

PROMOTION RECOMMENDATION
The University of Michigan
Stephen M. Ross School of Business

Reuven Lehavy, associate professor of accounting, with tenure, Stephen M. Ross School of Business, is recommended for promotion to professor of accounting, with tenure, Stephen M. Ross School of Business.

Academic Degrees

PhD	1997	Accounting and Information Systems, Northwestern University
MS	1995	Accounting and Information Systems, Northwestern University
BA	1989	Economics and Accounting, University of Haifa, Haifa, Israel

Professional Record:

2010-Present	Michael and Joan Sakkinen Accounting Scholar, University of Michigan, Stephen M. Ross School of Business
2006-Present	Associate Professor of Accounting, with tenure, University of Michigan, Stephen M. Ross School of Business
2002-2006	Assistant Professor of Accounting and the Auerbach Faculty Fellow, University of Michigan, Stephen M. Ross School of Business
2003-2004	The Bank One Corporation Assistant Professor of Business Administration, University of Michigan, Stephen M. Ross School of Business
1996-2002	Assistant Professor of Accounting, University of California, Berkeley, Walter A. Haas School of Business

Summary of Evaluation:

Teaching: Professor Lehavy teaches Financial Statement Analysis. His course evaluations have consistently been in the mid- to upper 4's over the last four years here and especially good in his MBA course. He also serves as co-director of an executive education course on investor relations.

Research: Professor Lehavy's research record, as indicated by the number of publications and the consistent output, both before and after the granting of tenure, is excellent. He has made significant contributions to the accounting field and we believe he will continue to do so for a long time into the future.

Professor Lehavy is one of the leading scholars in accounting in the area of analyst forecasts. Professor Lehavy's paper (with Alon Brav, 2003, *Journal of Finance*) was nominated for the Smith-Breeden Prize in Finance, indicating interest in this work beyond accounting. Professor Lehavy's research is widely sought out by his peers. He has made many invited conference and university presentations since his arrival here. On average, he is invited to speak at more than one major conference and three universities every year. Clearly his work has caught the attention of the profession. He is also on the editorial board of the *Accounting Review*. Professor Lehavy has an excellent publication record in the accounting field in top-tier journals. Further, his publication record shows a consistent rate of output that has not slowed after tenure. These publications have generated (at the time of writing) 243 citations.

Recent and Significant Publications:

"The Effect of Annual Report Readability on Analyst Following and the Properties of their Earnings Forecasts," with Feng Li and Kenneth Merkley, Forthcoming, *The Accounting Review*.

“Limited Attention and the Earnings Announcement Returns of Past Stock Market Winners,” With David Aboody and Brett Trueman, June 2010 15:317-344, *Review of Accounting Studies*.

“The Quality of Analysts’ Cash Flow Forecasts,” with Dan Givoly and Carla Hayn, 2009, Vol. 84, No. 6, pp. 1877-1911, *The Accounting Review*.

“Comparing the Stock Recommendation Performance of Investment Banks and Independent Research Firms,” with Brad Barber and Brett Trueman, August 2007, 490-517, *Journal of Financial Economics*.

“An Empirical Analysis of Analysts’ Target Prices: Short Term Informativeness and Long Term Dynamics,” with Alon Brav, 2003, *Journal of Finance*, nominated for the 2003 Smith-Breedon Prize.

Service: Professor Leheavy is an important member of the group and the school. At the group level, he has been chair of our recruiting efforts for the past several years. He has also served on the CVC committee for the school. In addition to the service he provides the accounting area and the school, his service to the profession is also recognized. He serves as a reviewer to several journals. He also serves on committees of the American Accounting Association and as an organizer of the mid-year meeting of the Financial Accounting and Reporting Section.

External Reviewers:

Reviewer A: “...I enthusiastically support the promotion of Roby to the rank of Full Professor of Accounting at the University of Michigan. ...Roby’s record of publications, and his contribution to accounting research...justify, from a research perspective, an appointment to Full Professor at Michigan. ...if we were to consider hiring Roby, we would most likely offer him a rank of Full Professor. Roby is doing well in the class-room and he regularly participates in departmental, School, and nation-wide professional activities. I support his promotion without any hesitation.”

Reviewer B: “I believe that Professor Leheavy’s record supports such a promotion. ...I believe that he has moved beyond meeting the criteria for tenure and has become an intellectual leader in the field.”

Reviewer C: “...I believe he is an excellent candidate, and I strongly support this promotion. Professor Leheavy consistently does extensive and creative empirical analysis on important research topics. His record of published work is excellent and the working papers and projects in progress demonstrate potential for ongoing important contributions.”

Reviewer D: “...I recommend this promotion for Roby, and I would make the same here...were Roby to be in a similar situation. Roby’s record of academic publications is at the level I would expect to see for promotion to full professor at a top US business school. ...he has consistently attacked interesting questions in the area of analysts, and has unquestionably built up a strong reputation of expertise in that area. These are papers that are innovative and I wish I had written them.”

Reviewer E: “...I hold him in high regard and would be pleased to have him as a colleague... Professor Leheavy is a strong contributor to the accounting and finance research communities. In sum, I believe that Reuven Leheavy has a very solid record in research, teaching, and service. His research is creative, top rate, relevant, and influential.”

Reviewer F: “Professor Leheavy has compiled a strong research portfolio. I have read most of his publications even prior to receiving his packet and I believe they collectively have made a substantial and enduring contribution to our profession. I think this should be a relatively easy decision for you. He deserves this promotion and I believe it is a decision that will make your group stronger overall.”

Reviewer G: "I believe that the case for promoting Professor Lehavy to Professor of Accounting with tenure is extremely strong and I recommend that you promote him."

Reviewer H: "Reuven (Roby) Lehavy has an excellent research record and I have no hesitation in recommending that he be promoted to Full Professor. ...Roby's record speaks for itself. He has been extremely successful and his research addresses important and interesting questions and his research is of the highest quality."

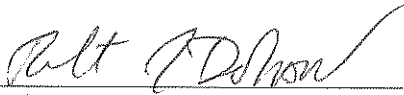
Reviewer I: "Reuven has a solid research record that compares favorably with other top scholars in accounting... His research has a lot of positive momentum, and his future research potential is high. He appears to be an excellent teacher and has a good service record. I think that this is a strong case for promotion to Full Professor at the University of Michigan, and I recommend this promotion without reservation."

Reviewer J: "I recommend the appointment. The research is competently executed, tightly focused, and well written..."

Reviewer K: "Professor Lehavy's research...is extremely well known and widely cited. Professor Lehavy's work...is creative and original. Moreover, he has remained quite research-active post tenure, as he has numerous working papers and works-in-progress in the 'pipeline', suggesting that his research productivity will continue. ...based on the quality and impact of his papers and his research productivity, I strongly recommend Reuven Lehavy for promotion to Professor of Accounting with tenure."

Summary of Recommendation:

Professor Lehavy is one of the best scholars in the accounting field, one of the most highly regarded researchers in the accounting area, is an excellent teacher and an extremely valuable citizen of the school and University. With this in mind, the Executive Committee and I strongly recommend Reuven Lehavy for promotion to professor of accounting, with tenure, Stephen M. Ross School of Business.



Robert J. Dolan
Edward J. Frey Dean of Business
Stephen M. Ross School of Business

May 2011