpha Psi chapter, 2009-2010
UVU Accounting Club President, 2009-2010
UVU Accounting Club Vice President, 2008-2009

References

Thomas Hemmer (Dissertation Chair)
Houston Endowment Professor of Accounting
Rice University
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Eric Floyd (teaching reference)
Assistant Professor of Finance and Accounting
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Rady School of Management
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David De Angelis (Dissertation committee)
Assistant Professor of Finance
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