

Edward M. Watts

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Research Interests

Debt Capital Markets, Disclosure, Investor Behavior, Market Microstructure, and Sustainable Finance

Academic Appointments

Yale School of Management

Assistant Professor of Accounting

2020–Present

Affiliations

European Corporate Governance Institute

Research Member

2025–Present

HKU Research Institute on Governance, Environment and Social

Affiliated Researcher

2025–Present

Education

Stanford Graduate School of Business

Ph.D. in Business Administration

2020

Duke University

M.A. in Economics

2012

State University of New York at Geneseo

B.A. in Economics and Mathematics

Summa Cum Laude, Phi Beta Kappa

2010

Journal Publications

“Information Flows in Trading Networks”

- ▷ Coauthors: Stefan Huber and Christina Zhu
- ▷ Forthcoming, *Journal of Accounting and Economics*
- ▷ Featured in: Bloomberg, Yahoo Finance

“Information Acquisition Costs and Price Informativeness: Global Evidence”

- ▷ Coauthors: Charles McClure and Shawn Shi
- ▷ *Review of Accounting Studies*, 30 (3): 2468–2507 (September 2025)
- ▷ Featured in: Columbia Law School Blue Sky Blog, Business Scholarship Podcast

“Muni Disclosure: All Talk and No Trade?”

- ▷ Coauthors: Christine Cuny, Ken Li, and Anya Nakhmurina
- ▷ *Journal of Accounting and Economics*, 80 (1): 101797 (August 2025)
- ▷ Featured in: The Brookings Institution

“Diversity Washing”

- ▷ Coauthors: Andrew Baker, David Larcker, Charles McClure, and Durgesh Seraph
- ▷ *Journal of Accounting Research*, 62 (5): 1661–1709 (December 2024)
- ▷ Featured in: Forbes India, Yale News, Revelio Labs Research Newsletter, Fortune, DiversIQ Weekly Newsletter, Yahoo Finance, Yale Insights, Forbes, Insights by Stanford Business, The Economist, Bloomberg Businessweek, Financial Post, BBN Times, Cooley, Veritas Newsletter, Ignites, Drexel Gupta Governance Institute Newsletter

“Retail Investors and ESG News”

- ▷ Coauthors: Qianqian Li and Christina Zhu
- ▷ *Journal of Accounting and Economics*, 78 (2–3): 101719 (November–December 2024)

- ▷ Wharton Jacobs Levy Center Research Prize for Outstanding Paper
 - ▷ Cited in: SEC Climate Disclosure Rule
 - ▷ Featured in: FS Sustainability, Yale News, Equities.com, Yale Insights, Financial Times Agenda, Wharton ESG Initiative, Columbia Law School Blue Sky Blog, Wharton Business Daily, The Christian Science Monitor, Knowledge at Wharton
- “Earnings News and Over-the-Counter Markets”
- ▷ Coauthors: Stefan Huber and Chongho Kim
 - ▷ *Journal of Accounting Research*, 62 (2): 701–735 (May 2024)
 - ▷ Featured in: Harvard Law School Forum, Rice Business Wisdom, InnovationMap
- “Board Diversity and Shareholder Voting”
- ▷ Coauthors: Ian Gow and David Larcker
 - ▷ *Journal of Corporate Finance*, 83: 102487 (December 2023)
- “Retail Bond Investors and Credit Ratings”
- ▷ Coauthors: Ed deHaan and Jiacui Li
 - ▷ *Journal of Accounting and Economics*, 76 (1): 101587 (August 2023)
 - ▷ Featured in: Insights by Stanford Business
- “Seven Myths of ESG”
- ▷ Coauthors: David Larcker and Brian Tayan
 - ▷ *European Financial Management*, 28 (4): 869–882 (September 2022)
 - ▷ *European Financial Management* Best Paper Award: Editors Vote
 - ▷ Featured in: Insights by Stanford Business, Fortune, Wall Street Journal, The Investment Ecosystem Blog, Ballotpedia, Cooley (×3)
- “Tick Size Tolls: Can a Trading Slowdown Improve Earnings News Discovery?”
- ▷ Coauthor: Charles Lee
 - ▷ *The Accounting Review*, 96 (3): 373–401 (May 2021)
 - ▷ Featured in: Insights by Stanford Business
- “From Implicit to Explicit: The Impact of Disclosure Requirements on Hidden Transaction Costs”
- ▷ Coauthors: Christine Cuny and Omri Even-Tov
 - ▷ *Journal of Accounting Research*, 59 (1): 215–242 (March 2021)
- “Where’s the Greenium?”
- ▷ Coauthor: David Larcker
 - ▷ *Journal of Accounting and Economics*, 69 (2–3): 101312 (April–May 2020)
 - ▷ Featured in: Morningstar, Bloomberg (×2), Wall Street Journal, Yahoo Finance, Bank of America Research, The Brookings Institution, Cato Institute, Harvard Law School Forum, Citywire, Route Fifty, ThinkAdvisor, Insights by Stanford Business (×2), Stanford Earth Matters Magazine, Fast Company, CFA Institute, Seeking Alpha, Wealth Professional, The Washington Post, The Evidence-based Investor, The Bond Buyer (×3)

Working Papers

- “CHRO Compensation and Strategic Human Capital Management”
- ▷ Coauthors: David Larcker, Charles McClure, and Shawn Shi
 - ▷ Selected for presentation at the *Journal of Accounting Research* Conference
 - ▷ Featured in: Financial Times Business School Insider, Charter, Talent Edge Weekly, Data Driven HR Monthly, ECGI Debrief Editor’s Choice, Harvard Law School Forum, Yale Insights, DiversIQ Weekly Newsletter
- “The Limited Corporate Response to DEI Controversies”
- ▷ Coauthors: David Larcker, Charles McClure, and Shawn Shi
 - ▷ Featured in: Chicago Booth Review, Insights by Stanford Business, Harvard Law School Forum, Revelio Labs Research Newsletter

“Informed Trading in Municipal Markets”

- ▷ Coauthors: Christine Cuny, Raphael Duguay, Ken Li, and Anya Nakhmurina

Non-Refereed Publications

“ESG Ratings: A Compass Without Direction”

- ▷ Coauthors: David Larcker, Lukasz Pomorski, and Brian Tayan
- ▷ Published in: Stanford Closer Look Series. August 2022.
- ▷ Featured in: Accountability in a Sustainable World Quarterly, Harvard Law School Forum, Cooley, The D&O Diary, IR Magazine, Ballotpedia, Mutual Fund Directors Forum

“Firing and Hiring the CEO: What Does CEO Turnover Data Tell Us About Succession Planning?”

- ▷ Coauthors: David Larcker and Brian Tayan
- ▷ Published in: Stanford Closer Look Series. April 2022.
- ▷ Featured in: Financial Times Agenda (×2), Columbia Law School Blue Sky Blog, Insights by Stanford Business, Forbes India

“Stock-Option Financing in Pre-IPO Companies”

- ▷ Coauthors: David Larcker and Brian Tayan
- ▷ Published in: Stanford Closer Look Series. August 2021.
- ▷ Featured in: Harvard Law School Forum, Forbes, Barrons, Dow Jones Institutional News

“Sharing the Pain: How Did Boards Adjust CEO Pay in Response to Covid-19?”

- ▷ Coauthors: Amit Batish, Andrew Gordon, David Larcker, Brian Tayan, and Courtney Yu
- ▷ Published in: Stanford Closer Look Series. September 2020.
- ▷ Featured in: Financial Times Agenda, Business Wire, Cooley, Harvard Law School Forum, New York Law Journal

“Cashing It In: Private-Company Exchanges and Employee Stock Sales Prior to IPO”

- ▷ Coauthors: David Larcker and Brian Tayan
- ▷ Published in: Stanford Closer Look Series. September 2018.
- ▷ Cited in: SEC Accredited Investor Rule
- ▷ Featured in: Insights by Stanford Business, Fast Company, Harvard Law School Forum

Research Presentations

(includes scheduled, ^c indicates coauthor)

2027: University of Mannheim

2026: University of Pennsylvania, Four-School Accounting Research Conference, Columbia Junior Accounting Conference, Georgia State University, Pennsylvania State University, Harvard Business School IMO Conference^c, University of Rochester^c, University of Georgia^c, University of Texas Dallas^c, Journal of Accounting Research Conference^c

2025: UNC/Duke Fall Camp, University of Michigan, Yale University, University of Rochester, Washington University in St. Louis, INSEAD, Rice University^c, Seoul National University^c, WFA Annual Meeting^c, University of Mannheim^c, University of Miami^c, Dartmouth College^c

2024: Fordham University, Dartmouth College, University of Washington, University of California Berkeley, Northwestern University, Accountability in a Sustainable World Conference, Review of Accounting Studies Conference^c, Cornell University^c, University of Hamburg^c, Tilburg University^c, Maastricht University^c, Vrije Universiteit Amsterdam^c, University of Maryland^c, Pennsylvania State University^c, Boston College^c, Wharton Spring Accounting Conference^c, Wharton ESG Annual Conference^c

2023: Stanford Accounting Summer Camp, Colorado Summer Accounting Research Conference, Drexel Corporate Governance Conference, University of Connecticut Finance Conference, Recent Developments in Corporate Governance Research Conference at the University of Chicago, Journal of Accounting and Economics Conference^c, Massachusetts Institute of Technology^c, University of Texas Arlington^c, UNC-Duke Fall Accounting Camp^c, Notre Dame Accounting Research Conference^c, NBER Summer Institute

(Big Data and High-Performance Computing for Financial Economics)^c, WFA Annual Meeting^c, Bocconi University^c, University of Chicago^c, Temple University^c, Singapore Management University^c, Four-School Accounting Research Conference^c, Annual Conference on Financial Market Regulation^c, Stanford^c, Lone Star Accounting Conference^c, University of Pennsylvania^c, Annual Labor and Accounting Group Conference^c, AAA Government and Nonprofit Section Midyear Meeting^c, Hawaii Accounting Research Conference^c, FARS Midyear Meeting^c (×2)

2022: University of Minnesota, University of Chicago, London School of Economics, FARS Midyear Meeting, Burton Accounting Conference^c, Stanford GSB Alumni Conference^c, Northwestern University^c, University of Colorado^c, Dartmouth College^c, University of Georgia^c, Brookings Annual Municipal Finance Conference^c, Ludwig Maximilian University of Munich^c, Future of Financial Information Conference^c, Four-School Accounting Research Conference^c

2021: Yale University, Harvard University, London Business School, Yale Accounting Summer Conference, University of Utah^c, London Business School^c, University of Southern California^c, University of Pennsylvania^c, AAA Annual Meeting^c, Michigan State^c, HKUST Accounting Research Symposium^c, University of Delaware Accounting/Finance Joint Seminar^c, University of Kentucky^c, University of Texas Dallas^c

2020: New York University, Massachusetts Institute of Technology, Yale University, University of Pennsylvania, FARS Midyear Meeting, The Utah Winter Accounting Conference^c, California Lawyers Association Annual Meeting^c, Harvard Business School Accounting/Finance Joint Seminar^c

2019: WFA Annual Meeting, AAA Annual Meeting, Deloitte Doctoral Consortium, European Investment Forum, Presidio Graduate School, Stanford University, University of Washington^c, University of California Berkeley^c, Chinese University of Hong Kong^c, Emory University^c, Hitotsubashi University^c, Hong Kong University^c, Hong Kong University of Science and Technology^c, Seoul National University^c, Temple University^c, University of South Florida^c, University of Southern California Accounting Mini-Camp^c

2018: Stanford University, Singapore Management University SOAR Symposium^c, University of Pennsylvania^c, Santa Clara University^c

2016: Stanford University

Conference Participation

(includes scheduled)

2026: Journal of Accounting Research Conference, Stanford Accounting Summer Camp, Columbia Junior Accounting Conference, Four-School Accounting Research Conference

2025: Yale Municipal Research Conference, Accountability in a Sustainable World Conference, UNC/Duke Fall Camp, Stanford Faculty Celebration of Scholarship Conference, Yale Accounting Summer Conference, Journal of Accounting Research Conference, Columbia Junior Accounting Conference, Four-School Accounting Research Conference

2024: Journal of Accounting and Economics Conference, Dartmouth Accounting Summer Camp, Accountability in a Sustainable World Conference, Stanford Accounting Summer Camp, Yale Accounting Summer Conference, Journal of Accounting Research Conference, Four-School Accounting Research Conference, Columbia Junior Accounting Conference

2023: Review of Accounting Studies Conference, Journal of Accounting and Economics Conference, Accountability in a Sustainable World Conference, Global Research Alliance for Sustainable Finance and Investment Annual Conference, Stanford Accounting Summer Camp, Yale SOM Municipal Research Conference, Colorado Summer Accounting Research Conference, Drexel Corporate Governance Conference, University of Connecticut Finance Conference, Recent Developments in Corporate Governance Research Conference

2022: Review of Accounting Studies Conference, Yale Initiative on Sustainable Finance Symposium, Accountability in a Sustainable World Conference, Yale Accounting Summer Conference, Brookings Annual

Municipal Finance Conference, Music City Accounting Research Conference, Journal of Accounting Research Conference, Four-School Accounting Research Conference, Columbia Junior Accounting Conference, FARS Midyear Meeting

2021: Review of Accounting Studies Conference, Yale Accounting Fall Conference, Accountability in a Sustainable World Conference, Stanford Accounting Summer Camp, Yale Accounting Summer Conference, Journal of Accounting Research Conference, University of Illinois PwC Young Scholars Research Symposium, Yale Accounting Recruiting Conference

2020: Review of Accounting Studies Conference, FARS Midyear Meeting, Yale Accounting Summer Conference, Stanford Accounting Summer Camp, Yale Accounting Recruiting Conference

2019: Journal of Accounting and Economics Conference, Carnegie Mellon Accounting Mini-Conference, AAA Annual Meeting, WFA Annual Meeting, Deloitte Doctoral Consortium, European Investment Forum, Cornell Financial Reporting Mini-Camp, Stanford Accounting Summer Camp

2018: Wharton Theory Bootcamp, Stanford Accounting Summer Camp

2017: Stanford Accounting Summer Camp

2016: Stanford Accounting Summer Camp

Teaching Experience

Yale School of Management

MGMT 416: IE Stakeholder Capitalism in Japan

Instructor

2025–Present

MGMT 929: Sustainable Investing

Instructor

2022–Present

MGMT 402: Basics of Accounting

Guest Instructor on Sustainability Reporting

2022–Present

MGMT 416: IE Sustainable Finance in Europe

Instructor

2022–2023

MGMT 871: Financial Reporting

Instructor

2021–2022

MGMT 701/702: Empirical PhD Seminar in Accounting Research

Instructor

2021

Stanford Graduate School of Business

ACCT 340: Alphanomics

Teaching Assistant

2017

ACCT 210: Financial Accounting

Teaching Assistant

2016

Professional Experience

Morgan Stanley

Quantitative Associate, Investment Banking

2014–2015

Analyst, Fixed Income Trading

2012–2014

Duke University

Research Assistant

2010–2011

Service

Editorial Positions

Editorial Board, <i>Journal of Accounting and Economics</i>	2026–Present
Editorial Board, <i>The Accounting Review</i>	2026–Present
Editor, <i>Accountability in a Sustainable World Quarterly</i>	2022–Present

Referee Service

Accounting, Organizations and Society, Contemporary Accounting Research, Journal of Accounting and Economics, Journal of Accounting Research, Journal of Corporate Finance, Management Science (Accounting, Finance, and Sustainability), Review of Accounting Studies, Review of Financial Studies, The Accounting Review

Awards and Honors

<i>Journal of Accounting Research</i> Excellence in Refereeing Award	2022, 2024–2025
Wharton Jacobs Levy Center Grant	2022, 2024
Wharton Jacobs Levy Center Research Prize for Outstanding Paper	2023
<i>European Financial Management</i> Best Paper Award: Editors Vote	2022
European Investment Forum Best Paper Finalist	2019
Deloitte Foundation Doctoral Fellowship	2017–2019
Stanford Graduate School of Business Fellowship	2015–2020