عنوان فارسی مقاله:
خوانایی افشاغری و حساسیت قضاوت های ارزیابی سرمایه گذاران در مورد اطلاعات بیرونی

عنوان انگلیسی مقاله:
Disclosure Readability and the Sensitivity of Investors’ Valuation Judgments to Outside Information
V. CONCLUSION

In this study we examine how less readable firm disclosures affect the sensitivity of investors’ valuation judgments to outside sources of information. Using a controlled experiment, we find that when a firm provides a less readable disclosure, participants feel less comfortable evaluating the firm and their judgments about the firm are more sensitive to the content of outside sources of information about the firm. In addition, we examine whether any increased sensitivity to the content of outside information is driven by (1) greater information search of outside information and/or (2) greater reliance on the outside information (holding information search constant). We find that the greater sensitivity to outside information following a less readable initial disclosure is driven primarily by participants relying on the outside information to a greater extent when evaluating the firm. Finally, when participants do not access any of the outside sources of information, we find that valuation judgments are lower overall when a firm provides a less readable disclosure.