Study on the Influence of CFO Characteristics on Accounting Conservatism of Listed Companies

Miao Yu^{1,*}

¹Accounting Department of Beijing Jiaotong University, Haidian District, Beijing, China

Abstract: As the information reflection of social economy, the quality of accounting information is closely related to economic development and market operation system. And accounting conservatism is one of the important standards to measure of quality of accounting information. As the maker and executor of the financial strategy of the listed company, the CFO's different personal characteristics will affect its choice of different accounting policies, thus affecting the accounting conservatism of the enterprise. Therefore, this paper selects CFOs of A-share listed companies in Shanghai and Shenzhen from 2016 to 2018 as research objects, respectively discusses the influence of CFO's natural attributes and social attributes on accounting conservatism, and analyzes the moderating effect of property rights and CFO's power on the relationship between them. The results show that the CFO's age, tenure, education, professional skills, salary and number of part-time jobs are negatively correlated with accounting conservatism. The female CFO, shareholding and concurrent director are significantly positively correlated with accounting conservatism. The difference of property right nature and CFO power moderates the relationship between CFO characteristics and accounting conservatism to some extent. On this basis, this paper puts forward corresponding suggestions on how to improve accounting conservatism and promote economic development.

1 Introduction

Accounting information is an important part of economic information. High-quality accounting information can promote the steady, healthy and efficient development of economy. Accounting conservatism is one of the important standards to measure the quality of accounting information of enterprises. It can alleviate the asymmetry of information in the capital market and constrain the opportunistic behavior of managers, so that managers can make optimal investment decisions, reduce investment risks of enterprises, protect the interests of owners and creditors, and promote the orderly operation of the capital market and the steady development of the economy. And to explore the factors affecting accounting conservatism has been the focus of academic and practical circles. And with the continuous improvement of China's capital market, listed companies pay more and more attention to the application of accounting conservatism principle. Thus, listed companies should pay attention to which factors will affect accounting conservatism, and according to their own development needs, properly use the principle of accounting conservatism to improve the accounting conservatism of enterprises and the quality of accounting information.

Since Enron, WorldCom and other major accounting scandals occurred, the role of CFO in enterprises has also attracted more and more attention. The corresponding

laws and regulations also give CFO higher legal responsibility to ensure the quality of financial reports of public enterprises. As one of the senior executives of an enterprise, CFO participates in the strategy formulation of the enterprise and is responsible for the operation of the financial system of the enterprise. His personal characteristics will profoundly affect his values, intrinsic motivation and behavior, and thus affect his choice of accounting policies.

Since Basu established a model to measure accounting conservatism in 1997^[1], the academia began to pay attention to the empirical research on accounting conservatism. However, in the research on the factors affecting accounting conservatism, most of them assume that CFO is rational and undifferentiated. In real life, CFO is a limited rational person. Different CFOs will make different accounting policy choices because of their different characteristics, which will have different effects on accounting conservatism. Therefore, based on the personal characteristics of CFO, this paper explores the relationship between CFO characteristics and accounting conservatism, and further analyzes the moderating effect of different property rights and CFO power on the relationship between them.

This paper enriches the literature on accounting conservatism from the perspective of CFO characteristics. This paper refers to the relevant research on the impact of accounting conservatism from the perspective of corporate governance, and takes the characteristics of

* Miao Yu: 20120676@bjtu.edu.cn

CFO as the research variable to discuss how the different characteristics of CFO affect accounting conservatism. Research on the influence of different characteristics of CFO on accounting conservatism can help stakeholders of enterprises to effectively judge the quality of financial information, and provide theoretical basis for them to make reasonable investment decisions and effectively safeguard their own interests. At the same time, the research of this paper can help enterprise according to their own needs to accord with the development of the enterprise itself the CFO, and the external supervision organizations of enterprises can make clear the purpose of enterprise information disclosure and identify the quality of enterprise information disclosure by analyzing and comparing the influence of different characteristics of CFO on accounting conservatism, so as to better supervise enterprise information disclosure behavior and provide reliable and stable accounting information for economic development.

2 Literature Review, Theoretical Analysis and Research Issues

2.1 Literature Review

The academic and practical circles at home and abroad have been paying more attention to the research on the factors affecting accounting conservatism. Scholars at home and abroad focused primarily on the impact of contracts on accounting conservatism, and then gradually extended to corporate governance and company characteristics. For example, Lin Aimei et. al (2017) found that the degree of equity concentration has a significant negative impact on accounting conservatism^[2]. Liu Lilong et. al (2015) found that when directors are women, accounting conservatism of private enterprises will be reduced^[3]. In addition, Tang Meimei et. al (2019) found that the increase of the number of shares held by the board of directors is negatively related to accounting conservatism^[4]. And Zhang Honghui et. al (2015) found that the compensation control of state-owned enterprises has a positive impact on the accounting stability of enterprises.

With the occurrence of financial scandals, CFO has been paid more and more attention, and its role in enterprises is becoming more and more important. Although the domestic and foreign scholars gradually began to focus on the characteristics of executives to study the influence of accounting conservatism, in the existing literature, mostly from the Angle of the listed company's CEO to discuss the characteristic of the influence on accounting conservatism. Compared with other countries, there are few researches on the relationship between CFO characteristics and accounting robustness. For example, Wu Nanhui (2015) found that the age, tenure, educational background, professional skills, concurrent directors, part-time number and CFO were positively correlated with accounting conservatism when CFO was female. The CFO stock holding is negatively correlated with accounting conservatism, but not significant. And there are some

differences in different property rights. On this basis, Feng Shaoqin (2017) found that the relationship between the current term of CFO and accounting conservatism is inverted U-type, and the expected term of CFO is positively related to accounting conservatism, and is more obvious in state-owned enterprises. Zuo Xingzi (2017) research found that the compensation incentive, equity incentive and control incentive of female CFO will reduce accounting robustness; but the female CFO will improve the accounting conservatism under the role of product market competition. The Mohammad Badraul Mutitakin et al. (2019) study found that CFO tenure and concurrent director can improve the accounting robustness of enterprises and the quality of financial reports of enterprises^[5]. Because CFO may be influenced by CEO power in enterprises, Hou Fenping (2018) discusses the regulatory effect of CEO power on the relationship between CFO characteristics and accounting robustness. The research finds that CEO power has a negative effect on accounting conservatism; CEO power increases the positive influence of CFO age on accounting conservatism, strengthens the negative impact of CFO tenure on accounting conservatism, and suppresses the positive impact of female CFO on accounting conservatism.

Through the carding of the relevant domestic and foreign literature, the author finds that the research on the factors affecting accounting conservatism has increased the subjective research perspective from the perspective of objective factors in the initial stage. However, from the perspective of corporate governance, the study on the impact of CFO characteristics on accounting conservatism is less, and in the existing research, it is mainly aimed at the impact of single characteristics of CFO on Accounting robustness, which needs further research and expansion. Therefore, this paper elaborates the research scope of corporate governance and further studies the influence of CFO characteristics on accounting conservatism. This paper analyzes the influence degree of accounting conservatism from the perspectives of CFO's natural and social attributes.

2.2 Theoretical Analysis and Research Issues

2.2.1 CFO's natural attributes and accounting conservatism

According to the theory of high-level echelon and the existing literature research, the gender difference of managers will affect their risk preference, confidence level and management style, which will bring different influences when making decisions. Female managers are more inclined to flexible management style, risk avoidance and low overconfidence in financial behavior. For example, Duong and Evans (2016) found that, compared with male CFO, the quality of financial reports is higher when the CFO is female^[6]. As an important research feature in the theory of upper echelon, education background does not necessarily represent a person's ability, but the higher a person's education background is, the easier he or she is to accept new ideas, adapt to new

environments and have stronger information processing ability. The higher the CFO's educational level is, the better it can reflect the business situation of the enterprise. However, there are also scholars found that the CFO degree is higher, the strength of its ability to take risks, and prefer to follow the earnings management behavior of financial restatement, resulting in a decline in the quality of the accounting information. Lu Ming (2016) verified the negative correlation between CFO education and accounting information quality. The professional skills of the CFO reflect the level of business handling and the ability to deal with problems. In general, the higher the professional level of the CFO, the more inclined to delay the recognition of profits, reduce the current tax payable, and improve the value of the enterprise. Therefore, it is more conservative in the choice of accounting policy, which has a positive impact on accounting conservatism. For example, Yu Xuelian et. al (2017) found that the enhancement of CFO's professional ability can restrain the financial irregularities of the company [7].

The role of executives in corporate governance is also influenced by age and tenure. Age usually affects the risk bias and behavioral choices of managers. Older CFOs tend to be more low-risk and more cautious and conservative when making financial decisions, thus affecting accounting conservatism. For example, Dong Yinhou et. al (2017) found that senior CFOs had a lower proportion of assets impairment [8]. Defense, on the other hand, according to the management theory and the theory of signal transmission, due to the high conversion cost after firing, compared to younger CFO, older CFO in order to consolidate its position, and produce management motivation to choose accounting policies more radical, to the enterprise stakeholders to deliver financial information beneficial to its own interests. Thus, affecting the accounting conservatism of enterprises. Generally speaking, the CFO with a longer tenure has richer work experience and higher professional competence, and has a better understanding of the financial situation of the enterprise. In the process of information transmission, the CFO can timely and accurately convey corporate information to all stakeholders, and maintain a high level of accounting conservatism. For example, Dong Yinhou et. al (2017) found that, CFO tenure is positively correlated with the proportion of asset impairment provision. Moreover, after adding CEO variable to test, it is still found that CFO background features have a certain correlation with listed companies' choice of asset impairment accounting policies [8]. However, Wu Xiaofen (2019) found in her research that CFO's management defense awareness and motivation increased with the increase of their tenure, thus they tended to choose to have a high degree of financial flexibility [9]. Zhang Jinsong and Tan Mengmeng (2019) also showed that the quality of information disclosure of listed companies would decrease with the increase of CFO tenure [10]. Therefore, with the increase of CFO term, CFO may choose more aggressive accounting policies, which will have a negative impact on accounting conservatism.

2.2.2 CFO's Social attributes and accounting conservatism

In enterprises, CFO's compensation is often linked to short-term performance, which makes CFO subject to its subjective initiative when making accounting choices. According to the principal-agent theory, CFO's subjective self-interest motivation and important influence on financial decision-making will make CFO maximize their own interests in order to increase their own compensation level, thus reducing accounting conservatism. Moreover, Zhang Jinsong and Tan Mengmeng (2019) found in their research that CFO shareholding can significantly improve the quality of information disclosure [10]. It shows that CFO's holding stocks will enable him to share interests and risks with shareholders, thus alleviating the agency problem between the CFO and shareholders and reducing agency costs. In general, effective separation of board members and executives can improve the level of internal oversight and reduce self-interested behavior of CFOs. But the appearance of a CFO on the board gives him more power, giving him more opportunities to pursue his own interests and thus influence corporate governance. According to the research of Chinese scholars, when executives become members of the board of directors, the efficiency of internal supervision will be reduced and the quality of accounting information will be affected. For example, Liang Shinian (2019) found in his research that the presence of CFO on the board of directors may increase the possibility of financial fraud [11].

According to the social network theory, it can be seen that the CFO takes a part-time job in a company other than his own, which reflects his professional level and his own quality, and represents that he has more social capital. Watts found that debt contracts and compensation contracts can trigger stakeholders' demands for corporate conservatism, and robust accounting information can reduce the potential agency costs of debt contracts and compensation contracts [12]. As the social capital of the CFO, on the one hand, the social capital of the CFO can bring convenience to the financing of the company and reduce the demand of creditors for conservatism. On the other hand, the social capital of the CFO can bring high rewards to the CFO, ease the agency conflict between the CFO and shareholders, and reduce the requirement of shareholders for accounting conservatism.

Based on the above analysis, according to the conclusions of existing literature, combined with the high-level echelon theory, principal-agent theory, signaling theory and social network theory, we can infer that different personal characteristics of CFO will have different effects on the accounting conservatism of enterprises. Therefore, the research question of this paper is how the different natural and social attributes of CFO affect the accounting conservatism of listed companies.

3 Research Design

3.1 Sample Selection and Data Sources

This paper takes the CFO of listed companies as the

research object, selects the 2016-2018 Shanghai and Shenzhen A-share listed companies as the initial sample, and excludes the financial and insurance listed companies. Excluding ST, *ST and PT listed companies; excluding the IPO of the year listed companies; the missing variables needed to calculate accounting conservatism, the missing CFO data and the listed companies with CFO change in the current year were eliminated. Samples with asset-liability ratio >1 or <0 were removed. Samples with annual industry size less than 20 were excluded. On this basis, in order to eliminate the influence of extreme values, all continuous variables were treated with an end-off of $\pm 1\%$, and a total of 6,245 sample observations were obtained in the final 3 years.

The data in this paper are mainly from CSMAR database and CNRDS database. Among them, the personal characteristic information of CFO cannot be obtained directly from the database. For the missing characteristic data of CFO in the database, it is collected and sorted manually through the annual reports of listed companies and related financial websites.

3.2 Variable Definitions

Explained variable: accounting conservatism. Based on the practices of Li Wenfei et al. (2019), this paper adopts the C-score model proposed by Khan and Watts (2009) to calculate accounting conservatism.

Explanatory variable: CFO characteristics. Referred to the classification of personal characteristics in demography and existing literature, this paper divides CFO characteristics into natural attributes and social attributes.

Among them, Natural attributes include CFO gender, age, education, tenure and expertise. The value of male is 1 and female is 0. CFO tenure refers to the period from the beginning year of CFO's tenure to the sample year; "CFO education" means the highest degree, 1 for technical secondary school and below, 2 for junior college, 3 for undergraduate, 4 for master and 5 for doctor; the professional skills of the CFO are determined by whether the CFO has obtained the CPA or intermediate or higher professional titles in economics, if CFO obtained CPA or economic intermediate title or above is 1, otherwise it is 0, among which the economic titles are economist, accountant and auditor.

Social attributes include CFO salary, shareholding, board membership and part-time jobs. The CFO's compensation refers to its total year-end compensation in the sample reporting period, and the logarithm of the compensation is taken in the regression; CFO holds 1 shares of the company, otherwise it is 0; CFO enters the board of directors is 1, otherwise it is 0; the number of part-time CFOs is the number of non-shareholder directors.

The literature on accounting conservatism shows that there are many factors that affect the size and profitability of a company. For better empirical research, the following variables are selected as control variables in this paper: Lev(liabilities/assets), Shr1 (number of shares held by the largest shareholder/total shares of the company), ROA (net profit/average balance of total assets). In order to avoid

multicollinearity, corporate size and price-to-book ratio are not taken as control variables. In addition, annual and industry factors were controlled.

3.3 Model Setting

In order to test the relationship between CFO characteristics and accounting conservatism, the regression model constructed in this paper is as follows.

$$\begin{aligned} C\text{-score} = & \alpha_0 + \alpha_1 Sex + \alpha_2 Age + \alpha_3 Ten + \alpha_4 Edu + \alpha_5 FPA \\ & + \alpha_6 EMO + \alpha_7 Share + \alpha_8 Board + \alpha_9 PTJOB + \\ & \alpha_{10} Lev + \alpha_{11} Shr1 + \alpha_{12} ROA + \sum year + \\ & \sum Industry + \varepsilon \end{aligned} \quad (1)$$

4 Empirical Analysis

4.1 Regression Analysis

Because the logarithm of age and salary is larger than other variables, the logarithm of age and salary is standardized in regression test.

It can be seen from table 4-1 that the coefficient of CFO's gender is significantly negative at the 5% level, which indicates that the accounting conservatism of female CFO's company is higher than that of male CFO's company, indicating that compared with male CFO, female CFO will prefer conservative accounting policy. The age coefficient of CFO is significantly negative at the 1% level, which indicates that compared with the younger CFO, the older CFO has higher management defense awareness and motivation, and they may adopt radical accounting policies in order to consolidate their positions. The coefficient of CFO tenure is significantly negative at the 1% level, which indicates that there is a negative correlation between the two. According to Feng Shaoqin (2017), the relationship between CFO tenure and accounting conservatism is inverted U-shaped, and the optimal tenure is 3 years. In this paper, the average tenure (4 years) of CFO exceeds the optimal tenure. According to the management defense theory, the long tenure of CFO is not conducive to the improvement of accounting conservatism. The coefficient of CFO education is significantly negative at the 1% level, which may be due to the fact that compared with low education CFO, high education CFO has less experience, weak ability to deal with uncertainty, and strong risk-taking ability, so they tend to adopt aggressive accounting policies. The coefficient of CFO's professional skills is significantly negative at the 1% level, which may be because: compared with the lower professional skills, the CFO with higher professional skills has better business processing level, more flexible ability to deal with risks, and then tends to adopt radical accounting policies.

The coefficient of CFO's compensation is significantly negative at the 1% level, which indicates that CFO with high compensation will choose more aggressive accounting policies. The coefficient of CFO shareholding is significantly positive at the 5% level, which indicates

that CFO shareholding helps to improve accounting conservatism. The coefficient of CFO's concurrent director is significantly positive at the 1% level, which may be because CFO's self-interest behavior is restrained after entering the board of directors, which improves accounting conservatism. The coefficient of part-time CFO is significantly negative at 1%, which indicates that part-time CFO is not conducive to improving accounting conservatism. The coefficients of control variables LEV, shr1 and ROA were significant at 1% level.

In conclusion, different characteristics of CFO will have different effects on accounting conservatism.

Table 1 Full sample regression results

VARIABLES	C-Score
Sex	-0.003** (-2.08)
Age	-0.003*** (-3.43)
Ten	-0.002*** (-7.34)
Edu	-0.009*** (-8.49)
FPA	-0.006*** (-3.99)
EMO	-0.018*** (-23.03)
Share	0.003** (1.97)
Board	0.006*** (3.88)
PTJOB	-0.002*** (-6.77)
Lev	0.118*** (29.04)
Shr1	-0.035*** (-7.00)
ROA	-0.147*** (-11.44)
Industry	yes
year	yes
Constant	0.023*** (3.10)
AdjR ²	0.4921
Observations	6,245

4.2 Robustness Test

In order to ensure the reliability of empirical research, the following methods are used to test the robustness. Firstly, considering that different accounting conservatism calculation models may affect the empirical results, we use the method of changing the accounting conservatism calculation model to test. Therefore, this paper refers to the method of Garcia et al. (2016) to calculate accounting conservatism, and uses the timeliness of bad news confirmation cons (the sum of g-score and C-score) to recalculate the annual accounting conservatism of the company. Secondly, considering the change of control variables in the model may also have an impact on the empirical results. Therefore, this paper uses growth instead of ROA and increases growth, MB and eqtn to test

the empirical results. It can be seen from Table 4-2 that the results of robustness test and empirical regression are basically the same.

Table 2 Robustness test results

VARIABLES	Cons	C-Score	C-Score
Sex	-0.001* (-1.76)	-0.003* (-1.84)	-0.002 (-1.60)
Age	-0.001*** (-2.96)	-0.003*** (-3.34)	-0.002*** (-2.67)
Ten	-0.001*** (-6.53)	-0.002*** (-7.18)	-0.001*** (-4.18)
Edu	-0.004*** (-7.24)	-0.008*** (-8.18)	-0.007*** (-7.54)
FPA	-0.002*** (-3.35)	-0.006*** (-3.97)	-0.003* (-1.94)
EMO	-0.008*** (-20.36)	-0.020*** (-25.78)	-0.016*** (-22.45)
Share	0.002*** (-2.61)	0.002 (-1.2)	0.001 (-0.49)
Board	0.003*** (-3.35)	0.006*** (-3.87)	0.006*** (-3.91)
PTJOB	-0.001*** (-5.60)	-0.003*** (-6.77)	-0.002*** (-5.80)
Lev	0.126*** (-58.7)	0.135*** (-34.79)	0.123*** (-31.27)
Shr1	-0.017*** (-6.46)	-0.045*** (-9.09)	-0.037*** (-7.91)
ROA	-0.079*** (-11.71)		-0.199*** (-15.49)
Growth		-0.006*** (-3.18)	-0.003* (-1.76)
MB			0.010*** (-32.43)
EQIN			0.046*** (-9.31)
Industry	yes	yes	yes
year	yes	yes	yes
Constant	-0.005 (-1.36)	0.014* (-1.96)	-0.030*** (-4.23)
AdjR ²	0.7351	0.4823	0.578
Observations	6,245	6,245	5,901

4.3 Further analysis

4.3.1 Group test of property right nature

Among listed companies with different property rights, there are great differences in the qualifications, appointment and removal procedures, responsibilities and authority, salary management of CFO, which will have an impact on the role of CFO in corporate management and corporate governance, and then affect the role of CFO in financial decision-making. According to previous studies, the influence of CFO on accounting conservatism varies among listed companies with different property rights. Therefore, this paper predicts that property rights will moderate the influence of CFO characteristics on accounting conservatism. In order to test the moderating effect of property right nature on the relationship between CFO characteristics and accounting conservatism, this paper divided the research samples into two groups: state-

owned listed companies and non-state-owned listed companies, and then analyzed them in groups. The test results are shown in table 4-3.

It can be seen from table 4-3 that the coefficient of CFO gender is negative but not significant in state-owned listed companies, but significant negative at 5% level in non-state-owned listed companies. The age coefficient of CFO is significantly negative at 1% level in state-owned listed companies, and significantly positive at 5% level in non-state-owned listed companies. The coefficient of CFO tenure is positive but not significant in state-owned listed companies, while it is significantly negative at 1% level in non-state-owned enterprises. The coefficient of CFO professional skills is significantly negative at the level of 10% in state-owned listed companies, while it is negative but not significant in non-state-owned listed companies. The coefficient of CFO entering the board of directors under the two property rights is positive, but it is not significant for state-owned listed companies. The results show that in state-owned listed companies, female CFOs cannot significantly improve accounting conservatism, age and professional skills of CFOs are negatively correlated with accounting conservatism, tenure of CFOs is positively correlated with accounting conservatism, but not significantly. In the non-state-owned listed companies, the age of CFO is significantly positively correlated with accounting conservatism, the tenure of CFO is significantly negatively correlated with accounting conservatism, and the professional skills of CFO are negatively correlated with accounting conservatism, but not significantly. Compared with the state-owned listed companies, the concurrent director of CFO can improve accounting conservatism in the non-state-owned listed companies. In conclusion, the nature of property rights has a moderating effect on the relationship between some CFO characteristics and accounting conservatism.

4.3.2 CFO power grouping test

According to the top echelon theory, managers' discretion is an important moderating factor in the prediction of the top echelon theory. In other words, the more discretion managers have, the more likely their personal characteristics will be reflected in organizational output. Based on this, this paper predicts that CFO power (the proxy variable of managerial discretion) will adjust the impact of CFO characteristics on accounting conservatism.

When a CFO concurrently serves as a director or general manager (president) or deputy general manager (vice president), it indicates that the CFO has more power. Firstly, according to the size of CFO power, the whole sample is divided into high power group (CFO power = 1) and low power group (CFO power = 0). Because the characteristic variable of whether the CFO has entered the board of directors has a high correlation with CFO power, the characteristic variable is removed in the grouping regression. The grouping regression results are shown in table 4-3.

It can be seen from table 4-3 that the regression coefficient of CFO gender in the high power group is positive but not significant, while in the low power group,

the regression coefficient is significantly negative at the 1% level. The regression coefficient of CFO age was significantly negative at 10% level in high power group, and was significantly negative at 1% level in low power group. The regression coefficient of CFO professional skills in the high power group is significantly negative at the level of 5%, and that in the low power group is significantly negative at the level of 1%. The regression coefficient of CFO holdings in the high power group is significantly positive at the 5% level, but it is not significant in the low power group. The above results show that the more discretionary power a female CFO has, the more risk-taking ability she can take, and then she may choose more aggressive accounting policies. The age and professional skills of CFO have more significant impact on Accounting Conservatism when CFO has less power. The more discretionary power CFO has, the more positive effect CFO shareholding has on accounting conservatism. To sum up, CFO power has a certain moderating effect on the relationship between CFO characteristics and accounting conservatism.

Table 3 Further test results

Variables	SOE=1	SOE=0	Power=1	Power=0
	C-Score	C-Score	C-Score	C-Score
Sex	-0.003	-0.003**	0.000	-0.006***
	(-0.95)	(-2.00)	(-0.17)	(-3.01)
Age	-0.006***	0.002**	-0.002*	-0.004***
	(-3.73)	(-2.11)	(-1.74)	(-3.62)
Ten	0.000	-0.002***	-0.002***	-0.001***
	(-0.67)	(-9.38)	(-6.28)	(-3.63)
Edu	-0.015***	-0.004***	-0.006***	-0.012***
	(-7.48)	(-3.16)	(-4.08)	(-8.35)
FPA	-0.005*	-0.002	-0.005**	-0.006***
	(-1.93)	(-1.40)	(-2.18)	(-3.11)
EMO	-0.022***	-0.015***	-0.019***	-0.017***
	(-15.13)	(-17.36)	(-16.24)	(-16.36)
Share	-0.005	0.000	0.005**	0.001
	(-1.56)	(-0.14)	(-2.29)	(-0.3)
Board	0.003	0.006***		
	(-1.11)	(-3.42)		
PTJOB	-0.002***	-0.002***	-0.002***	-0.003***
	(-3.91)	(-5.55)	(-4.41)	(-5.35)
Controls	yes	yes	yes	yes
Industry	yes	yes	yes	yes
year	yes	yes	yes	yes
cons	0.069***	-0.011	0.007	0.041***
	(-5.48)	(-1.23)	(-0.61)	(-4.28)
Adj R ²	0.5165	0.5212	0.4801	0.5057
Obs	1,930	4,315	2,740	3,505

5 Empirical conclusions

Through the combination of theoretical analysis and empirical research, this paper discusses the relationship between the characteristics of CFO and accounting conservatism, as well as the nature of property rights and the regulatory role of CFO power. The results show that age, tenure, education background, professional skills, salary and part-time job of CFO are negatively correlated with accounting conservatism; there is a significant positive correlation between accounting conservatism and

CFO shareholding, concurrent director and female; property right nature and CFO power have moderating effect on the relationship between CFO characteristics and accounting conservatism. Based on the above results, this paper puts forward the following suggestions.

First, enterprises should improve the selection basis of CFO and improve the accounting conservatism of enterprises from the inside. Different characteristics of CFO have different influences on accounting conservatism. Enterprises should select CFO according to their own development strategy, operation mode and information disclosure method. By improving the incentive system and supervision mechanism of enterprises, the CFO is endowed with certain power, and the behavior of the CFO is regulated, so as to continuously improve the quality of accounting information disclosure of enterprises.

Second, the stakeholders of enterprises should improve their ability to identify the financial information and quality of enterprises, make effective investment decisions, and promote the sustainable and stable development of the capital market and economy. Through the analysis of CFO's personal characteristics, shareholders can better understand the choice of corporate accounting policies, predict the preference of corporate accounting policies, and effectively supervise managers, so as to continuously improve the quality of corporate information disclosure. For some small and medium shareholders of listed companies, they often do not directly participate in the daily production and operation activities of enterprises, but they can make appropriate investment by judging the dividend policy of enterprises. By analyzing the CFO characteristics of listed companies, creditors can make clear the accounting policy preference of listed companies, analyze the authenticity of financial information disclosed by enterprises, and make reasonable investment decisions on the basis of combining their own risk preference and identifying the effectiveness of financial information.

Third, external regulatory agencies should effectively play their regulatory functions and urge enterprises to continuously improve the quality of accounting information disclosure. The behavior preference of CFO will directly affect the quality of information disclosure. According to the different background characteristics of CFO, the regulatory department can reasonably predict the choice of accounting policies and accounting methods of CFO, and focus on the inspection of the areas prone to problems, so as to improve the efficiency of regulatory work and better regulate the behavior of enterprise accounting information disclosure. Thus, enterprises can provide more real and reliable accounting information, and promote the healthy development of capital market and economy and society.

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