

Identifying Accounting Distortions: Case Overview

This case walks students through their own 'big data' financial screening analysis with the goal of identifying a significant accounting distortion in real time.

We use the Factset screening tool and provide some boilerplate screens to get students started (e.g., bloated inventory, receivables and goodwill).

It is particularly effective to use this case shortly before a quarterly earnings announcement cycle and then follow up and see if any of the identified distortions are corrected in during the quarterly cycle.