The Wall Street Journal: CEOs’ Simple Trick on Earnings Calls - Saying ‘I,’ ‘We’ and ‘Us’

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The Wall Street Journal interviewed Freeman School Assistant Professor of Accounting Serena Loftus for a story about a new study she authored on the use of self-inclusive language by managers. The study, co-authored with Zhenhua Chen, assistant professor of accounting, suggests that investors react more positively to managers who use self-inclusive language — that is, words such as "I," "we" or "us" — in earnings conference calls. Loftus tells the *Journal* that first-person pronouns create the impression that a manager has more control over the company’s past and therefore more ability to influence its future.

> “The implications for investors are that the words that may not appear to be important at first glance actually do play an important role in shaping reactions to managers’ statements,” she says.

The story appeared in the Aug. 7, 2017, print edition. To read the story in its entirety, visit wsj.com.