

About the Authors

Robert N. Anthony *Harvard University*

Robert N. Anthony is Ross Graham Walker Professor of Management Control Emeritus at Harvard Business School. Dr. Anthony joined the Harvard Business School staff in 1940 and, except for leaves of absence, has been on its faculty until his retirement. From 1965 to 1968 he was Assistant Secretary of Defense, Controller, under the direction of Secretary Robert S. McNamara, responsible for preparing and defending the Department of Defense budgets. In World War II he was an officer in the Navy Supply Corps, with the final rank of Lt. Commander USNR.

He is the author or co-author of 27 books, with more than two million copies in print. They have been translated into 13 languages. Aside from *Accounting: Text and Cases*, which was the first text and case book that discussed management accounting separately from financial accounting, his *Management Control Systems*, now in its twelfth edition (with Govindarajan), and his *Management Control in Nonprofit Organizations*, now in its seventh edition (with David Young), were the first text and case books on their respective subjects. His *Essentials of Accounting*, now in its eighth edition (with Leslie Breitner) is the most widely used programmed text on accounting. Dr. Anthony has also authored a trade book called *Rethinking the Rules of Financial Accounting*. He also has given lectures or short courses in many American, as well as international, universities.

Dr. Anthony has been a director of Warnaco, Inc., and Carborundum Company, both Fortune 500 companies, and a consultant to a number of other companies, including American Telephone & Telegraph Company; General Mills, Inc.; General Motors Corporation; and Union Pacific Railroad. He also has served on committees of, or as a consultant to, many federal, state, and municipal government agencies.

For more than 25 years he also was a trustee of Colby College and is now a life trustee; he has been chairman of its budget and finance committee and its audit committee, and chairman of the Board of Trustees in 1978–83.

Dr. Anthony has honorary M.A. and L.H.D. degrees and the Marriner Distinguished Service Award from Colby College. In 1986 he was elected the 46th member of the Accounting Hall of Fame. Among his other awards are the Distinguished Accounting Educator award from the American Accounting Association, Accounting Educator of the Year Award from Beta Alpha Psi (the national accounting fraternity), Meritorious Service Award from the Executive Office of the President, Fellow of the Academy of Management, Distinguished Public Service Medal of the U.S. Department of Defense, Distinguished Leadership Award of the Federal Government Accountants Association, CINCPAC Letter of Commendation, and several awards for books and articles.

Professor Anthony has also received the Institute of Management Accountants' prestigious R. Lee Brummet award. This award is given to recognize outstanding educators in the field of Management Accounting who have had a significant impact on academia and the business world.

David Hawkins *Harvard University*

David Hawkins has been a member of the Harvard Business School faculty since 1962. Currently, he is the Lovett-Learned Professor of Business Administration. Professor Hawkins has taught the second-year MBA courses Analysis of Corporate Financial Reports, Corporate Financial Reporting: A Global

Perspective, and Managing Foreign Operations, as well as the first-year MBA course Financial Reporting and Control. He is the author of over 200 Harvard Business School cases. Professor Hawkins has acted as a consultant to numerous corporations including General Electric, Coca-Cola, Merrill Lynch, DuPont, American Express, and Honeywell. He also has been a member of the Financial Accounting Standards Advisory Committee and several Financial Accounting Standards Board Task Forces. Professor Hawkins received his bachelor's, master's, and doctorate degrees from Harvard University.

Professor Hawkins' research interests include the formulation of corporate financial reporting strategies, the role of earnings quality in equity security valuations, the harmonization of global financial reporting standards, and the management of corporations during periods of high inflation. For his research work, Professor Hawkins has received the *Business History Review's* Newcomen Society Award, the *California Management Review's* McKinsey Award, and the *Financial Analyst Journal's* Graham and Dodd Scroll. He has been selected as a member of the *Institutional Investor's* All American Research Team.

Professor Hawkins has published individually and with co-authors 16 books and monographs including *Computer Models for Business Case Analysis* (with Brandt Allen); *Corporate Financial Reporting: Text and Cases*; *Equity Valuation Models, Analysis and Valuation* (with Walter J. Campbell); *Accounting for Leases by Lessees* (with Mary Wehle); *Rating Industrial Bonds* (with Barbara A. Brown and Walter J. Campbell); *Corporate Financial Disclosure: 1900–1933*; *The Effectiveness of the Annual Report as a Communications Vehicle* (with Barbara A. Hawkins); and *Corporate Financial Reporting and Analysis*. In addition, he has published numerous articles and other materials directed at corporate managers, accounting standard setters, and institutional investors, and contributed to over 25 books published by others.

Kenneth A. Merchant *University of Southern California*

Kenneth A. Merchant is the current holder of the Deloitte & Touche LLP Chair of Accountancy at the University of Southern California. He is currently teaching in USC's Executive MBA and Global Executive MBA programs and is the ethics coordinator for USC's undergraduate accounting program. Previously he served as Senior Associate Dean—Corporate Programs in USC's Marshall School of Business (2003–2004) and as Dean of USC's Leventhal School of Accounting (1994–2001). Professor Merchant is also a research professor (part-time) at the University of Maastricht (the Netherlands). Before joining USC in 1990, he taught at Harvard University (1978–1990) and the University of California (Berkeley) (1976–77).

Earlier in his career, Professor Merchant was a department controller at Texas Instruments, Inc., and a senior consultant with Ernst & Ernst (now Ernst & Young). He also has worked as a freelance consultant/teacher for many organizations, including Amgen, Arco, AT&T, British Airways, Campbell Soup, Digital Equipment, IBM, McGraw-Hill, Novellus Systems, Occidental Petroleum, Philip Morris International, Tektronix, Toyota U.S.A., and World Bank. He is currently serving as a director of Diagnostic Products Corporation (NYSE:DP) and WL Homes LLC.

Professor Merchant's current research projects are focused on various issues related to the design and effects of performance measurement/evaluation/incentive systems and corporate governance systems. He has published eight books and numerous journal articles and teaching cases. Professor Merchant won the American Accounting Association's (AAA's) awards for Notable Contributions to both the Behavioral Accounting (2003) and Management Accounting Literatures (1991–92), the AAA Outstanding Service Award (2003), and the Institute of Management Accountants' Lybrand Gold Medal Award (best paper of the year published in *Management Accounting*) (1989–90). He is currently a member of the editorial boards of seven academic journals.

Professor Merchant has served as president of three AAA sections: Accounting Program Leadership Group; Management Accounting; and Accounting, Behavior and Organizations. He is a current member of two committees of the American Institute of Certified Public Accountants (AICPA): the Business and Industry Executive Committee and the Private Company Enhanced Business Reporting Task Force.

Professor Merchant is a graduate of Union College (BA), Columbia University (MBA), and the University of California–Berkeley (PhD) and is a Certified Public Accountant (Texas).