

Female Executives and Voluntary Earnings Guidance

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Abstract

This study examines whether CEO and CFO gender influence the likelihood and characteristics of voluntary earnings guidance. Using data on U.S. firms between the years 1992 and 2021, we document that firms with female CEOs and CFOs issued less managerial guidance before the enactment of Regulation Fair Disclosure (RFD). With the increasing prevalence of earnings guidance in the post-RFD period, we find that female-led firms issue more managerial guidance, and the likelihood of issuing guidance is the highest for firms with female CFOs. Furthermore, our results suggest that female CFOs provide less precise earnings guidance, particularly when issuing earnings forecasts that fall short of analyst expectations. We also document that the stock market response to managerial earnings forecasts exceeding analyst expectations is more positive for female-led firms. The stock market appears to respond similarly to voluntary disclosure regardless of executive gender when earnings guidance is below or in line with analyst forecasts.

JEL classifications: G10; G14; G30; G32; M41

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1. Introduction

This paper examines whether the gender of the firm's Chief Executive Officer (CEO) and Chief Financial Officer (CFO) influences corporate information dissemination and transparency through voluntary earnings guidance. Previous studies demonstrate that managerial earnings disclosures are strong, value-relevant information signals that influence stock prices (see e.g., Lev and Penman, 1990; Skinner, 1994; Barth, Elliott, and Finn, 1999; Clement, Frankel, and Miller, 2003; Myers, Myers, and Skinner, 2007; Agapova, Aier, and DeVides, 2022) and market uncertainty (e.g., Rogers, Skinner and Van Buskirk, 2009; Agapova and Madura, 2016; Safdar, Neel, and Odusami, 2022). A large body of literature has examined different aspects and motivations behind the decision to issue voluntary earnings guidance, such as reducing information asymmetries (Marquardt and Wiedman, 1998; Shroff, Sun, White, and Zhang, 2013; Kraft, Lee, and Lopatta, 2014), lowering the cost of equity (Diamond and Verrecchia, 1991; Hail, 2002; Kim and Shi, 2011; Cao, Myers, Tsang, and Yang, 2017), and mitigating litigation costs (Skinner, 1994 & 1997; Lev, 1995; Kasznik, 1999; Marinovic and Varas, 2016), as well as potentially signaling managerial ability and credibility through the accuracy of the earnings forecasts (Lee, Matsunaga, and Park, 2012; Yang, 2012; Ng, Tuna, and Verdi, 2013). In this paper, we aim to contribute to the literature by examining the effects of CEO and CFO gender on the likelihood and characteristics managerial earnings guidance.

The motivation for our analysis builds on the extensive body of literature that has examined gender-based behavioral differences between women and men in decision-making. The prior literature on gender differences demonstrates that women are, in general, more conservative, cautious, risk-averse, and less overconfident than men in rendering financial decisions (see e.g., Levin, Snyder, and Chapman, 1988; Johnson and Powell, 1994; Jianakoplos and Bernasek, 1998;

Sunden and Surette, 1998; Byrnes et al., 1999; Schubert, 2006; Bonner, 2008). These generic gender-based differences have also been documented to persist at the top executive level, thereby influencing corporate decisions and outcomes (see e.g., Malmendier and Tate, 2008; Peni and Vähämaa, 2010; Malmendier, Tate, and Yan, 2011; Liu, Wei, and Xie, 2016; Peltomäki et al., 2021). In this paper, we presume that the documented behavioral differences between women and men may inherently influence the firm's likelihood of issuing voluntary earnings guidance as well as the quality of managerial guidance, thereby leading to different levels of corporate information transparency. Specifically, we examine whether the genders of the firm's CEO and CFO affect the likelihood of issuing earnings guidance, the precision of the guidance, and the stock market response to the issued guidance.

Using data on the S&P 1500 firms between the years 1992 and 2021, we document that the gender of the firm's CEO and CFO influence the likelihood of issuing voluntary managerial earnings guidance as well as the characteristics of guidance. Our results indicate that female-led firms are less likely to issue voluntary earnings guidance. However, this finding is limited to the period before the Regulation Fair Disclosure was enacted by the U.S. Securities and Exchange Commission in 2000. The RFD controls firm disclosure by prohibiting public companies from issuing previously nonpublic material information to certain individuals or entities, such as market professionals and certain shareholders, unless the information is distributed to the public first or simultaneously. Thus, the RFD aims to promote full and fair disclosure and to prevent loss of confidence in the markets.

Our findings indicate that the earnings guidance likelihood between firms led by female and male executives becomes similar after the RFD, thereby indicating that the change in

regulation had an impact on voluntary earnings guidance. The gender of the firm's top executives does not appear to be associated with a difference in the precision of earnings guidance. However, our findings suggest that firms with female CFOs are timelier with issuing guidance before quarterly earnings announcements. We also document that the stock market response is more positive to earnings guidance that is above analysts' expectations and issued by firms with female executives in comparison to guidance issued by male-led firms.

We build upon the upper echelons theory of Hambrick and Mason (1984) and Hambrick (2007) by documenting that voluntary managerial guidance is influenced by the characteristics of the top executives. We contribute to two strands of literature. First, we add to the extant literature on voluntary disclosure, which still does not provide a clear consensus on why companies issue earnings guidance. Most of the prior literature on determinants and characteristics of managerial guidance focuses on different firm, industry, and market attributes. A few recent studies examine the personal traits of the top executives, such as extraversion (Qiu, 2019; Liao, San, Tsang, and Yu, 2023), as potential factors influencing issuance and properties of management earnings forecasts (e.g., forecast precision, forecast bias) and the stock market reaction to these earnings forecasts.

Second, we extend the prior literature on the effects of female leadership on corporate decisions and outcomes. Most closely related to but distinct from our study, Francoeur et al. (2023) investigate the earnings forecasts made by female CEOs. Using data on U.S. firms over the period 2000-2018, Francoeur et al. (2023) document that female CEOs are more likely to issue earnings forecasts than male CEOs. Furthermore, their findings suggest that female CEOs issue more

accurate earnings forecasts and that financial analysts rely more on earnings guidance provided by female CEOs.

Our paper complements and extends the work of Francoeur et al. (2023) in four main respects. First, we take a more granular view on voluntary managerial guidance by dissecting earnings forecasts into (i) positive guidance, (ii) negative guidance, (iii) neutral guidance, and (iv) just guidance. Furthermore, regarding guidance characteristics, we consider the timing of the voluntary managerial guidance relative to the firm's scheduled earnings announcement in addition to the precision of the issued guidance. Second, while Francoeur et al. (2023) focus on female CEOs, we also examine the effect of CFO gender on both the likelihood and characteristics of earnings guidance. Previous studies by Bertrand and Schoar (2003), Chava and Purnanandam (2010), Jiang, Petroni, and Wang (2010), and Peltomäki et al. (2021), among others, suggest that CFO characteristics and incentives may play a stronger role than those of the CEOs on corporate decisions and outcomes. Given the pivotal role CFOs have in overseeing financial reporting and the preparation of financial statements, it can be argued that the gender of the CFO is important to consider if gender-based behavioral differences are presumed to influence earnings guidance.

Third, we examine whether the stock market reaction to different types of managerial guidance is influenced by CEO and CFO gender. It has been well-documented in the prior literature that voluntary earnings forecasts provide value-relevant information to the markets that influences stock prices (e.g., Patell, 1976; Pownall et al., 1993; Skinner, 1994; Baginski et al., 2004; Das et al., 2012). If gender influences managerial opportunism, overconfidence, and reputational concerns or, alternatively, the market perceptions about the credibility of managerial guidance, it is possible that the stock markets respond react differently to earnings guidance issued by female CEOs and

CFOs. Finally, we use a long sample period spanning from 1992 to 2021 which allows us also to investigate the potential impact of the enactment of Regulation Fair Disclosure on earnings guidance provided by female CEOs and CFOs. Prior studies indicate that RFD substantially increased the prevalence and decreased the quality of managerial guidance (Bailey et al., 2003; Bushee, Matsumoto, and Miller, 2004; Wang, 2007), and therefore, it is of interest to examine the role of CEO and CFO gender in voluntary guidance before and after the adoption of RFD.

The rest of the paper is organized as follows. Section 2 discusses the related literature and develops hypotheses. Section 3 describes sample selection. Section 4 provides empirical analysis, while Section 5 concludes the paper.

2. Related Literature and Hypotheses

2.1. Executive Gender

A considerable body of cognitive psychology and behavioral economics studies have documented significant gender-based differences suggesting that women are more conservative and risk-averse than men (Johnson and Powell, 1994; Powell and Ansic, 1997; Jianakoplos and Bernasek, 1998; Sunden and Surette, 1998; Byrnes et al., 1999; Schubert, 2006), which may have an impact on executive behavior and decision-making. Moreover, psychology literature has established that people are prone to overestimate their skills and knowledge, and they tend to be overconfident in their own relative abilities (see e.g., Fischhoff, Slovic and Lichtenstein, 1977; Lichtenstein, Fischhoff, and Phillips 1982; Taylor and Brown, 1988; Camerer and Lovallo, 1999). There are also well-documented gender-based differences in overconfidence. Bonner (2008) suggests that men tend to be more overconfident than women, especially in domains traditionally considered masculine, such as business life. The level of overconfidence apparently increases with

more difficult tasks (Klayman, Soll, González-Vallejo, and Barlas, 1999). Managerial overconfidence is suggested to have an impact for example on investment decisions, since overconfident CEOs tend to overestimate their income-generating ability and, consequently, overpay for target companies in mergers (Malmendier and Tate, 2008). Overconfident CEOs also use less external finance and issue less equity than their peers (Malmendier, Tate, and Yan, 2011).

Female executives and directors may also have higher moral standards than their male counterparts (Bernardi and Arnold, 1997). Moreover, women are considered to be more trustworthy than men, and are thereby less likely to manipulate corporate financial and other disclosures (MacLeod Heminway, 2007). Thus, we presume that the documented gender-based differences in conservatism, overconfidence, risk averseness, and ethical behavior may have important implications for voluntary earnings guidance and as a result firm information transparency. A related study by Peni and Vähämaa (2010) finds that female CFOs follow more conservative earnings management strategies while Liu, Wei, and Xie (2016) document that female CFOs engage in less earnings management and are more conservative in their earnings reporting than their male counterparts. Moreover, Vähämaa (2014) reports that firms that hire a female CFO after a male tend to shift toward more conservative financial reporting practices. Finally, Chiara, Falconieri, and Tastan (2021), by applying textual analysis to conference call transcripts, compare the difference in sentiment between female and male senior managers (CEOs and CFOs) measured with tone and vagueness. Their findings indicate that female executives employ a more positive and less vague tone than their male colleagues during conference calls, which does not reflect incremental information content.

2.2. Managerial Earnings Guidance

There is a large body of literature that examines various reasons why management provides guidance. Common explanations for providing earnings guidance include reducing litigation risks (Skinner, 1994, 1997; Kasznik, 1999), building a reputation for credible and transparent reporting (Graham, Harvey, and Rajgopal, 2005; Hutton and Stocken, 2009), reducing information asymmetry (Diamond and Verrecchia, 1991; Marquardt and Wiedman, 1998; Verrecchia, 2001 Shroff, Sun, White, and Zhang, 2013; Kraft, Lee, and Lopatta, 2014), and aligning analysts' forecasts toward beatable earnings targets (Richardson, Teoh, and Wysocki, 2004; Cotter, Tuna, and Wysocki, 2006).

Factors examined in the literature that influence guidance decisions include firm-specific characteristics and the relative or absolute performance of a firm, as well as market characteristics. For example, Kross, Lewellen, and Ro (1994) find that firm-specific characteristics such as firm size, leverage, the strength of earnings, and stability of earnings increase the likelihood of issuing guidance. Feng and Koch (2010) find that management is less likely to provide guidance when their past guidance was too optimistic. Houston, Lev, and Tucker (2010) find that firms cease guidance due to poor performance. Agapova and Madura (2016) show that market uncertainty affects earnings guidance perception and behavior.

These studies focus on firm, industry, and market characteristics that contribute to a choice of issuing earnings guidance and market response to it. However, executive characteristics may also play an important role in the dissemination, quality, and informativeness of earnings guidance. Recent studies indicate that individual executives with different personal characteristics exert a significant impact on the choices of managerial earnings guidance. For example, Bamber et al.

(2010) look at manager-specific characteristics in general, captured with manager-specific fixed effect, and find that the top executives contribute to their firms' voluntary disclosures in a unique and economically significant way, beyond known economic determinants of disclosure, and firm- and time-specific effects. Hribar et al. (2016) show that overconfidence affects the properties of management forecasts by increasing the likelihood of issuing guidance, increasing the amount of optimism in guidance, and increasing the precision of forecasts. Baik et al. (2011) find that the likelihood of earnings guidance issuance increases in CEO ability.

While there is a large body of literature that examines the effects of executive gender on corporate governance, firm performance, and risk-taking, only Chiara, Falconieri, Tastan (2021) have looked at the effects of gender differences on the sentiment of managerial guidance within conference calls. They document that female executives are more positive and less ambiguous than male executives in their communication during conference calls. Interestingly, the stock market reacts to the sentiment of the call but not to the gender of the executive giving out the information. Earlier literature has also recently documented preliminary evidence suggesting gender-based differences in voluntary earnings guidance. Francoeur et al. (2022) examine voluntary earnings forecasts issued by CEOs and document that female CEOs tend to issue more voluntary earnings forecasts than male CEOs. Moreover, their findings also suggest that the guidance issued by women is more accurate than the voluntary earnings guidance issued by men.

Finally, it should be acknowledged that CFOs have an important role in providing timely and accurate financial information. This is also noted in the legislation, as the Sarbanes-Oxley Act of 2002 puts both the CEOs and CFOs personally responsible for the accuracy and completeness of financial information provided by the company (Sarbanes Oxley Act, 2002). Many existing

studies on financial reporting and earnings guidance focus solely on examining the CEOs while ignoring the importance of CFOs. For example, the findings of Jiang, Petroni, and Wang (2010) indicate that, in fact, the CFOs are the executives with the most control over the company's financial reporting. Finally, earlier literature also indicates that CFOs may engage in earnings management with the purpose of increasing their own wealth (see e.g., Nelson, Elliot, and Tarpley, 2002, Kinney and Martin, 2004, and Cheng, 2004). Consequently, we argue that the impact of CFO gender on voluntary earnings guidance should be more thoroughly examined.

2.3. Research Hypotheses

To summarize, the earlier literature suggests that gender-based differences have an impact on executive decision-making and performance and that both the CEO and CFO have an important role in earnings guidance. We combine these two strands of literature and study whether the gender of the firm's CEO and CFO affects the likelihood of issuing earnings guidance, the precision of the guidance, and the stock market response to the guidance. Our research setting builds upon the upper echelons theory of Hambrick and Mason (1984) and Hambrick (2007) by examining if management forecasting is influenced by the characteristics of top executives.

Since females tend to be more conservative and risk-averse than males (Levin, Snyder, and Chapman, 1988; Johnson and Powell, 1994; Jianakoplos and Bernasek, 1998; Sunden and Surette, 1998; Byrnes et al., 1999; Schubert, 2006), which is the opposite of overconfidence trait (Bonner, 2008), we expect female executives to be less likely to issue earnings guidance than their male counterparts. This expectation is in line with the findings of Hribar et al. (2016) who document that overconfident managers exhibit a higher likelihood of issuing guidance and leads to our first research hypothesis:

H1: Firms with female executives are less likely to issue earnings guidance.

The same argument applies to the second hypothesis that more conservative and risk-averse female executives would experience less overconfidence than male executives and thus provide guidance with less precision, consistent with the view that overconfidence increases the precision of forecasts (Hribar et al., 2016). We hypothesize:

H2: Firms with female executives are less likely to issue more precise and timely guidance.

Since women are considered to be more conservative, risk-averse, ethical, and trustworthy than men (Levin, Snyder, and Chapman, 1988; Johnson and Powell, 1994; Jianakoplos and Bernasek, 1998; Sunden and Surette, 1998; Byrnes et al., 1999; Weeks, Moore, McKinney, and Longenecker, 1999; Valentine and Rittenburg, 2004; Schubert, 2006; MacLeod Heminway, 2007; Lund, 2008), and thereby less likely to manipulate disclosures, information signals produced by earnings guidance issued by female executives are expected to be stronger and more efficient with less post-announcement drift than signals produced by male manager's earnings guidance. This leads to our third research hypothesis:

H3: Firms with female executives are associated with a stronger and timelier stock price response to managerial earnings guidance.

Additionally, we examine whether the C-suite gender difference, e.g., when the CEO and CFO are of a different gender, leads to more or less information transparency. The null hypothesis is that the gender difference between the CEO and CFO would not affect the likelihood, precision of guidance, and market response to such guidance. Alternative hypotheses are: a) a difference in CEO and CFO gender leads to more likelihood of earnings guidance, more precision, and more

efficient market response with stronger price reaction to the announcement and less post-announcement drift; b) the opposite effect of a).

H4null: Gender difference between the firm's CEO and CFO does not affect the likelihood, precision, and informativeness of managerial guidance.

H4a: Gender difference between the firm's CEO and CFO is positively associated with the likelihood, precision, and informativeness of managerial guidance.

H4b: Gender difference between the firm's CEO and CFO is negatively associated with the likelihood, precision, and informativeness of managerial guidance.

We also examine the effects of executive turnovers with a male-to-female or a female-to-male switch in executive gender on the properties and quality of managerial guidance to see if the companies change their disclosure patterns after a switch in the executive gender, thereby indicating that gender-based differences may have an important implication on voluntary earnings guidance. Consequently, we posit the following research hypothesis:

H5: Executive turnover accompanied by a gender switch is associated with a change in disclosure patterns.

As a follow-up to hypothesis 5, we examine whether firms strategically use perceived risk aversion and trustworthiness of female executives in corporate disclosures and whether they are successful in doing so. Finally, we also investigate the relationship between the CEO-CFO executive team composition on managerial guidance. In particular, we distinguish between a mix of female and male, all-male, and all-female CEO-CFO teams and hypothesize:

H6: CEO-CFO executive team gender composition is associated with managerial earnings guidance.

3. Data and Sample Description

3.1. Data

We use data on U.S. firms from November 1992 through September 2021 in our empirical analysis. Company-issued earnings guidance data and characteristics come from Thomson Reuters IBES Guidance (former First Call) database of company-issued guidance, and stock prices come from the Center for Research in Securities Prices (CRSP). The gender and other characteristics of the firms' CEOs and CFOs come from Execucomp.¹ We supplement Execucomp data on CFO characteristics with data obtained from BoardEx.² Company characteristics are collected from the Compustat North America Fundamentals quarterly data and the average financial analyst forecasts from the IBES database. We obtain institutional holdings from Thomson Reuters Institutional holdings 13-f filings, and governance proxies' data from Institutional Shareholders Services (ISS). The final sample of 206,247 firm-quarter observations is mainly determined by the availability of the CEO and CFO characteristics in Execucomp and BoardEx.

3.2. Descriptive Statistics

As Figure 1 illustrates, there is a noticeable increase in the proportion of females among CEOs and CFOs of the U.S. S&P1500 companies from 1992 to 2021. The proportion of female CEOs grew from less than 1% to 14%, with the largest growth in the last two years of the sample

¹ Information on CFO characteristics is available from 2006.

² We use International Security Identification Number (ISIN) provided in BoardEx to match the CUSIP in Execucomp.

period (6% to 14%). The proportion of female CFOs has historically been larger than that of CEOs and has increased more monotonically over time than the proportion of female CEOs from 4% to 16%. With this increase in the proportion of female CEOs and CFOs, CEO-CFO teams' gender composition has also evolved, albeit slowly. As Figure 2 illustrates, all male CEO-CFO teams still dominate the population of executive teams at 75% in 2021, down from 86.6% in 2006. The second largest team composition is male CEO and female CFO at 11.5% in 2021, up from 7.5% in 2006. The remaining smallest groups are female CEO-male CFO teams at 9.4% in 2021, up from 2.1% in 2006, and all female CEO-CFO teams at 4.2% in 2021, up from 0.4% in 2006. This increase in the diversity of CEO-CFO teams sheds more light on the importance of examining gender differences in managerial decisions, including earnings guidance.

<Figure 1 should be here>

<Figure 2 should be here>

Table 1 details sample descriptive statistics. Panel A shows that only 2.89% of the sample CEOs are female. While the proportion of female CFOs is substantially higher at 9.07% within the smaller sample of firms that have information about CFO characteristics (156,586 observations), it is still quite small. The statistics increase from before the RFD (i.e., year 2001) with post-RFD sample averages for female CEO of 3.58% and female CFO of 9.59%. The table also reports statistics on changes of CEOs and CFOs from male to female and from female to male, with the former ones being more prevailing at 0.12% for CEOs and 0.3% for CFOs compared to the latter ones at 0.07% and 0.24%, respectively. However, all changes in CEOs and CFOs with new executives being of the opposite gender than the prior executives are a very rare occasion.

<Table 1 should be here>

Panel B of Table 1 details the proportion of firm-quarter guidance observations. While prior literature documents the percentage of guiding firms being between 16 and 35% (Anilowski et al, 2007; Agapova and Madura, 2016), only 2.38% of our sample firm-quarters issue earnings guidance. That can be explained by the reduction of our sample due to the limitations of the Execucomp and BoardEx sample of managerial characteristics. The average of guiding firm-quarter observations is 0.33% before the RFD and 3.08% after the RFD – a difference of 2.75% and 10 times increase.

Panel B of Table 1 also details guidance sample distribution by executive gender, where the CEO or the CFO of a company is female (F_CEO and F_CFO, respectively), and by the executive team composition: male CEO and female CFO (M_CEO_F_CFO), female CEO and male CFO (F_CEO_M_CFO), both CEO and CFO male (M_CEO_M_CFO) and both CEO and CFO female (F_CEO_F_CFO). Across all groups of gender characteristics of the executive teams, all teams except F_CEO_F_CFO teams have a higher proportion of firm-quarter guidance observations than teams without those gender characteristics. Specifically, within the sample of firms with female CEOs, 3.21% issue guidance, while in the sample with male CEOs 2.26% issue guidance, which is a 0.85% difference at the 1-percent level significance. Similar results are within the subsamples based on CFO gender – 3.6% and 2.77% guide with female CFO and male CFO, respectively, which is a difference of 0.82% at the 1-percent level significance. Both groups, CEOs and CFOs, experience an increase in guidance after the RFD. However, the difference in earnings guidance strategies between female and male CEOs is driven by the pre-RFD period, while for the CFOs it is driven by the post-RFD period. The presence of a female CFO by herself or in a team with male CEO is associated with the highest level of earnings guidance. While this result is

opposite of our expectations, the univariate analysis does not control for confounding effects of firm and manager characteristics, which we control for in multivariate analysis in the next section.

We also see some differences in the proportion of guidance types issued by firms with female versus male executives. Panel C of Table 1 describes guidance characteristics. Among guidance events in our sample, the majority is neutral guidance (*Neutral G*) at 37.52% of all guidance issues, followed by negative guidance (*Negative G*) at 33.45%, positive guidance (*Positive G*) at 14.02%, and just guidance (*Just G*) at 15.01%.³ The average precision of the guidance is 2.1, which corresponds to the range estimate, and the average guidance duration is 79.3 days before earnings announcements.⁴ Firms with a female CEO issue more neutral, positive, and negative guidance, and less just guidance compared to firms with a male CEO. They also provide less precise guidance with a shorter duration between the guidance issue and earnings announcement, as predicted. Firms with female CFOs issue substantially more positive and less ‘just’ guidance and more precise and earlier guidance. Gender diversity in executive teams also relates to guidance characteristics. Mixed-gender CEO-CFO teams are associated with more precise and earlier guidance.

Next, we examine the market response to earnings guidance by type of executive manager’s gender. Table 2 reports univariate analysis of cumulative abnormal returns (CARs) around earnings guidance release on day 0 over various event window specifications: (-1,+1) days

³ We use Thomson Reuters I/B/E/S Guidance dataset guidelines to determine a type of guidance news. Using their own algorithm based on whether announced guidance range or point estimate is above, below or equal to analysts’ mean forecast for the date, Thomson Reuters assigns four codes: 1 – Earnings Shortfall (The company is not expected to meet earnings for the period indicated.), which we label negative guidance, 2 – Beat Consensus (The company is expected to beat earnings for the period indicated.), which we label positive guidance, 3 – Match Consensus (The company is expected to meet earnings for the period indicated.), which we label neutral guidance, and 6 – Management Guidance (The company has provided guidance but not specified whether they will meet, beat or miss the street.), which we label just guidance. Source is I/B/E/S Guidance User Guide July 2009.

⁴ The precision of company issued guidance equals three if a point estimate, two if a range estimate, and one if an open interval.

– a more targeted measure of market response to the guidance, and a longer period of (-5,+5) days and break out windows of (-5,-1) days before guidance to measure leakage of information and (+1,+5) days after guidance to measure drift or reversal of CARs.⁵ To examine differences in market response to types of news, we provide the statistics by type of guidance news: positive, negative, neutral, and just. This practice is common in literature, see, for example, Anilowski, Feng, and Skinner (2007) and Hutton and Stocken (2009), among others.

For the entire sample, the market responds significantly positively (negatively) around positive (negative) guidance, and positively (negatively) around neutral (just) guidance but with a smaller yet economically and statistically significant magnitude than to positive and negative guidance. When the sample is split based on CEO and CFO being female versus male, the CARs are not significantly different between the managerial gender subsamples across most types of guidance news. Exceptions are ‘just’ guidance when the market shows a more negative response to earnings guidance of female CEOs five days before and 11 days around the guidance, and negative guidance, when the market responds more negatively to guidance issued by male CEOs five days before negative guidance. It also appears that within the female CEO sample, there is no leakage five days prior to positive, negative, neutral, and just guidance, while CARs in the male CEO sample show some leakage across all guidance news. The market response to guidance issued by female and male CFOs is very similar across all guidance news types, except for (-5,-1) window before neutral guidance, where the market response is stronger to guidance issued by female CFOs than by male peers. Gender diversity in the executive teams is also associated with some

⁵ CARs are calculated using market model with value-weighted CRSP portfolio as a benchmark with estimation window of (-301, -46) days before the event date. If earnings guidance released after 4pm of a trading day or on non-trading day, then we assign day 0 to the next trading day.

differences in market response to earnings guidance. Specifically, a team of a female CEO along with a male CFO appears to create a more muted market reaction to neutral and just guidance across all event windows and to positive and negative guidance outside of (-1,+1) window. However, immediate market response (measured with $CAR(-1,+1)$) to positive and negative guidance issued by a female CEO-led team is stronger than that issued by a male CEO-led team, though statistically insignificant. There is observed stronger leakage before negative guidance issued by teams with male CEOs. A top executive team of a male CEO along with a female CFO is not associated with any significant differences in market responses to different types of earnings guidance.

<Table 2 should be here>

Figure 2.3 confirms the findings of univariate analysis of CARs around earnings guidance and illustrates that firms with female executives (at least one female in the top executive team) experience a stronger market reaction to positive earnings guidance with no drift over 60 days after guidance issue in comparison to firms with male executives. We also observe a slightly more positive market reaction to negative guidance issued by firms with female executives with no drift over 60 days after the guidance issuance in comparison to firms with male peers, which experience slight overreaction at the time of guidance with a reversal over the following 60 days. There is no observable difference in market response to neutral guidance issued by firms with female and male executives. When the samples are split based on CFO gender and CEO gender, Figures 2.1 and 2.2, respectively, we find a substantially higher market response to positive guidance issued by female CFO compared to one by male CFO, 5.47% versus 4.79% on day 0, and by female CEO versus male CEO, 7.24% versus 4.77% on day 0. There is no difference in

market response to other guidance types. The figure also illustrates possible leakage before positive guidance issued by female CFO and female CEO at 2.66% and 3.07% over (-30, -1) days, respectively, though statistically insignificant. There is also an indication of leakage before negative guidance issued by both male and female CFOs and CEOs at about 2% over (-30, -1) days.

<Figure 2 should be here>

While univariate analysis of guidance occurrence and market response to its release by female and male managers is illustrative, it does not control for confounding effects of firm, industry, and executive characteristics. In the next section, we perform a multivariate analysis to control for those effects. Table 3 reports descriptive statistics of explanatory variables for the sample. There is considerable cross-sectional variation in the explanatory variables in the sample. Thus, to disentangle the effects of firm characteristics, we perform multivariate analysis to test our hypotheses.

<Table 3 should be here>

Table 4 reports the correlation coefficients between explanatory variables. No pairs of variables show high enough correlations to generate multicollinearity concerns in our regression models.

<Table 4 should be here>

3. Empirical Analysis

To test the first, second, and fourth hypotheses of whether the gender of CEOs and CFOs affects the likelihood of issuing managerial earnings guidance and its precision, we apply a multivariate logit and ordered logit models, accordingly, to determine whether the probability of

issuing guidance (accounting for the precision of guidance) is associated with executive gender. The model is the following, which is estimated controlling for the industry and fiscal quarter fixed effects with robust standard errors clustered at the firm level:

$$Guide_{i,t} = \alpha + \beta_1 Female_{i,t} + \beta_2 Guide_{i,t-1} + \sum_{j=2}^N \beta_j Controls_{i,t-1} + \varphi_i + \gamma_t + \varepsilon_{i,t} \quad (1)$$

where the dependent variable *Guide* is 1 if firm *i* issues guidance in quarter *t* and 0 otherwise, for the first hypothesis, and equals one if the firm issues open interval earnings guidance for quarter *t*, two if the firm issues range guidance for quarter *t*, three if the firm issues point guidance for quarter *t*, and zero otherwise, for the second hypothesis. The main explanatory variable, *Female*, is one of several indicator variables that equal 1 if: 1) *F_CEO*, CEO is female, 2) *F_CFO*, if CFO is female, 3) *M_CEO_F_CFO*, if male CEO and female CFO, and 4) *F_CEO_M_CFO*, if female CEO and male CFO are in the firm, and zero otherwise.

The control variables in Equation (1) include firm, industry, and executive characteristics, such as the proportion of firm ownership by managers (*MngtHold*), proportion of firm ownership by institutional investors (*InstHold*), analyst coverage (*Analysts*), analyst forecast error (*AFE*), firm market value (*MV*), book-to-market ratio (*BM*), firm age (*Age Firm*), the trading volume of shares (*STurnover*), firm systematic risk (*Beta*), firm unsystematic risk (*IVol*), an indicator if the firm is a member of one of the high-litigation-risk industries (*Litigation*), corporate governance quality proxies for monitoring (*IndDirectors*), and manager's age (*CEO/CFO Age*). To control for the effect of Regulation Fair Disclosure on the frequency and quality of earning guidance (Anilowski et al, 2007; Agapova and Madura, 2011; Agapova et al., 2012), we include an indicator variable for RFD implementation (*RFD*), which equals 1 after year 2001 and zero otherwise. Prior literature finds earnings guidance to be sticky, so we control for the lagged dependent variable. φ_i

are industry fixed effects, and γ_t are fiscal-quarter-fixed effects. In all regressions, the robust standard errors ($\varepsilon_{i,t}$) are clustered by firm. Appendix 1 provides a detailed description of the variables used in the analysis.

Table 5 presents the results on the likelihood of earnings guidance conditional on the gender of the CEO and CFO. In logit models (Panel A) the coefficient on *Female* variables – F_CEO, F_CFO, M_CEO_F_CFO, and F_CEO_M_CFO – is negative and significant at the 1 percent level. Thus, in the overall sample, the presence of a female CEO and CFO individually or as a member of a gender mix team is associated with a reduced likelihood of earnings guidance. However, there appears to be a significant effect of the RFD on earnings guidance strategy. The RFD increases the likelihood of guidance issuance overall and shifts the behavior of female executives in terms of earnings guidance issues. All *Female_RFD* – F_CEO_RFD, F_CFO_RFD, M_CEO_F_CFO_RFD, and F_CEO_M_CFO_RFD – interaction terms are positive and significant at the 1 percent level. Thus, after the regulation fair disclosure female executives are more likely to issue earnings guidance than their male counterparts. The economic significance of F_CFO variable and the presence of a female CFO on the mixed-gender executive team is larger than that of CEO variables.

Consistent with the prior literature, we find that firm characteristics are related to the likelihood of earnings guidance. Institutional holdings, analyst coverage, analyst forecast error, first systematic risk, and belonging to litigation-prone industry positively relate to earnings guidance. Firm size, book-to-market, age, and stock turnover negatively relate to earnings guidance. Ordered logit models' results (Panel B) are the same as the results of the logit models.

<Table 5 should be here>

Next, to test hypothesis 5, we examine the relation between changes of CEOs and CFOs from a male to a female and vice versa and the likelihood of earnings guidance. Our main explanatory variables become M_CEOtoF_COE – CEO changed from male to female, M_CFOtoF_CFO – CFO changed from male to female, F_CEOtoM_CEO – CEO changed from female to male, and F_CFOto_M_CFO – CFO changed from female to male. Table 6 presents the results. All changes in executive accompanied by gender switch are associated with a lower probability of earnings guidance for the whole sample and an increase in the guidance likelihood with the gender executive switch after the RFD. Changes from male to female appear to be more pronounced.

<Table 6 should be here>

Additionally, we test hypothesis 2 whether guidance characteristics differ for firms with female executives in a sample of guiding firms by employing an ordinary least squares (OLS) regression model on panel data. The model is the following, which is run controlling for the industry and fiscal quarter fixed effects with the robust standard errors clustered at the firm level:

$$Guidance\ Char_{i,t} = \alpha + \beta_1 Female_{i,t} + \sum_{j=2}^N \beta_j Controls_{i,t-1} + \varphi_i + \gamma_t + \varepsilon_{i,t} \quad (2)$$

where the dependent variable is either the precision (*Precision*) of company-issued guidance that equals three if a point estimate, two if a range estimate, and one if an open interval, or guidance duration (*Duration*) measured with days between guidance issue and earnings announcement. The main explanatory variable is one of an indicator variable for a female executive, *Female*: 1) F_CEO, if the CEO is a female, 2) F_CFO, if the CFO is a female, 3) M_CEO_F_CFO, if the CEO is a male and the CFO is a female, and 4) F_CEO_M_CFO, if the CEO is a female and the CFO is a male, and zero otherwise. The control variables are the same as specified in equation (1). φ_i

are industry fixed effects, and γ_t are fiscal-quarter-fixed effects. In all regressions, the robust standard errors ($\varepsilon_{i,t}$) are clustered by firm.

Table 7 reports the findings of equation (2) tests for all guidance (Panel A) and by guidance type: positive (Panel B), negative (Panel C), neutral (Panel D), and just (Panel E). In Panel A, results indicate that female CFOs and their presence on a male CEO team is associated with lower *Precision* of earnings guidance across all types of information release, as predicted. The other model specifications, such as female CEO and her presence on a male CEO team, do not produce significant results. In the analysis by the type of guidance, as presented in Panel B, female CFOs and their presence on male CEO teams have a negative association with guidance precision across all types of guidance, albeit the coefficients are statistically significant only in negative guidance issues. Analysis by guidance type also reveals that female CFOs and their presence on a male CEO team increase guidance *Duration* for ‘just’ guidance i.e., they issue the guidance earlier than other executives. In the ‘just’ guidance sample, we also observe that a female CEO – male CFO team has a negative association with guidance *Precision*. Consistent with the prior literature, we also document that firm characteristics influence *Precision* and *Duration* of earnings guidance. Specifically, analyst forecast error, book-to-market, firm age and idiosyncratic volatility, and litigation factor are associated with both guidance characteristics.

<Table 7 should be here>

To test the third hypothesis whether executive gender affects share price response to guidance announcements, we employ an ordinary least squares regression model on panel data with the industry and fiscal quarter fixed effect to subsamples of guidance classified as positive,

negative, or neutral news. The robust standard errors are clustered at the firm level. The model is the following:

$$CAR_{i,t} = \alpha + \beta_1 Female_{i,t} + \sum_{j=2}^N \beta_j Controls_{i,t-1} + \varphi_i + \gamma_t + \varepsilon_{i,t} \quad (3)$$

where the dependent variable is the market response to guidance release measured by the signed cumulative abnormal return calculated over various windows around company-issued guidance, CARs over (-1, +1) and (-5,+5) days for firm i in quarter t . We also use CAR (-5,-1) to evaluate the presence of information leakage before guidance, and CAR (+1,+5) to examine a presence of a post-announcement drift or reversal. The main explanatory variable is one of the indicator variables for a female executive, *Female*: 1) F_CEO, if the CEO is a female, 2) F_CFO, if the CFO is a female, 3)M_CEO_F_CFO, if the CEO is a male and the CFO is a female, and 4) F_CEO_M_CFO, if the CEO is a female and the CFO is a male, and zero otherwise. We also control for the following firm and industry characteristics used in other studies to explain the share price response to guidance (Anilowski et al, 2007; Agapova and Madura, 2011; Agapova et al., 2012): proportion of firm ownership by managers; analyst coverage, *ManHold*; the proportion of firm ownership by institutional investors, *InstHold*; firm size, *Size*; the trading volume of shares of the firm, *Turnover*; firm systematic risk, *Beta*; firm unsystematic risk, *IVOL*, and belonging to litigation prone industry, *Litigation*. We also control for guidance characteristics: duration in days from guidance date to corresponding quarter earnings announcement date, *Duration*; the precision of company-issued guidance equals 3 if a point estimate, 2 if a range estimate, 1 if an open interval, and 0 if qualitative guidance estimate, *Precision*. The Appendix provides a detailed description of the variables' construction. φ_i are industry fixed effects, and γ_t are fiscal-quarter-fixed effects. In all regressions, the robust standard errors ($\varepsilon_{i,t}$) are clustered by firm.

Table 8 presents the results of equation (3)'s tests by type of guidance news: positive, negative, and neutral. Control variables are not tabulated for better readability of the table. Panels A and B report results for CARs (-1,+1) and (-5,+5) days around the guidance release date, accordingly. While firm and guidance characteristics, such as managerial holdings (*ManHold*), analyst coverage (*Analyst*), firm size (*Size*), book-to-market (*B/M*), stock liquidity (*Turnover*), and guidance duration relate to market response to different types of guidance, there is no differential market reaction to earnings guidance issued by female and male managers, either by individual gender (*F_CEO* and *F_CFO*) or in a team with a female-male executive (*F_CEO_M_CFO* and *M_CEO_F_CFO*). This finding is inconsistent with Hypothesis 3 predictions and the findings of our univariate analysis.

<Table 8 should be here>

To further examine the presence of information leakage before guidance issuance and drift or reversal in CARs after the guidance, we perform a similar analysis over split event windows of (-5,-1) and (0,+5) days around earnings guidance. Table 9 presents the results. Panel A reports leakage models with $CAR(-5,-1)$ dependent variable, and Panel B reports drift models with $CAR(0,+5)$ dependent variable. In panel A, *F_CEO* and *F_CEO_M_CFO* coefficients are positive and significant at the 10 percent level in columns (5) and (8) with $CAR(0,+5)$ dependent variable, indicating less leakage with a weaker market reaction before negative earnings guidance issued by female executives, as predicted. We also observe a marginal positive effect of *F_CFO* and *M_CEO_F_CFO* on $CAR(-5,-1)$ before neutral guidance release. In Panel B, we observe no difference in $CAR(0,+5)$ between male and female executives and their presence on the executive team, i.e., no difference in the post-announcement drift. There is a marginal negative effect of

F_CFO and M_CEO_F_CFO on CAR(0,+5) after neutral guidance release, which may be a reversal of the initial overreaction to neutral guidance release.

<Table 9 should be here>

4. Conclusions

With gender behavioral differences becoming more apparent in all aspects of life: health, education, government policies, and business, understanding these differences can help create better policies and applications in all those areas. The role of leaders in business and government is prominent and understanding these leaders' gender-based behavioral differences is very important as these leaders' actions influence many more people directly or indirectly.

This paper examines whether the genders of the firm's CEO and CFO influence the likelihood and characteristics of voluntary corporate disclosure. Using a sample of S&P 1500 firms from 1992 until 2021, we document that CEO and CFO gender is associated with voluntary earnings guidance. In particular, our results indicate that female-led firms were less likely to issue voluntary earnings guidance during the period before the Regulation Fair Disclosure. According to our findings, the CEO or CFO gender is not associated with a difference in earnings guidance precision. Moreover, we document that firms with female CFOs are timelier with issuing guidance and that the stock market response is more positive if an earnings guidance exceeding analyst expectations is issued by a female-led firm.

Our findings provide partial evidence supporting the existence of the well-documented gender-based differences in characteristics such as conservatism, cautiousness, risk-aversion, and overconfidence on top executive level. The findings of the study shed more light on the effects of gender differences on business outcomes, and more specifically on managerial guidance

perception and behavior. Information dissemination in the markets is a very important and sensitive issue. Several regulations, such as Regulation Fair Disclosure in the U.S., aim to aid transparency in the markets with the requirement of disclosing any material information to all market participants at the same time to create a leveled playing field for all relevant parties. Studying and understanding behavioral and gender differences in managerial guidance policies can provide answers to improving transparency in the markets.

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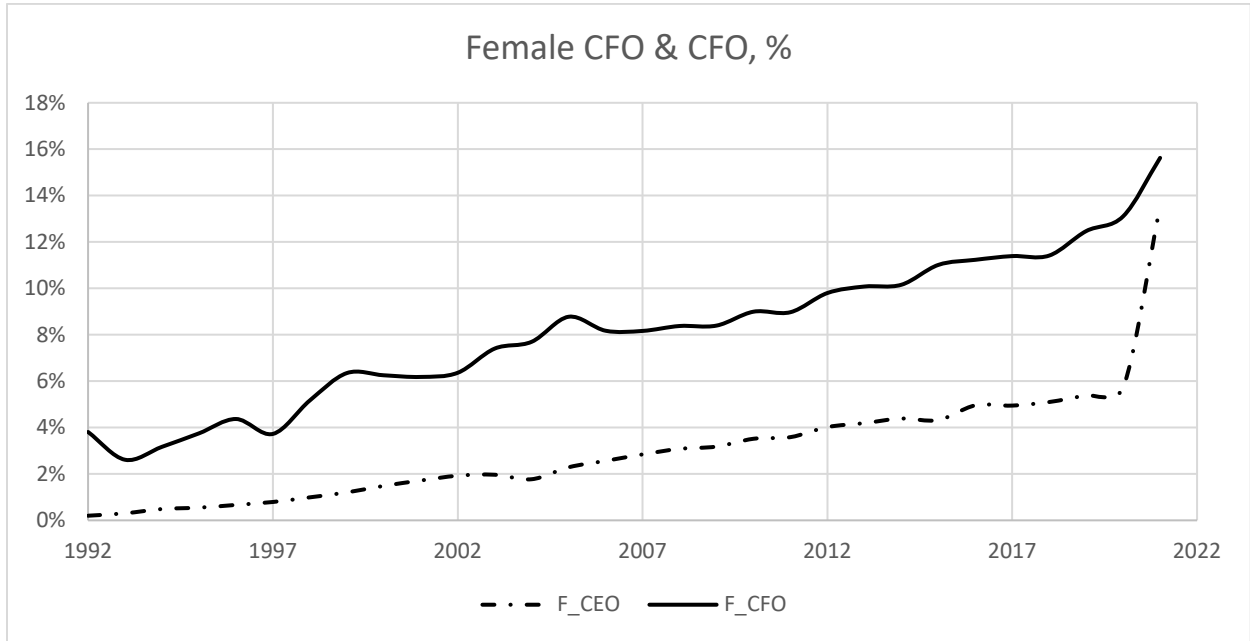
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Appendix

Variable name	Description
<i>Guide</i>	Indicator variable that is equal to 1 if the firm issues guidance for the quarter and 0 otherwise.
<i>RFD</i>	Indicator variable for implementation of Regulation Fair disclosure that equals 1 for year more than 2001 and 0 otherwise.
<i>Precision</i>	The precision of company issued guidance, equals three if a point estimate, two if a range estimate, and one if an open interval
<i>Duration</i>	Days between guidance issue and earnings announcement
<i>Guidance CAR</i>	Cumulative abnormal return over (-1,+1), and (-5,+5) days around guidance issue, calculated using the market model with the value-weighted CRSP portfolio as a benchmark over (-301,-46) days before guidance day 0.
<i>F_CEO</i>	Indicator variable that is equal to 1 if the firm's CEO is female and 0 otherwise.
<i>F_CFO</i>	Indicator variable that is equal to 1 if the firm's CFO is female and 0 otherwise.
<i>F_CEO_M_CFO</i>	Indicator variable that is equal to 1 if the firm's CEO is female and CFO is male and 0 otherwise.
<i>M_CEO_F_CFO</i>	Indicator variable that is equal to 1 if the firm's CEO is male and CFO is female and 0 otherwise.
<i>M_CEO_M_CFO</i>	Indicator variable that is equal to 1 if the firm's CEO and CFO is male and 0 otherwise.
<i>F_CEO_F_CFO</i>	Indicator variable that is equal to 1 if the firm's CEO and CFO is female and 0 otherwise.
<i>AM_CEOtoF_CEO</i>	Indicator variable that is equal to 1 if the firm's CEO changed from male to female and 0 otherwise.
<i>AF_CEOtoM_CEO</i>	Indicator variable that is equal to 1 if the firm's CEO changed from female to male and 0 otherwise.
<i>AM_CFOtoF_CFO</i>	Indicator variable that is equal to 1 if the firm's CFO changed from male to female and 0 otherwise.
<i>AF_CFOtoM_CFO</i>	Indicator variable that is equal to 1 if the firm's CFO changed from female to male and 0 otherwise.
<i>AFE</i>	Consensus analysts' forecast error calculated as I/B/E/S actual earnings minus most recent median consensus forecast scaled by price at the end of the quarter
<i>Analysts</i>	Log (1+ number of analysts following)
<i>InstHold</i>	Institutional holdings as a % of total shares outstanding
<i>MngtHold</i>	Stock holdings by management, calculated as the sum of shares owned by management over the total shares outstanding
<i>Age Firm</i>	Age of the firm in years (since its appearance in CRSP database)
<i>Size</i>	Log (market value of the firm)
<i>BM</i>	Book-to-market ratio
<i>Beta</i>	Beta of the firm estimated from the market model over the period (-255, -46) days before the end of the quarter
<i>IVol</i>	Proxy of firm-specific risk, measured as the standard deviation of residuals from market model estimation, i.e., idiosyncratic volatility
<i>Turnover</i>	Stock liquidity proxy, measured as a share turnover ratio, calculated as the average daily trading volume of shares in a quarter, divided by the average of the total number of shares outstanding in that quarter
<i>Litigation</i>	Litigation variable that is set equal to 1 if the firm is a member of one of the high-litigation-risk industries: biotechnology (SIC codes 2833-2836, SIC codes 8731-8734), computer (SIC codes 3570-3577, SIC codes 7370-7374), electronics (SIC codes 3600-3674), and retail (SIC codes 5200-5961) industries
<i>IndDirectors</i>	The proportion of independent directors on the board of directors
<i>CEO/CFO Age</i>	The age of CEO/CFO in quarter t

Figure 1. Proportion of female CEOs and CFOs.

1.1. Percent of female CEOs and CFOs, 1992-2021



1.2. Composition of CEO-CFO teams, 2006-2021

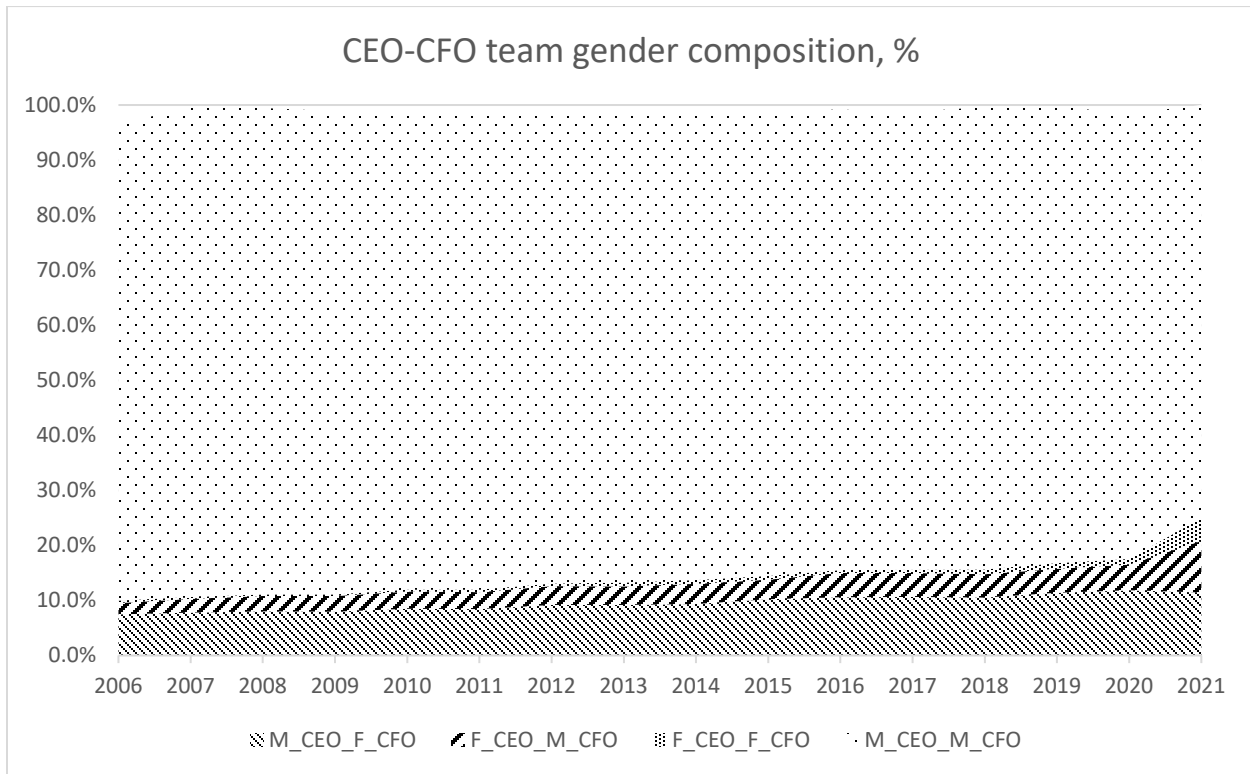
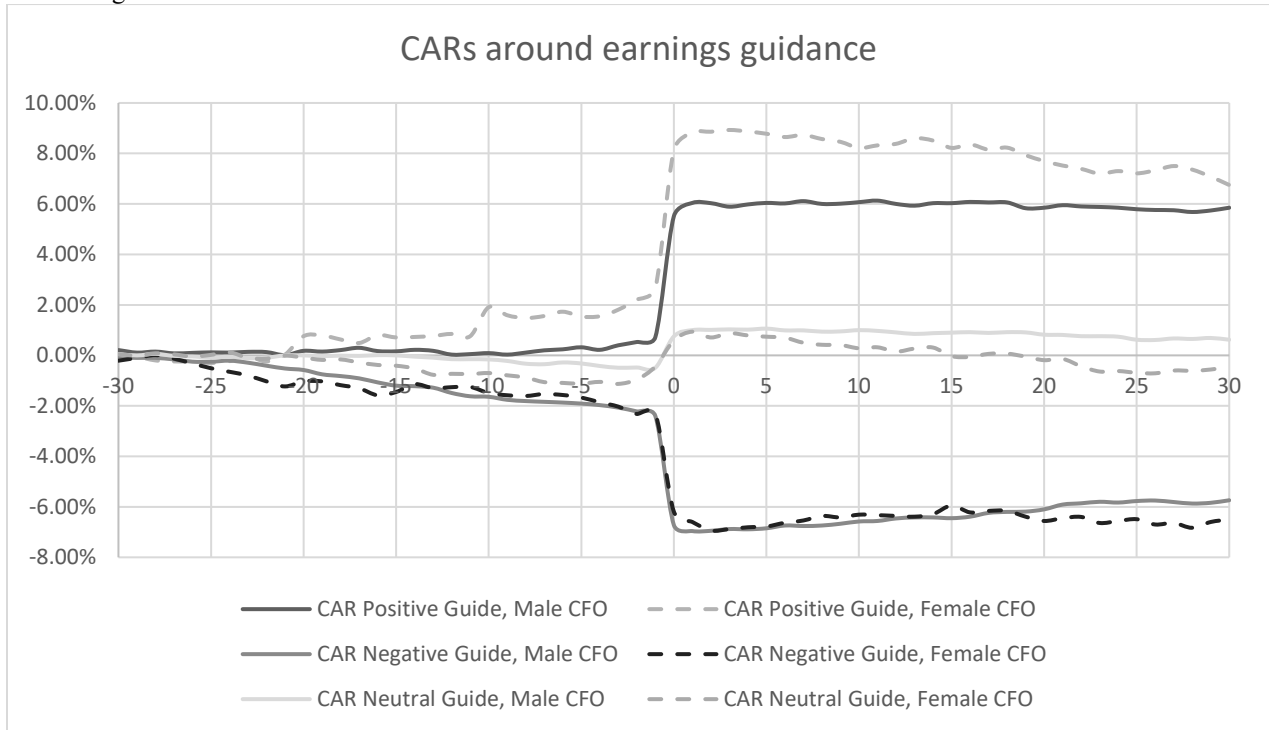
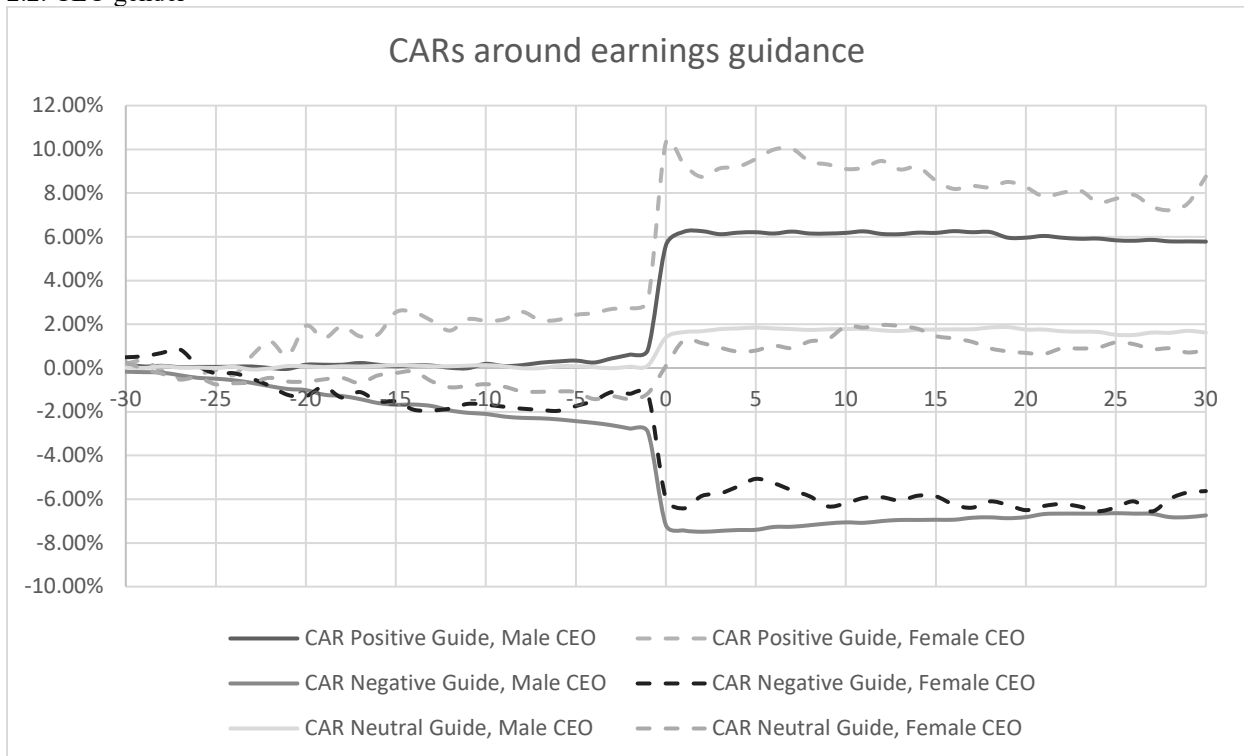


Figure 2. Average cumulative abnormal returns (CARs) of firm observations (-30, +30) days around earnings guidance releases for firms with female and male CEO/CFO.

2.1. CFO gender



2.2. CEO gender



2.3. At least one in CEO-CFO team is female.

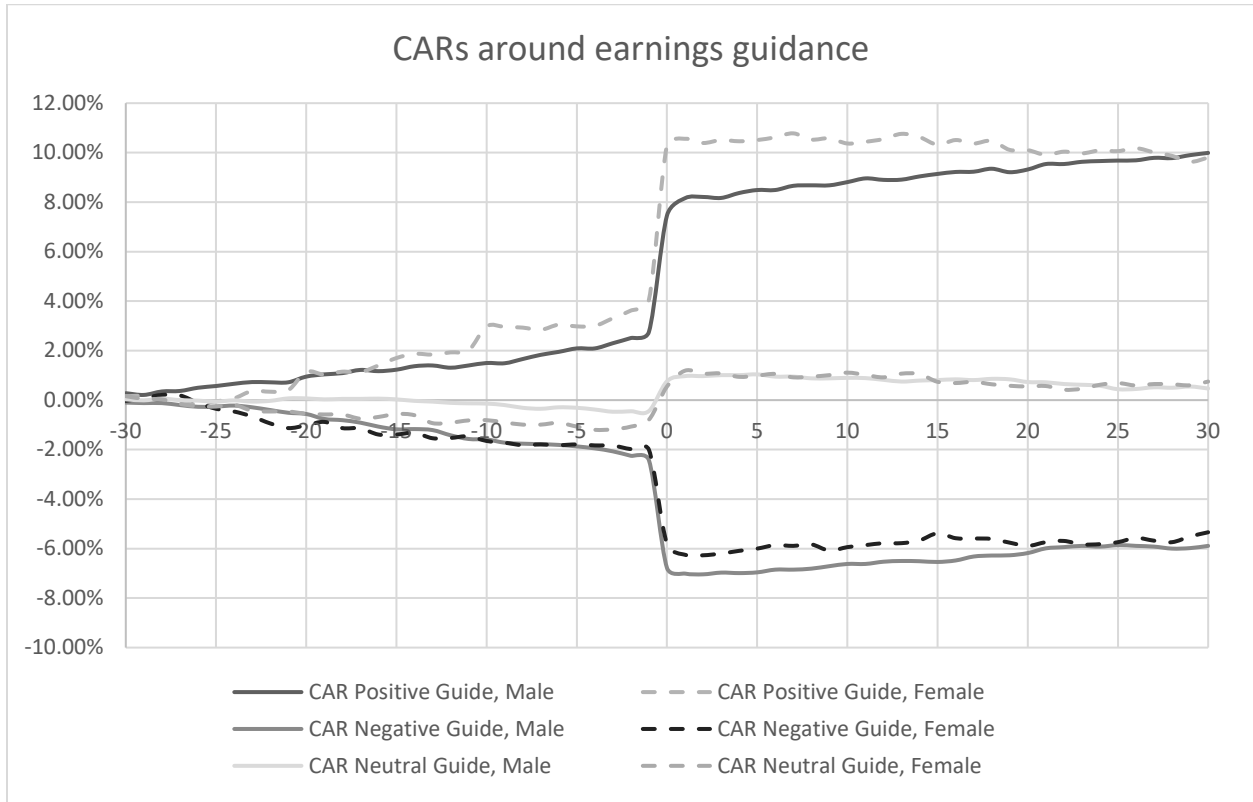


Table 1: Descriptive statistics of managerial gender and guidance

The table presents descriptive statistics of guidance sample for all managers and by CEO, CFO, and CEO-CFO team composition by gender and. Panel A reports the gender composition of the sample managers (%). Panel B reports guidance issues (%) for the whole sample and by the gender of managers and by period before and after RFD. Panel C report guidance characteristics for the whole sample and by the gender of managers. *, **, and *** indicate significance at 10%, 5%, and 1%, respectively.

Panel A Variable	Whole period			RFD = 0			RFD = 1		
	Obs	Mean	Std. Dev.	Obs	Mean	Std. Dev.	Obs	Mean	Std. Dev.
F_CEO	206,192	2.89	16.75	52,229	0.84	9.13	153,963	3.58	18.59
F_CFO	156,586	9.07	28.73	17,288	4.90	21.59	139,298	9.59	29.45
M_CEO_F_CFO	156,586	6.53	24.70	52,229	1.58	12.48	153,963	8.20	27.44
F_CEO_M_CFO	156,586	2.26	14.87	52,229	0.36	5.96	153,963	2.91	16.81
M_CEO_M_CFO	206,192	66.79	47.10	52,229	31.12	46.30	153,963	78.89	40.81
F_CEO_F_CFO	156,586	0.36	6.02	52,229	0.04	1.96	153,963	0.47	6.87
M_CEOtoF_CEO	156,586	0.12	3.41	52,229	0.04	1.96	153,963	0.14	3.78
F_CEOtoM_CEO	156,586	0.07	2.63	52,229	0.02	1.31	153,963	0.09	2.95
M_CFOtoF_CFO	156,586	0.30	5.46	52,229	0.06	2.51	153,963	0.38	6.15
F_CFOtoM_CFO	156,586	0.24	4.87	52,229	0.04	2.05	153,963	0.30	5.50

Panel B guide	All			N	Mean	Std Dev	diff	t-stat
	N	Mean	Std Dev					
whole sample	206,192	2.38	15.25					
RFD=0	52,229	0.33	5.71					
RFD=1	153,963	3.08	17.27					
diff RFD 1-0		2.75	***					
	F CEO=1			F CEO=0				
whole sample	5,957	3.21	17.62	200,235	2.36	15.17	0.85	4.24 ***
RFD=0	439	0.91	9.51	51,790	0.32	5.67	0.59	2.15 **
RFD=1	5,518	3.39	18.10	148,445	3.07	17.24	0.32	1.36
diff RFD 1-0		2.48	***		2.74	***		
	F CFO=1			F CFO=0				
whole sample	14,210	3.60	18.62	142,376	2.77	16.42	0.82	5.63 ***
RFD=0	847	0.47	6.86	16,441	0.30	5.51	0.17	0.86
RFD=1	13,363	3.79	19.11	125,935	3.09	17.32	0.70	4.40 ***
diff RFD 1-0		3.32	***		2.79	***		
	M CEO F CFO=1			M CEO F CFO=0				
whole sample	13,459	3.75	19.00	192,733	2.29	14.94	1.47	10.80 ***
RFD=0	827	0.48	6.94	51,402	0.32	5.69	0.16	0.79
RFD=1	12,632	3.97	19.52	141,331	3.00	17.05	0.97	6.04 ***
diff RFD 1-0		3.48	***		2.67	***		
	F CEO M CFO=1			F CEO M CFO=0				
whole sample	4,665	3.37	18.04	201,527	2.36	15.17	1.01	4.46 ***
RFD=0	186	0.00	0.00	52,043	0.33	5.72	-0.33	-0.78
RFD=1	4,479	3.51	18.39	149,484	3.06	17.24	0.44	1.68 ***
diff RFD 1-0		3.51	***		2.74	***		
	M CEO M CFO=1			M CEO M CFO=0				
whole sample	137,711	2.75	16.36	68,481	1.63	12.68	1.12	15.69 ***
RFD=0	16,255	0.31	5.54	35,974	0.34	5.79	-0.03	-0.53
RFD=1	121,456	3.08	17.28	32,507	3.07	17.25	0.01	0.09
diff RFD 1-0		2.77	***		2.73	***		
	F CEO F CFO=1			F CEO F CFO=0				
whole sample	751	0.80	8.91	205,441	2.39	15.26	-1.59	-2.85 ***
RFD=0	20	0.00	0.00	52,209	0.33	5.71	-0.33	-0.26
RFD=1	731	0.82	9.03	153,232	3.09	17.30	-2.27	-3.54 ***
diff RFD 1-0		0.82			2.76	***		

Table 1. Cont'd

Panel C	Obs	Mean	Std. Dev.	Obs	Mean	Std. Dev.
Variable	All					
PositiveG	4,909	14.02	34.72			
NegativeG	4,909	33.45	47.19			
NeutralG	4,909	37.52	48.42			
JustG	4,909	15.01	35.72			
Precision	4,909	2.103	0.387			
Gduration	4,906	79.316	37.222			
	F CEO = 1			F CEO = 0		
PositiveG	191	16.75	37.44	4,718	13.90	34.60
NegativeG	191	34.03	47.51	4,718	33.43	47.18
NeutralG	191	40.31	49.18	4,718	37.41	48.39
JustG	191	8.90	28.55	4,718	15.26	35.96
Precision	191	2.136	0.387	4,718	2.102	0.387
Gduration	191	73.445	34.340	4,715	79.554	37.318
	F CFO = 1			F CFO = 0		
PositiveG	511	18.40	38.78	3,947	14.16	34.87
NegativeG	511	37.96	48.58	3,947	35.04	47.72
NeutralG	511	37.38	48.43	3,947	39.04	48.79
JustG	511	6.26	24.25	3,947	11.76	32.21
Precision	511	2.051	0.261	3,947	2.116	0.382
Gduration	511	83.374	29.698	3,944	81.010	36.566
	M CEO F CFO=1			M CEO F CFO=0		
PositiveG	505	18.22	38.64	4,404	13.53	34.21
NegativeG	505	37.82	48.54	4,404	32.95	47.01
NeutralG	505	37.62	48.49	4,404	37.51	48.42
JustG	505	6.34	24.39	4,404	16.01	36.67
Precision	505	2.051	0.262	4,404	2.109	0.399
Gduration	505	83.372	29.712	4,401	78.851	37.964
	F CEO M CFO=1			F CEO M CFO=0		
PositiveG	157	15.92	36.71	4,752	13.95	34.65
NegativeG	157	36.94	48.42	4,752	33.33	47.15
NeutralG	157	43.31	49.71	4,752	37.33	48.37
JustG	157	3.82	19.23	4,752	15.38	36.08
Precision	157	2.146	0.405	4,752	2.102	0.387
Gduration	157	81.943	28.525	4,749	79.230	37.475
	M CEO M CFO=1			M CEO M CFO=0		
PositiveG	3,790	14.09	34.80	1,119	13.76	34.47
NegativeG	3,790	34.96	47.69	1,119	28.33	45.08
NeutralG	3,790	38.87	48.75	1,119	32.98	47.03
JustG	3,790	12.08	32.60	1,119	24.93	43.28
Precision	3,790	2.114	0.382	1,119	2.066	0.405
Gduration	3,787	80.972	36.864	1,119	73.714	37.894
	F CEO F CFO=1			F CEO F CFO=0		
PositiveG	6	33.33	51.64	4,903	13.99	34.69
NegativeG	6	50.00	54.77	4,903	33.43	47.18
NeutralG	6	16.67	40.82	4,903	37.55	48.43
JustG	6	0.00	0.00	4,903	15.03	35.74
Precision	6	2.000	0.000	4,903	2.103	0.388
Gduration	6	83.500	31.239	4,900	79.311	37.231

Table 2: Univariate analysis of CARs around earnings guidance

The table reports CARs for various windows around earnings guidance release day 0 for all guidance and by gender of CEO and CFO, and difference in CARs around guidance issued by female and male managers (columns (4), (7) and (10)). *, **, and *** indicate significance at 10%, 5%, and 1%, respectively.

Panel A	All		F CEO=1		F CEO=0	Diff		F CFO=1		F CFO=0	Diff		
Positive													
CAR(-1,+1)	5.67	***	6.57	***	5.63	***	0.95	6.61	***	5.67	***	0.94	
CAR(-5,-1)	0.56	***	0.79		0.54	***	0.24	1.11	*	0.48	***	0.63	
CAR(0,+5)	5.46	***	5.94	***	5.44	***	0.50	6.26	***	5.47	**	0.78	
CAR(-5,+5)	5.98	***	7.35	***	5.91	***	1.44	7.02	***	5.96	***	1.06	
	687		32		655			94		558			
Negative													
CAR(-1,+1)	-4.68	***	-5.23	***	-4.66	***	-0.57	-4.28	***	-4.66	***	0.38	
CAR(-5,-1)	-0.56	***	0.48		-0.60	***	1.08	**	-0.73	*	-0.48	***	-0.25
CAR(0,+5)	-4.45	***	-4.04	***	-4.47	***	0.42	-4.48	***	-4.36	***	-0.12	
CAR(-5,+5)	-5.01	***	-3.57	***	-5.07	***	1.50	-5.21	***	-4.84	***	-0.37	
	1,641		65		1576			194		1382			
Neutral													
CAR(-1,+1)	1.52	***	2.45	**	1.48	***	0.97	1.88	***	1.50	***	0.38	
CAR(-5,-1)	-0.12		-0.32		-0.11		-0.21	0.64	**	-0.19		0.83	***
CAR(0,+5)	1.51	***	1.52		1.51	***	0.01	1.17	*	1.54	***	-0.37	
CAR(-5,+5)	1.39	***	1.20		1.39	***	-0.20	1.81	***	1.35	***	0.47	
	1,839		77		1762			191		1538			
Just													
CAR(-1,+1)	-2.99	***	-6.33		-2.91	***	-3.42	-5.98	*	-1.84	***	-4.15	
CAR(-5,-1)	-1.45	***	-6.23	**	-1.33	***	-4.90	**	-2.39	-1.07	***	-1.31	
CAR(0,+5)	-2.08	***	-7.41		-1.95	***	-5.46		-2.30	-1.72	***	-0.58	
CAR(-5,+5)	-3.48	***	-13.64	**	-3.24	***	-10.40	**	-3.65	-2.80	***	-0.85	
	730		17		713			32		461			

Panel B	F CEO	M CFO=1	F CEO	M CFO=0	Diff		M CEO	F CFO=1	M CEO	F CFO=0	Diff	
Positive												
CAR(-1,+1)	7.26	***	5.61	***	1.65		6.54	***	5.54	***	1.00	
CAR(-5,-1)	0.54		0.56	***	-0.01		1.11	*	0.47	**	0.63	
CAR(0,+5)	5.66	**	5.45	***	0.20		6.26	***	5.34	***	0.92	
CAR(-5,+5)	7.02	**	5.94	***	1.08		7.02	***	5.82	***	1.20	
	25		662				92		595			
Negative												
CAR(-1,+1)	-4.95	***	-4.67	***	-0.27		-4.17	***	-4.75	***	0.58	
CAR(-5,-1)	0.54		-0.60	***	1.14	**	-0.72	*	-0.54	***	-0.18	
CAR(0,+5)	-3.69	*	-4.48	***	0.78		-4.40	***	-4.46	***	0.05	
CAR(-5,+5)	-3.15	*	-5.08	***	1.92		-5.12	***	-4.99	***	-0.13	
	58		1583				191		1450			
Neutral												
CAR(-1,+1)	2.95	***	1.47	***	1.48		1.87	***	1.48	***	0.38	
CAR(-5,-1)	-0.34		-0.11		-0.23		0.66	***	-0.21	*	0.87	***
CAR(0,+5)	1.97		1.49	***	0.49		1.20	**	1.54	***	-0.34	
CAR(-5,+5)	1.63		1.38	***	0.25		1.86	***	1.33	***	0.53	
	68		1771				190		1649			
Just												
CAR(-1,+1)	-6.71		-2.96	***	-3.75		-5.98	*	-2.85	***	-3.13	
CAR(-5,-1)	0.93		-1.47	***	2.40	**	-2.39		-1.41	***	-0.98	
CAR(0,+5)	-11.92		-2.00	***	-9.92		-2.30		-2.07	***	-0.23	
CAR(-5,+5)	-10.99		-3.42	***	-7.57		-3.65		-3.48	***	-0.18	
	6		724				32		698			

Table 3: Descriptive statistics of control variables

The table reports descriptive statistics of control variables. All control variables are defined in the Appendix.

Variable	N	Mean	Median	Std Dev	Maximum	Minimum
ManHold	206,192	2.18	0.08	6.33	336.90	-4.78
InstHold	160,313	69.42	72.68	270.51	100.00	0.00
Analysts	183,214	2.12	2.20	0.68	3.95	0.69
AFE	182,761	-6.83	0.03	2628.07	651940.94	-797687.86
Size	201,457	7.47	7.38	1.71	14.51	-9.69
B/M	178,773	0.63	0.48	8.19	3191.76	0.00
AgeFirm	171,602	22.63	18.34	19.28	95.15	1.00
Turnover	194,564	9.11	6.60	11.33	1908.50	0.00
Beta	128,491	1.06	1.01	0.50	7.08	-4.14
IVOL	128,491	0.02	0.02	0.01	0.62	0.00
Litigation	206,192	0.03	0.00	0.18	1.00	0.00
AgeCEO	203,106	55.97	56.00	7.48	96.00	27.00
AgeCFO	154,464	50.50	51.00	6.91	90.00	26.00
IndDirectors	133,207	73.81	77.78	15.63	100.00	0.00

Table 4: Correlations

The table reports Pearson correlation coefficients between explanatory variables. Bold numbers indicate significance with p-value less than 1%.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
ManHold	(1)													
InstHold	(2)	0.00												
Analysts	(3)	-0.08	0.02											
AFE	(4)	0.00	0.00	0.00										
Size	(5)	-0.12	0.02	0.66	0.00									
B/M	(6)	0.00	0.00	-0.15	-0.02	-0.07								
AgeFirm	(7)	-0.07	0.00	0.11	0.00	0.33	0.00							
Turnover	(8)	0.03	0.02	0.21	0.00	0.00	0.03	-0.10						
Beta	(9)	0.04	0.19	0.13	0.00	0.02	0.03	-0.12	0.31					
IVOL	(10)	0.05	-0.15	-0.21	-0.01	-0.48	0.25	-0.29	0.34	0.27				
Litigation	(11)	0.05	0.00	0.04	0.00	0.00	0.00	-0.10	0.04	0.04	0.05			
AgeCEO	(12)	0.08	-0.01	-0.01	0.00	0.08	0.01	0.16	-0.09	-0.06	-0.14	-0.07		
AgeCFO	(13)	0.04	0.00	0.03	0.00	0.11	0.00	0.17	-0.04	0.00	-0.13	-0.03	0.20	
IndDirectors_Pc	(14)	-0.05	0.02	0.15	0.00	0.21	0.02	0.23	0.10	0.10	-0.19	0.02	-0.01	0.08

Table 5: Likelihood of earnings guidance issues for female versus male managers

This table presents results of the analysis of the likelihood of management guidance issue for female and male managers observations from logit regressions (Panel A), where the dependent variable equals one if the firm issues earnings guidance for quarter t and zero otherwise, and ordered logit regressions (Panel B), where the dependent variable equals 1 if the firm issue open interval earnings guidance, 2 – range guidance, 3 – point guidance, and 0 otherwise, for quarter t . Explanatory variables are: F_CEO – column (1) (F_CFO column (2)), a dummy that equals one if the firm has a female CEO(CFO) in the CEO-CFO team, and 0 otherwise. All control variables are defined in the Appendix. All regressions control for fiscal quarter and firm fixed effects. Robust standard errors are clustered by firm and t-stats are reported below coefficients. *, **, and *** indicate significance at 10%, 5%, and 1%, respectively.

Panel A	Logit			
	(1)	(2)	(3)	(4)
F_CEO	-10.859*** (-25.548)			
F_CFO		-12.487*** (-32.474)		
M_CEO_F_CFO			-12.454*** (-30.761)	
F_CEO_M_CFO				-11.958*** (-18.754)
RFD	1.484*** (4.288)	1.319*** (3.110)	1.439*** (3.251)	1.497*** (3.449)
F_CEO_RFD	11.040*** (22.341)			
F_CFO_RFD		12.682*** (29.253)		
M_CEO_F_CFO_RFD			12.655*** (29.858)	
F_CEO_M_CFO_RFD				12.126*** (17.318)
ManHold t-1	-0.001 (-0.067)	-0.003 (-0.291)	-0.002 (-0.172)	-0.002 (-0.200)
InstHold t-1	0.005** (2.073)	0.004*** (2.920)	0.004*** (2.980)	0.004*** (2.966)
Analysts t-1	0.272*** (2.882)	0.281*** (2.856)	0.272*** (2.766)	0.267*** (2.706)
AFE t-1	0.007*** (3.309)	0.006*** (3.118)	0.007*** (3.194)	0.007*** (3.169)
Size t-1	-0.165*** (-3.374)	-0.167*** (-3.236)	-0.161*** (-3.172)	-0.159*** (-3.110)
B/M t-1	-0.506*** (-4.141)	-0.517*** (-3.971)	-0.498*** (-3.833)	-0.495*** (-3.818)
AgeFirm t-1	-0.055*** (-6.270)	-0.052*** (-5.887)	-0.052*** (-5.920)	-0.052*** (-5.778)
Turnover t-1	-0.027*** (-3.760)	-0.029*** (-3.837)	-0.029*** (-3.856)	-0.029*** (-3.834)
Beta t-1	0.303*** (3.101)	0.288*** (2.789)	0.296*** (2.857)	0.297*** (2.864)
IVOL t-1	-3.099 (-0.571)	-3.896 (-0.660)	-4.477 (-0.765)	-4.823 (-0.826)
Litigation t-1	0.291* (1.729)	0.283 (1.612)	0.269 (1.536)	0.280 (1.604)
IndDirectors t-1	0.001 (0.304)	0.001 (0.275)	-0.009 (-1.326)	-0.009 (-1.296)
AgeCEO t-1	-0.008 (-1.278)		-0.007 (-0.999)	-0.007 (-1.093)
AgeCFO t-1		-0.008 (-1.162)	0.001 (0.320)	0.001 (0.232)
Dep Var t-1	5.605*** (38.632)	5.721*** (37.917)	5.711*** (38.094)	5.716*** (37.857)
Intercept	-4.256*** (-7.509)	-4.432*** (-6.753)	-4.010*** (-5.467)	-4.014*** (-5.463)
N	60493	48919	48916	48916
Pseudo R ²	0.6085	0.6184	0.6180	0.6178
N firms	2,507	1,931	1,931	1,931

Table 5: Cont'd

Panel B	Ordered logit			
	(1)	(2)	(3)	(4)
F_CEO	-10.419*** (-24.394)			
F_CFO		-11.955*** (-31.395)		
M_CEO_F_CFO			-11.921*** (-30.926)	
F_CEO_M_CFO				-10.768*** (-17.205)
RFD	1.760*** (3.688)	1.320** (2.456)	1.445** (2.549)	1.515*** (2.709)
F_CEO_RFD	10.512*** (22.081)			
F_CFO_RFD		12.126*** (30.438)		
M_CEO_F_CFO_RFD			12.096*** (30.444)	
F_CEO_M_CFO_RFD				10.834*** (16.515)
ManHold t-1	-0.001 (-0.073)	-0.003 (-0.292)	-0.002 (-0.184)	-0.002 (-0.218)
InstHold t-1	0.004*** (2.613)	0.003*** (2.726)	0.003*** (2.761)	0.003*** (2.771)
Analysts t-1	0.252*** (2.845)	0.270*** (2.941)	0.261*** (2.848)	0.256*** (2.780)
AFE t-1	0.007*** (2.907)	0.007*** (2.746)	0.007*** (2.810)	0.007*** (2.792)
Size t-1	-0.148*** (-3.328)	-0.149*** (-3.251)	-0.143*** (-3.154)	-0.141*** (-3.088)
B/M t-1	-0.463*** (-3.935)	-0.460*** (-3.717)	-0.447*** (-3.606)	-0.442*** (-3.586)
AgeFirm t-1	-0.053*** (-6.759)	-0.051*** (-6.369)	-0.051*** (-6.377)	-0.050*** (-6.262)
Turnover t-1	-0.026*** (-3.732)	-0.028*** (-3.846)	-0.028*** (-3.860)	-0.028*** (-3.838)
Beta t-1	0.220** (2.491)	0.200** (2.161)	0.204** (2.206)	0.203** (2.198)
IVOL t-1	-1.330 (-0.273)	-1.520 (-0.289)	-2.024 (-0.388)	-2.334 (-0.448)
Litigation t-1	0.173 (1.311)	0.152 (1.129)	0.141 (1.040)	0.156 (1.164)
IndDirectors t-1	0.001 (0.187)	0.001 (0.190)	-0.008 (-1.194)	-0.008 (-1.180)
AgeCEO t-1	-0.007 (-1.211)		-0.007 (-1.170)	-0.008 (-1.282)
AgeCFO t-1		-0.008 (-1.299)	0.001 (0.244)	0.001 (0.160)
Dep Var t-1	2.582*** (33.987)	2.643*** (33.119)	2.638*** (33.206)	2.640*** (33.067)
cut1	4.254*** (8.424)	4.433*** (7.577)	4.075*** (6.089)	4.069*** (6.074)
cut2	4.308*** (8.558)	4.482*** (7.676)	4.124*** (6.174)	4.118*** (6.158)
cut3	7.956*** (14.883)	8.263*** (13.107)	7.908*** (11.240)	7.906*** (11.225)
N	60491	48917	48914	48914
Pseudo R ²	0.5380	0.5477	0.5474	0.5472
N firms	2,507	1,931	1,931	1,931

Table 6: Likelihood of earnings guidance issues for change in CEO and CFO gender

This table presents results of the analysis of the likelihood of management guidance issue for female and male managers observations from logit regressions (Panel A), where the dependent variable equals one if the firm issues earnings guidance for quarter t and zero otherwise, and ordered logit regressions (Panel B), where the dependent variable equals 1 if the firm issue open interval earnings guidance, 2 – range guidance, 3 – point guidance, and 0 otherwise, for quarter t . Explanatory variables are change male CEO to female CEO, column (1), female CEO to male CEO, column (2), male CFO to female CFO, column (3), and female CFO to male CFO, column (4). All control variables are defined in the Appendix. All regressions control for fiscal quarter and firm fixed effects. Robust standard errors are clustered by firm and t-stats are reported below coefficients. *, **, and *** indicate significance at 10%, 5%, and 1%, respectively.

Panel A	Logit			
	(1)	(2)	(3)	(4)
ΔM_CEOtoF_CEO	-8.669*** (-15.125)			
ΔF_CEOtoM_CEO		-7.906*** (-9.118)		
ΔM_CFOtoF_CFO			-9.605*** (-22.039)	
ΔF_CFOtoM_CFO				-9.227*** (-15.054)
RFD	1.492*** (4.320)	1.494*** (4.325)	1.493*** (3.513)	1.491*** (3.508)
$\Delta M_CEOtoF_CEO_RFD$	9.667*** (7.818)			
$\Delta F_CEOtoM_CEO_RFD$		8.073*** (2.921)		
$\Delta M_CFOtoF_CFO_RFD$			9.100*** (11.706)	
$\Delta F_CFOtoM_CFO_RFD$				10.130*** (11.510)
ManHold t-1	-0.001 (-0.069)	-0.001 (-0.072)	-0.003 (-0.343)	-0.003 (-0.336)
InstHold t-1	0.005** (2.065)	0.005** (2.050)	0.004*** (2.904)	0.004*** (2.908)
Analysts t-1	0.271*** (2.884)	0.269*** (2.860)	0.276*** (2.797)	0.273*** (2.778)
AFE t-1	0.007*** (3.312)	0.007*** (3.313)	0.006*** (3.108)	0.006*** (3.099)
Size t-1	-0.165*** (-3.380)	-0.164*** (-3.360)	-0.164*** (-3.176)	-0.163*** (-3.157)
B/M t-1	-0.507*** (-4.137)	-0.508*** (-4.128)	-0.512*** (-3.931)	-0.513*** (-3.937)
AgeFirm t-1	-0.055*** (-6.278)	-0.055*** (-6.279)	-0.052*** (-5.792)	-0.052*** (-5.792)
Turnover t-1	-0.027*** (-3.772)	-0.027*** (-3.755)	-0.029*** (-3.827)	-0.029*** (-3.849)
Beta t-1	0.304*** (3.112)	0.302*** (3.096)	0.294*** (2.856)	0.295*** (2.868)
IVOL t-1	-3.065 (-0.565)	-3.071 (-0.566)	-4.450 (-0.755)	-4.362 (-0.741)
Litigation t-1	0.289* (1.714)	0.288* (1.708)	0.287 (1.635)	0.285 (1.620)
IndDirectors t-1	0.001 (0.340)	0.001 (0.341)	0.001 (0.243)	0.001 (0.226)
AgeCEO t-1	-0.008 (-1.318)	-0.008 (-1.306)		
AgeCFO t-1			-0.009 (-1.346)	-0.009 (-1.344)
Dep Var t-1	5.603*** (38.725)	5.603*** (38.726)	5.718*** (37.781)	5.721*** (37.670)
Intercept	-4.254*** (-7.521)	-4.257*** (-7.512)	-4.413*** (-6.787)	-4.417*** (-6.795)
N	60493	60493	49009	49009
Pseudo R ²	0.6085	0.6084	0.6177	0.6178

Table 6: Cont'd

Panel B	Ordered logit			
	(1)	(2)	(3)	(4)
ΔM_CEOtoF_CEO	-9.455*** (-16.228)			
ΔF_CEOtoM_CEO		-5.889*** (-6.663)		
ΔM_CFOtoF_CFO			-8.560*** (-16.923)	
ΔF_CFOtoM_CFO				-8.184*** (-12.522)
RFD	1.767*** (3.708)	1.768*** (3.710)	1.511*** (2.722)	1.510*** (2.721)
$\Delta F_CEOtoM_CEO_RFD$		6.110** (2.463)		
$\Delta M_CFOtoF_CFO_RFD$			8.106*** (11.162)	
$\Delta F_CFOtoM_CFO_RFD$				8.902*** (10.110)
$\Delta M_CEOtoF_CEO_RFD$	9.872*** (7.745)			
ManHold t-1	-0.001 (-0.075)	-0.001 (-0.076)	-0.003 (-0.345)	-0.003 (-0.336)
InstHold t-1	0.004*** (2.609)	0.004*** (2.605)	0.003*** (2.726)	0.003*** (2.730)
Analysts t-1	0.251*** (2.845)	0.250*** (2.838)	0.266*** (2.899)	0.263*** (2.875)
AFE t-1	0.007*** (2.905)	0.007*** (2.909)	0.007*** (2.738)	0.007*** (2.731)
Size t-1	-0.148*** (-3.329)	-0.148*** (-3.321)	-0.147*** (-3.198)	-0.146*** (-3.172)
B/M t-1	-0.464*** (-3.932)	-0.465*** (-3.923)	-0.455*** (-3.676)	-0.456*** (-3.681)
AgeFirm t-1	-0.053*** (-6.763)	-0.053*** (-6.763)	-0.051*** (-6.290)	-0.051*** (-6.288)
Turnover t-1	-0.026*** (-3.734)	-0.026*** (-3.732)	-0.028*** (-3.832)	-0.028*** (-3.851)
Beta t-1	0.220** (2.496)	0.220** (2.490)	0.203** (2.205)	0.203** (2.203)
IVOL t-1	-1.297 (-0.266)	-1.315 (-0.270)	-2.013 (-0.384)	-1.883 (-0.359)
Litigation t-1	0.171 (1.298)	0.171 (1.296)	0.164 (1.226)	0.161 (1.196)
IndDirectors t-1	0.001 (0.209)	0.001 (0.208)	0.000 (0.139)	0.000 (0.124)
AgeCEO t-1	-0.007 (-1.228)	-0.007 (-1.221)		
AgeCFO t-1			-0.009 (-1.479)	-0.009 (-1.482)
Dep Var t-1	2.581*** (34.017)	2.581*** (34.017)	2.641*** (33.021)	2.643*** (32.959)
cut1	4.261*** (8.457)	4.261*** (8.450)	4.417*** (7.615)	4.422*** (7.622)
cut2	4.315*** (8.591)	4.315*** (8.584)	4.466*** (7.714)	4.471*** (7.720)
cut3	7.963*** (14.928)	7.962*** (14.918)	8.252*** (13.185)	8.257*** (13.185)
N	60491	60491	49007	49007
Pseudo R ²	0.5379	0.5379	0.5472	0.5472

Table 6: Cross-sectional analysis of management guidance characteristics

This table presents results from Ordinary Least Squares (OLS) regression analysis of management guidance characteristics: *Duration* and *Precision* around guidance issuance within a sample of firms that issue guidance. The main explanatory variables are indicator variables *F_CEO*, *F_CFO*, *M_CEO_F_CFO*, and *F_CEO_M_CFO*. All control variables are defined in the Appendix. All regressions control for fiscal quarter and firm fixed effects. Robust standard errors are clustered by firm and t-stats are reported below coefficients. *, **, and *** indicate significance at 10%, 5%, and 1%, respectively.

Panel A	precision	duration	precision	duration	precision	duration	precision	duration
All guidance	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
F_CEO	0.007 (0.114)	0.192 (0.051)						
F_CFO			-0.044** (-2.197)	2.783 (0.741)				
M_CEO_F_CFO					-0.047** (-2.320)	3.248 (0.848)		
F_CEO_M_CFO							0.011 (0.158)	2.956 (0.810)
ManHold t-1	0.002 (0.838)	0.199 (0.906)	0.002 (0.845)	0.096 (0.427)	0.002 (1.016)	0.198 (0.881)	0.002 (1.086)	0.190 (0.864)
InstHold t-1	0.000 (0.070)	0.024 (0.376)	0.000 (0.475)	-0.032 (-0.468)	0.000 (0.357)	0.014 (0.226)	0.000 (0.326)	0.016 (0.252)
Analysts t-1	0.033 (0.946)	-3.893 (-1.409)	0.027 (0.783)	-3.876 (-1.384)	0.016 (0.443)	-2.927 (-1.069)	0.017 (0.473)	-2.918 (-1.079)
AFE t-1	-0.020 (-1.383)	2.930*** (2.702)	-0.021 (-1.596)	2.879*** (2.776)	-0.019 (-1.381)	2.988*** (2.633)	-0.020 (-1.410)	3.002*** (2.637)
Size t-1	-0.013 (-0.865)	-0.734 (-0.475)	-0.003 (-0.201)	-0.833 (-0.531)	-0.006 (-0.421)	-1.101 (-0.724)	-0.006 (-0.433)	-1.091 (-0.723)
B/M t-1	0.028 (0.642)	-9.198** (-2.528)	0.069 (1.581)	-9.111** (-2.443)	0.034 (0.787)	-9.728*** (-2.709)	0.033 (0.760)	-9.528*** (-2.637)
AgeFirm t-1	-0.001 (-0.527)	0.198* (1.651)	-0.001 (-0.520)	0.104 (0.821)	-0.000 (-0.452)	0.196 (1.528)	-0.001 (-0.803)	0.222* (1.867)
Turnover t-1	0.001 (0.429)	-0.152 (-0.869)	0.000 (0.091)	-0.164 (-0.917)	0.001 (0.598)	-0.159 (-0.908)	0.001 (0.576)	-0.156 (-0.883)
Beta t-1	-0.018 (-0.675)	1.265 (0.523)	-0.036 (-1.342)	-0.592 (-0.250)	-0.020 (-0.729)	1.453 (0.607)	-0.020 (-0.729)	1.401 (0.584)
IVOL t-1	1.350 (0.797)	-363.430** (-2.233)	2.832* (1.674)	-312.032* (-1.876)	0.872 (0.498)	-341.822** (-2.122)	0.905 (0.517)	-344.136** (-2.139)
Litigation t-1	-0.051 (-1.650)	6.526*** (3.187)	-0.060** (-2.100)	5.836*** (2.808)	-0.060* (-1.805)	6.916*** (3.087)	-0.066** (-2.005)	7.455*** (3.498)
IndDirectors t-1	-0.000 (-0.149)	0.072 (0.838)	-0.000 (-0.212)	0.126 (1.303)	-0.000 (-0.234)	0.078 (0.917)	-0.000 (-0.153)	0.071 (0.848)
AgeCEO t-1	0.003 (1.484)	-0.089 (-0.526)						
AgeCFO t-1			0.004* (1.854)	0.062 (0.332)				
Intercept	2.029*** (10.276)	55.225*** (3.278)	1.692*** (6.525)	53.322** (2.502)	2.094*** (11.290)	54.517*** (3.632)	2.092*** (11.274)	54.517*** (3.625)
N	1961	1961	1806	1806	1970	1970	1970	1970
R ²	0.0187	0.1127	0.0283	0.0953	0.0159	0.1103	0.0143	0.1098

Table 6 Cont'd

	precision	duration	precision	duration	precision	duration	precision	duration
Panel B: Positive	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
F_CEO	0.138 (0.950)	-3.961 (-0.441)						
F_CFO			-0.042 (-1.005)	3.410 (0.365)				
M_CEO_F_CFO					-0.066 (-1.490)	4.012 (0.434)		
F_CEO_M_CFO							0.160 (0.920)	-3.504 (-0.322)
Controls	X	X	X	X	X	X	X	X
Intercept	1.998*** (4.485)	77.621** (2.085)	1.812*** (4.864)	47.792 (1.263)	2.295*** (6.036)	38.795 (1.015)	2.257*** (6.054)	40.838 (1.108)
N	264	264	257	257	265	265	265	265
R ²	0.1331	0.1751	0.1913	0.1652	0.1239	0.1595	0.1266	0.1583
Panel C: Negative	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
F_CEO	0.089 (0.698)	-4.546 (-0.696)						
F_CFO			-0.041** (-2.132)	-1.384 (-0.452)				
M_CEO_F_CFO					-0.037* (-1.940)	0.734 (0.230)		
F_CEO_M_CFO							0.105 (0.714)	0.386 (0.066)
Controls	X	X	X	X	X	X	X	X
Intercept	2.003*** (11.639)	72.804*** (2.913)	1.928*** (9.224)	84.280*** (3.628)	2.014*** (12.868)	80.647*** (3.713)	2.006*** (12.910)	80.683*** (3.719)
N	737	737	710	710	737	737	737	737
R ²	0.0452	0.1216	0.0565	0.1199	0.0449	0.1205	0.0456	0.1205
Panel D: Neutral	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
F_CEO	-0.069 (-1.356)	2.837 (0.734)						
F_CFO			-0.022 (-0.505)	5.256 (1.397)				
M_CEO_F_CFO					-0.026 (-0.608)	4.920 (1.326)		
F_CEO_M_CFO							-0.070 (-1.379)	2.806 (0.736)
Controls	X	X	X	X	X	X	X	X
Intercept	1.837*** (6.469)	86.575*** (3.443)	1.618*** (5.405)	96.978*** (3.781)	1.986*** (6.452)	91.487*** (4.050)	1.990*** (6.466)	91.893*** (4.039)
N	760	760	696	696	764	764	764	764
R ²	0.0192	0.1403	0.0328	0.1426	0.0127	0.1415	0.0134	0.1397
Panel E: Just	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
F_CEO	-0.597* (-1.717)	-23.030 (-0.926)						
F_CFO			-0.189 (-0.849)	25.838*** (2.832)				
M_CEO_F_CFO					-0.110 (-0.601)	25.997*** (2.714)		
F_CEO_M_CFO							-1.037*** (-5.102)	3.918 (0.321)
Controls	X	X	X	X	X	X	X	X
Intercept	2.535*** (3.619)	122.893** (2.514)	1.818*** (2.716)	86.559 (1.570)	2.497*** (4.897)	79.795*** (2.689)	2.410*** (4.762)	77.292** (2.591)
N	200	200	143	143	204	204	204	204
R ²	0.1600	0.1726	0.2121	0.1502	0.1322	0.1661	0.1440	0.1571

Table 7: Market response to earnings guidance

This table presents results from Ordinary Least Squares (OLS) regression analysis of CARs (-1,+1) days (Panel A), and (-5,+5) days (Panel B) around earnings guidance issuances on the main variables F_CEO , F_CFO , $M_CEO_F_CFO$, and $F_CEO_M_CFO$ and other control variables using a sample of guiding firm-quarters. All control variables are defined in the Appendix. All regressions control for fiscal quarter and firm fixed effects. Robust standard errors are clustered by firm and t-stats are reported below coefficients. *, **, and *** indicate significance at 10%, 5%, and 1%, respectively.

Panel A:	Positive				Negative				Neutral				Just			
CAR(-1,+1)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
F_CEO	1.796 (0.541)				0.300 (0.130)				1.538 (1.083)				-0.926 (-0.276)			
F_CFO		-0.189 (-0.180)				0.173 (0.193)				-0.157 (-0.290)				-5.924 (-1.476)		
M_CEO_F_CFO			-0.355 (-0.339)				0.380 (0.432)				-0.183 (-0.347)				-4.115 (-0.965)	
F_CEO_M_CFO				2.111 (0.557)				0.916 (0.397)				1.538 (1.083)				-4.618 (-1.055)
ManHold t-1	-0.044 (-0.672)	-0.054 (-0.832)	-0.049 (-0.748)	-0.045 (-0.676)	0.117*** (3.079)	0.116*** (3.016)	0.118*** (3.121)	0.117*** (3.093)	-0.020 (-0.656)	-0.016 (-0.463)	-0.020 (-0.658)	-0.020 (-0.656)	-0.082 (-0.687)	-0.048 (-0.409)	-0.081 (-0.727)	-0.081 (-0.681)
InstHold t-1	0.011 (0.322)	0.007 (0.213)	0.011 (0.329)	0.011 (0.324)	0.027 (1.524)	0.027 (1.473)	0.027 (1.551)	0.026 (1.506)	0.022 (1.488)	0.022 (1.393)	0.022 (1.523)	0.022 (1.488)	0.046 (1.171)	0.071* (1.919)	0.050 (1.265)	0.044 (1.127)
Analysts t-1	2.374** (2.186)	2.390** (2.187)	2.355** (2.172)	2.378** (2.191)	0.441 (0.583)	0.563 (0.729)	0.455 (0.601)	0.447 (0.591)	0.937* (1.880)	0.813 (1.582)	0.881* (1.788)	0.937* (1.880)	1.005 (0.844)	1.522 (0.905)	1.051 (0.876)	1.047 (0.870)
AFE t-1	0.493 (1.049)	0.463 (0.982)	0.492 (1.046)	0.492 (1.047)	0.426* (1.813)	0.443* (1.834)	0.429* (1.836)	0.426* (1.818)	1.927 (1.550)	1.918 (1.525)	1.957 (1.560)	1.927 (1.550)	0.645 (1.148)	0.837* (1.677)	0.654 (1.178)	0.634 (1.134)
Size t-1	-1.15** (-2.320)	-1.16** (-2.304)	-1.19** (-2.351)	-1.15** (-2.327)	1.283*** (3.286)	1.241*** (3.166)	1.268*** (3.284)	1.291*** (3.308)	-0.54*** (-2.756)	-0.52*** (-2.548)	-0.54*** (-2.749)	-0.54*** (-2.756)	-0.475 (-0.703)	-0.524 (-0.734)	-0.581 (-0.867)	-0.445 (-0.679)
B/M t-1	2.918 (1.318)	2.900 (1.299)	2.785 (1.245)	2.958 (1.332)	4.146*** (3.350)	4.138*** (3.372)	4.123*** (3.422)	4.190*** (3.374)	2.482*** (3.083)	2.669*** (3.289)	2.468*** (3.135)	2.482*** (3.083)	0.890 (0.427)	3.875* (1.953)	0.717 (0.351)	0.901 (0.435)
AgeFirm t-1	-0.024 (-0.427)	-0.028 (-0.503)	-0.019 (-0.335)	-0.022 (-0.402)	0.002 (0.094)	-0.000 (-0.009)	-0.000 (-0.017)	0.003 (0.105)	-0.027 (-1.003)	-0.034 (-1.138)	-0.028 (-1.044)	-0.027 (-1.003)	0.024 (0.192)	-0.117 (-0.822)	0.023 (0.179)	0.025 (0.201)
Turnover t-1	-0.21* (-1.890)	-0.23** (-1.984)	-0.22* (-1.925)	-0.21* (-1.884)	-0.024 (-0.459)	-0.023 (-0.435)	-0.024 (-0.453)	-0.024 (-0.463)	-0.050 (-1.226)	-0.042 (-0.982)	-0.050 (-1.229)	-0.050 (-1.226)	-0.17** (-2.314)	-0.18* (-1.977)	-0.18** (-2.432)	-0.17** (-2.323)
Litigation t-1	0.656 (0.497)	0.725 (0.560)	0.755 (0.594)	0.712 (0.538)	-0.563 (-0.508)	-0.543 (-0.483)	-0.601 (-0.548)	-0.567 (-0.514)	0.725 (1.044)	0.721 (0.976)	0.761 (1.043)	0.725 (1.044)	-1.994 (-0.651)	4.341* (1.810)	-1.024 (-0.305)	-2.026 (-0.663)
Precision	1.918 (1.249)	1.654 (1.035)	1.899 (1.237)	1.907 (1.240)	-0.754 (-0.649)	-0.622 (-0.528)	-0.713 (-0.608)	-0.780 (-0.674)	0.299 (0.523)	0.329 (0.534)	0.299 (0.524)	0.299 (0.523)	0.076 (0.071)	0.701 (0.626)	0.040 (0.038)	0.018 (0.017)
Gduration	0.005 (0.448)	0.003 (0.243)	0.005 (0.455)	0.005 (0.438)	0.054*** (3.646)	0.054*** (3.451)	0.054*** (3.646)	0.054*** (3.649)	0.019* (1.819)	0.018 (1.528)	0.019* (1.821)	0.019* (1.819)	0.030* (1.858)	0.029 (1.438)	0.029* (1.852)	0.030* (1.866)
Intercept	5.629 (0.873)	7.201 (1.088)	6.186 (0.959)	5.627 (0.873)	-21*** (-4.502)	-21*** (-4.392)	-21*** (-4.501)	-21*** (-4.523)	-0.175 (-0.077)	-0.153 (-0.063)	-0.047 (-0.020)	-0.175 (-0.077)	-10.90* (-1.778)	-19*** (-2.711)	-10.34* (-1.863)	-10.92* (-1.820)
N	497	485	497	497	1309	1266	1309	1309	1417	1332	1417	1417	504	355	504	504
R ²	0.0676	0.0681	0.0665	0.0678	0.0770	0.0751	0.0771	0.0773	0.0389	0.0375	0.0378	0.0389	0.0516	0.0984	0.0554	0.0523

Table 7: Cont'd

Panel B:	Positive				Negative				Neutral				Just			
CAR(-5,+5)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
F_CEO	1.800 (0.414)				2.541 (1.080)				0.315 (0.184)				-6.88* (-1.974)			
F_CFO		0.610 (0.507)				-0.871 (-0.735)				-0.418 (-0.593)				-3.392 (-0.717)		
M_CEO_F_CFO			0.552 (0.461)				-0.690 (-0.586)				-0.424 (-0.610)					-1.582 (-0.318)
F_CEO_M_CFO				1.167 (0.229)				3.186 (1.355)				0.315 (0.184)				-8.151 (-1.298)
ManHold t-1	-0.099 (-1.429)	-0.111 (-1.600)	-0.104 (-1.498)	-0.102 (-1.463)	0.144*** (3.299)	0.138*** (3.093)	0.139*** (3.251)	0.145*** (3.304)	0.017 (0.465)	-0.002 (-0.045)	0.016 (0.433)	0.017 (0.465)	-0.058 (-0.550)	-0.058 (-0.568)	-0.051 (-0.497)	-0.051 (-0.485)
InstHold t-1	0.013 (0.352)	0.002 (0.051)	0.012 (0.312)	0.013 (0.349)	0.025 (1.171)	0.027 (1.196)	0.027 (1.231)	0.025 (1.153)	0.034* (1.942)	0.033* (1.765)	0.034** (1.983)	0.034* (1.942)	0.067 (1.478)	0.125*** (2.559)	0.073 (1.544)	0.067 (1.490)
Analysts t-1	3.272** (2.574)	3.074** (2.389)	3.200** (2.514)	3.257** (2.567)	0.252 (0.293)	0.319 (0.363)	0.190 (0.219)	0.256 (0.296)	1.478** (2.231)	1.445** (2.104)	1.468** (2.225)	1.478** (2.231)	-0.096 (-0.066)	0.584 (0.317)	-0.164 (-0.112)	-0.092 (-0.063)
AFE t-1	0.394 (0.764)	0.357 (0.687)	0.389 (0.756)	0.392 (0.760)	0.522** (2.563)	0.533** (2.472)	0.515** (2.482)	0.522** (2.571)	2.778** (2.065)	2.745** (2.030)	2.776** (2.067)	2.778** (2.065)	0.708 (1.168)	0.779 (1.370)	0.714 (1.157)	0.691 (1.136)
Size t-1	-1.33** (-2.370)	-1.3** (-2.223)	-1.4** (-2.336)	-1.41** (-2.390)	1.461*** (3.502)	1.410*** (3.332)	1.445*** (3.447)	1.470*** (3.521)	-0.387 (-1.575)	-0.375 (-1.468)	-0.387 (-1.575)	-0.387 (-1.575)	-0.061 (-0.068)	-0.103 (-0.113)	-0.052 (-0.059)	0.031 (0.035)
B/M t-1	6.929*** (2.650)	6.783** (2.539)	6.758** (2.534)	6.885*** (2.624)	6.284*** (3.620)	6.243*** (3.605)	6.118*** (3.590)	6.336*** (3.644)	4.296*** (5.148)	4.584*** (5.138)	4.304*** (5.173)	4.296*** (5.148)	2.700 (0.995)	6.275** (2.229)	2.727 (1.017)	2.794 (1.037)
AgeFirm t-1	-0.035 (-0.537)	-0.046 (-0.693)	-0.037 (-0.561)	-0.034 (-0.513)	-0.028 (-1.050)	-0.025 (-0.850)	-0.023 (-0.807)	-0.027 (-1.032)	-0.010 (-0.325)	-0.017 (-0.483)	-0.009 (-0.288)	-0.010 (-0.325)	0.077 (0.487)	-0.073 (-0.425)	0.084 (0.524)	0.085 (0.535)
Turnover t-1	-0.204 (-1.600)	-0.190 (-1.447)	-0.209 (-1.623)	-0.206 (-1.608)	-0.016 (-0.223)	-0.019 (-0.262)	-0.016 (-0.214)	-0.016 (-0.223)	-0.058 (-1.067)	-0.054 (-0.968)	-0.058 (-1.079)	-0.058 (-1.067)	-0.2** (-2.508)	-0.3** (-2.325)	-0.2** (-2.518)	-0.2** (-2.513)
Litigation t-1	-1.145 (-0.744)	-1.224 (-0.812)	-1.107 (-0.736)	-1.080 (-0.706)	-0.396 (-0.326)	-0.028 (-0.022)	-0.219 (-0.172)	-0.360 (-0.299)	0.067 (0.076)	0.096 (0.106)	0.125 (0.139)	0.067 (0.076)	2.103 (0.870)	6.313* (1.845)	2.595 (0.932)	2.143 (0.889)
Precision	0.221 (0.153)	0.079 (0.053)	0.263 (0.182)	0.217 (0.150)	0.112 (0.077)	0.325 (0.222)	0.162 (0.111)	0.081 (0.056)	0.932 (1.445)	1.008 (1.475)	0.921 (1.426)	0.932 (1.445)	0.060 (0.048)	1.807 (1.315)	0.132 (0.107)	0.026 (0.021)
Gduration	-0.008 (-0.484)	-0.006 (-0.351)	-0.008 (-0.485)	-0.008 (-0.487)	0.071*** (3.810)	0.071*** (3.634)	0.071*** (3.787)	0.071*** (3.809)	0.016 (1.476)	0.015 (1.216)	0.016 (1.479)	0.016 (1.476)	0.033 (1.630)	0.030 (1.284)	0.034* (1.658)	0.033* (1.654)
Intercept	10.2* (1.715)	11.4* (1.774)	10.7* (1.739)	10.463* (1.755)	-26*** (-4.751)	-26*** (-4.655)	-25*** (-4.693)	-26*** (-4.762)	-5.8** (-2.024)	-5.8** (-1.928)	-5.8** (-2.016)	-5.8** (-2.024)	-15.0** (-1.988)	-28.9*** (-3.630)	-15.7** (-2.229)	-15.7** (-2.137)
N	497	485	497	497	1309	1266	1309	1309	1417	1332	1417	1417	504	355	504	504
R ²	0.1001	0.0964	0.0995	0.0996	0.0779	0.0768	0.0766	0.0787	0.0429	0.0442	0.0430	0.0429	0.0593	0.1135	0.0570	0.0582

Table 8: Leakage before and drift after earnings guidance

This table presents results from Ordinary Least Squares (OLS) regression analysis of CAR(-5,-1) days around earnings guidance issuances, measuring leakage, (Panel A) and CAR(0,+5) days (Panel B) around earnings guidance issuances, measuring post announcement drift, on main explanatory variables F_CEO , F_CFO , $M_CEO_F_CFO$, and $F_CEO_M_CFO$ and other control variables using a sample of guiding firm-quarters. All control variables are defined in the Appendix and do not include RFD dummy. All regressions control for fiscal quarter and firm fixed effects. Robust standard errors are clustered by firm and t-stats are reported below coefficients. *, **, and *** indicate significance at 10%, 5%, and 1%, respectively.

Panel A:	Positive				Negative				Neutral				Just			
CAR(-5,-1)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
F_CEO	0.868 (0.986)				1.246* (1.764)				-0.116 (-0.282)				-6.102 (-1.251)			
F_CFO		0.593 (1.086)				-0.589 (-1.461)				0.892* (1.900)				-1.541 (-0.457)		
M_CEO_F_CFO			0.542 (1.013)				-0.566 (-1.398)				0.908* (1.937)					-1.237 (-0.364)
F_CEO_M_CFO				0.432 (0.466)				1.354* (1.860)				-0.116 (-0.282)				2.482 (1.524)
Controls	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Intercept	1.632 (0.520)	2.903 (0.896)	1.819 (0.581)	1.775 (0.564)	-1.823 (-0.866)	-1.426 (-0.654)	-1.666 (-0.798)	-1.823 (-0.865)	-2.291 (-1.514)	-1.963 (-1.258)	-2.272 (-1.525)	-2.291 (-1.514)	-1.888 (-0.490)	-4.026 (-1.076)	-2.453 (-0.651)	-2.710 (-0.681)
N	497	485	497	497	1309	1266	1309	1309	1417	1332	1417	1417	504	355	504	504
R ²	0.0613	0.0613	0.0615	0.0605	0.0160	0.0152	0.0148	0.0164	0.0174	0.0207	0.0209	0.0174	0.0622	0.0681	0.0545	0.0541

Panel B:	Positive				Negative				Neutral				Just			
CAR(+1,+5)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
F_CEO	0.931 (0.241)				1.296 (0.492)				0.430 (0.247)				-0.775 (-0.112)			
F_CFO		0.017 (0.014)				-0.282 (-0.270)				-1.31* (-1.785)				-1.851 (-0.921)		
M_CEO_F_CFO			0.010 (0.009)				-0.125 (-0.120)				-1.33* (-1.842)					-0.344 (-0.141)
F_CEO_M_CFO				0.735 (0.162)				1.833 (0.681)				0.430 (0.247)				-10.633 (-1.481)
Controls	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Intercept	8.599 (1.388)	8.496 (1.272)	8.865 (1.410)	8.686 (1.405)	-23.9*** (-4.500)	-24.4*** (-4.512)	-23.8*** (-4.476)	-23.9*** (-4.514)	-3.46 (-1.30)	-3.82 (-1.376)	-3.47 (-1.305)	-3.46 (-1.30)	-13.16* (-1.957)	-24.9*** (-3.633)	-13.2** (-2.015)	-13.03* (-1.963)
N	497	485	497	497	1309	1266	1309	1309	1417	1332	1417	1417	504	355	504	504
R ²	0.0701	0.0672	0.0699	0.0700	0.0744	0.0747	0.0739	0.0748	0.0320	0.0347	0.0338	0.0320	0.0340	0.1010	0.0340	0.0374