The Academy of Finance: Past, Present and Future, 1987-2007[1]

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Abstract

It is important for members of an organization to, from time to time, look back and review what progress has been made and to look forward to see what opportunities the future holds. In this study, we analyze the history of the Academy of Finance. We categorized all the papers presented at the Academy's 21 annual meetings, identified the authors and employing institutions, measured the geographic distributions of participants, calculated the retention rates for participants, and addressed a variety of other issues. We highlight the Academy's accomplishments and detail its improvements and maturation as an organization. Finally, we offer suggestions for further improvements and growth into the future.

Introduction

Finance was an integral part of the MBAA International from that organization's beginning. The Midwest Business Administration Association (now MBAA International) held its inaugural meeting in Kansas City in 1965, during the meetings of the older Midwest Economics Association and Midwest Finance Association. The Midwest Finance Association continued to meet with MBAA until 1985, at which time it and the Midwest Economics Association began meeting independently of MBAA. The remaining MBAA associations continued hosting finance-related papers until several finance faculty, former members of Midwest Finance who wanted to remain in MBAA, began to meet as a developmental group under the MBAA umbrella.

During the 1989 MBAA meetings in Chicago, finance faculty from four universities met and shared their interest in reinstating a finance association at MBAA. The faculty and their respective universities were:

Robert Balik	Western Michigan University
Kenneth Crepas	Illinois State University
Fred Ebeid	Western Illinois University
Jamshid Mehran	Indiana University at South Bend
G.N. Naidu	Illinois State University
Edwin Sims	Western Illinois University

[1] This article builds on Ebeid and Johnson's 2003 about the history of the Academy of Finance. As such, it borrows heavily from the earlier article in many areas.

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These original members founded in 1990 the Midwest Academy of Finance and Insurance (MAFI), reflecting a then strong academic interest in insurance among mid-western universities. As the MBAA required its member organizations have a minimum of 50 members, MAFI was recognized as an allied organization during the 1990, 1991 and 1992 MBAA conferences, gaining full membership status in MBAA in the summer of 1992. In 2000 MAFI changed its name to the Academy of Finance, acknowledging its broadened subject matter scope and geographical representation.

The Academy has long supported its members in disseminating their research findings. From 1992 until 2002, the Academy published the *Midwest Review of Finance and Insurance*, a peer-refereed review that published selected conference papers. In 2003, the *Review* became the *Journal of the Academy of Finance* (ISSN 1932-4251). The *Journal (JAF)* is included in *Cabell's Directory of Publishing Opportunities in Economics and Finance*, and publishes research papers that have passed through a traditional double-blind, peer-review process. The Academy has always published a *Proceedings* of its conference. In addition, the Academy has, since 1993, encouraged excellence in research by awarding an annual distinguished paper award to the best paper presented at that year's conference. Originally sponsored by Irwin, the award is now the *McGraw-Hill/Irwin Distinguished Paper Award.* In 2006, the Academy expanded its recognition of excellent research by establishing Best in Track Awards in up to nine finance areas. Table I contains a timeline of important developments in the Academy's history.

Table I
Academy of Finance: Important Events in the Timeline

1985	Midwest Finance Association broke away from MBAA, prompting a group of finance professors who wanted to remain as part of MBAA to plan the establishment of what has become the Academy of Finance
1987	Finance and Insurance Division created within MBAA
1992	Midwest Academy of Finance and Insurance recognized as an official organization by MBAA MBAA-supported Distinguished Paper Award began
1992	Significant increase in program size, from 33 papers to 46 *Midwest Review of Finance and Insurance* established
1994	Secretary/Treasurer position separated into two positions; Treasurer position converted into a 3-year term
1997	Significant increase in program size, from 45 papers to 58
2002	Significant increase in program size, from 48 papers to 66
2003	*Journal of the Academy of Finance* established as the successor to *Midwest Review of Finance and Insurance* First annual Board of Directors' meeting
2005	Annual Luncheon established Significant increase in program size, from 61 papers to 100
2006	Board of Directors expanded from 3 members to 6 Outstanding Teaching Award established (industry sponsored) Best Paper in Tracks Awards established

	Newsletter established
2007	Significant increase in program size, from 100 papers to 112
	Attendance at Academy sessions approved for CFP continuing education

In 1996, Fred Ebeid (then at Western Illinois University) developed an organizational website. The website has since been maintained, improved and expanded by Robert Balik (Western Michigan University). The website serves members by making available useful information about the Academy and its members. Also, the website serves as the face of the Academy to the outside world.

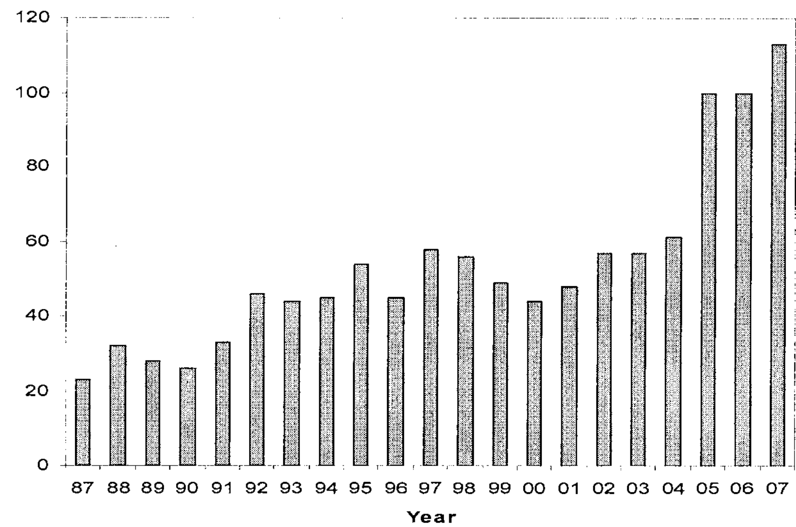
In 2006, the Academy further encouraged its members' professional development by instituting the Distinguished Teaching Excellence Award. MB Financial provided initial funding for the award, which recognizes annually a member for exemplary teaching. In 2007, the Academy expanded its efforts to reach out to practitioners by registering and offering its program sessions as continuing education for Certified Financial Planner® certificants.

Paper Topics

We analyzed the Academy of Finance programs by entering programs as they appear in the MBAA-International master program books, into an Excel spreadsheet.[2] During the 21-year history of the organization, 1987-2007, authors presented 1118 papers at the Academy's annual meetings. At the first meeting, 11 (48%) of the papers were from the areas of corporate, investments and institutions and markets, while another 48% came from insurance and risk management, reflecting the heavy involvement of Illinois State University insurance and risk management faculty in the organization. The program has experienced steady growth over the past 21 years and has set a new record for size during each of the past four years (see Figure I).

[2] Occasionally a paper on the program did not actually get presented. Also, sometimes a paper is accidentally omitted from the program and presented anyway. Sometimes, a session chair or discussant has to be replaced after the program is printed. We have no way of tracking these events, but we believe they occur seldom enough that they would have little impact on this analysis.

Figure I
Number of Papers



The Academy of Finance now draws papers from a variety of sub-disciplines. We classify papers into one of nine categories: Corporate Finance, Investments, Institutions and Markets, Real Estate, Insurance, Personal Finance, Financial Education, Risk Management and General Interest. Additionally, if the paper had a global finance interest, we indicated so. For example, if a paper concerned the Russian banking system, we categorize it as institutions and markets and also indicate that it has a global angle.

As Table II shows, the largest category of papers has been Investments, accounting for 31% of papers. Corporate Finance is second with 17% of the papers and Institutions and Markets followed closely with 15% of the papers. Financial Education is the fourth largest category (10%), and an increasing level of interest (accounting for 14% and 11.5% in the last two years, respectively). Insurance is the fifth largest category (9%), although it has accounted for only 4.7% of the papers in the past 3 years. Real Estate and Personal Finance each account for 6% of the papers.

Approximately 21% (236 of 1118) of the papers addressed a global financial issue. There were few global papers in the Academy's early years (2 papers in the first 3 years), but by 1993 global issues became a steady and important part of the program. In 2003, one-third of the program's papers had a global emphasis, and during the past 5 years 24.6% of the papers had a global emphasis. This high percentage of papers addressing global financial issues may indicate faculty are fulfilling AACSB's desire for global issues coverage.

Participants

The three key players for a successful academic meeting are the presenters, the discussants and the session chairs. During the Academy's history there have been 774 unique authors and 803 unique participants. In total, the programs list 1929 (nonunique) authors. We ranked authors on both the total and adjusted number of papers they presented (dividing credit evenly among multiple authors). The top six slots for most productive authors for total papers presented were John S. Bowdidge (60), George S. Swales, Jr. (44), Robert J. Balik (28), Jamshid Mehran (25), and (tied) Monzurul Hoque (24), Don T. Johnson (24) and Thomas M. Krueger (24). On an adjusted basis, the top six authors were John S. Bowdidge (27.9), George S. Swales, Jr. (19.4), Robert J. Balik (19.2), Thomas M. Krueger (18), and Raj K. Kohli (16.8). Table III lists the most productive authors. On average over time, each paper had 1.7 authors, and that the average has remained quite steady at around 1.7-1.8, despite growth in the program's size and typically large annual turnover in program authors. Given that different sets of authors still produce the 1.7 average year to year, we conclude that this must be an efficient number of authors per paper, perhaps reflecting institutional support for limited co-authorship. We would be remiss if we didn't identify those who have contributed as session chairs (keeping sessions in order and facilitating presentations), and as discussants (providing valuable feedback to authors, resulting in better papers). Table IV lists the most prolific session chairs and discussants.

We reviewed program annual retention rates (the percentage of authors on the program one year returning for the following year). A strong retention rate indicates participants enjoyed the conference and found it to be a valuable activity. A strong retention rate also facilitates steady, solid organizational growth. Figure II illustrates retention rates for the past 20 years.

Table II (first section)
Topics of Papers Presented and Number of Participants, Sessions, and Papers
1987-2007

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Corporate Finance	3	8	5	4	6	11	11	7	16	13	6	4
Investments	5	5	7	8	6	12	10	8	13	14	20	18
Institutions & Mrkts	2	6	3	3	4	8	7	10	10	6	8	15
Real Estate	2	0	0	0	1	1	1	9	4	0	1	2
Personal Finance	0	4	4	2	3	3	1	2	2	1	4	2
Financial Education	0	0	1	1	2	2	4	2	4	3	12	8
Insurance	9	4	7	6	10	7	8	4	5	6	3	3
Risk Management	1	3	1	1	1	2	0	1	0	1	2	4
General Interest	1	2	0	1	0	0	2	2	0	1	2	0
Total Papers	23	32	28	26	33	46	44	45	54	45	58	56
Paper w/ Global Issue[1]		2		4	3	5	8	14	9	9	10	17
Participants[2]	40	50	37	35	70	102	105	66	97	89	99	94
Number of Authors[3]	38	49	36	37	48	90	74	69	90	82	102	101
Avg. No. of Authors	1.7	1.5	1.3	1.4	1.5	2.0	1.7	1.5	1.7	1.8	1.8	1.8
Sessions	8	10	9	8	10	15	15	15	18	15	20	19

[1]Papers were first classified into one of nine financial categories and then we indicated if the paper also involved a global issue.
[2]Participants include unique authors, discussants and chairs.
[3]Authors are the number of nonunique authors on the papers.

Table II (second section)
Topics of Papers Presented and Number of Participants, Sessions, and Papers
1987-2007

	1999	2000	2001	2002	2003	2004	2005	2006	2007	Total	%
Corporate Finance	7	7	3	3	6	6	22	18	25	191	17%
Investments	21	16	16	22	20	23	27	35	39	345	31%
Institutions and Markets	8	7	12	9	9	10	15	12	8	172	15%
Real Estate	3	0	2	8	6	6	7	5	5	63	6%
Personal Finance	1	2	2	5	0	7	11	2	4	62	6%
Financial Education	4	4	10	5	10	6	8	14	13	113	10%
Insurance	4	2	0	0	2	3	5	7	3	98	9%
Risk Management	1	3	1	3	1	0	1	3	1	31	3%
General Interest	0	3	2	2	3	0	4	4	14	43	4%
Total Papers	49	44	48	57	57	61	100	100	112	1118	100%
Paper had a Global Issue[1]	12	13	8	17	19	16	21	23	26	236	21%
											Means
Participants[2]	71	73	77	81	94	92	153	160	155	1840	87.6
Number of Authors[3]	82	78	83	96	101	104	173	184	212	1929	91.9
Avg. No. of Authors	1.7	1.8	1.7	1.7	1.8	1.7	1.7	1.8	1.9		1.7
Sessions	16	15	16	18	18	18	33	31	32	359	17.1

There was an average of 53.3 papers presented each year.
[1]Papers were first classified into one of nine financial categories and then we indicated if the paper also involved a global issue.
[2]Participants include unique authors, discussants and chairs.
[3]Authors are the number of nonunique authors on the papers.

Table III
Most Productive Authors
Total and Adjusted Papers, 1987-2007

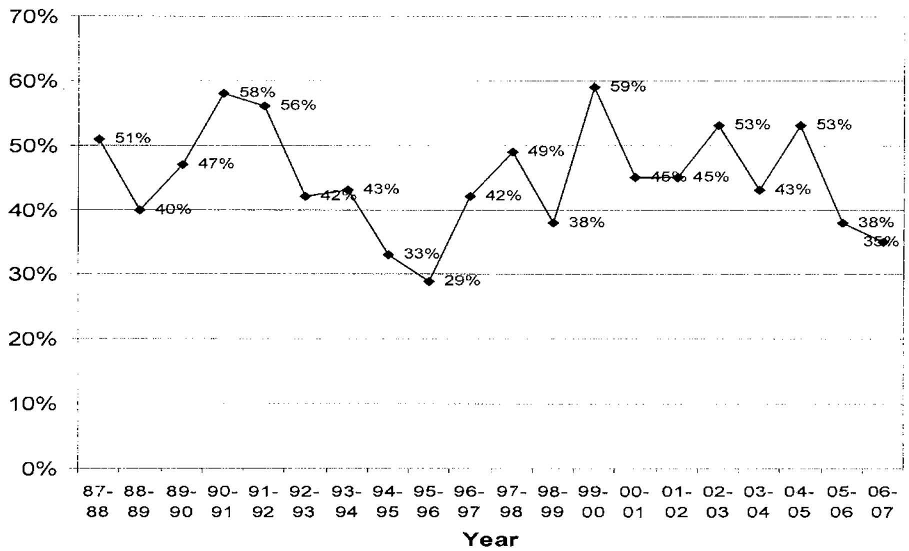
	Name of Author	Total		Name of Author	Adjusted
1.	Bowdidge, John S.	60	1.	Bowdidge, John S.	27.9
2.	Swales, Jr., George S.	44	2.	Swales, Jr., George S.	19.4
3.	Balik, Robert J.	28	3.	Balik, Robert J.	19.2
4.	Mehran, Jamshid	25	4.	Krueger, Thomas M.	18.0
5.	Krueger, Thomas M.	24	5.	Hoque, Monzurul	17.2
	Johnson, Don T.	24	6.	Kohli, Raj K.	16.8
	Hoque, Monzurul	24	7.	Mehran, Jamshid	15.7
8.	Patton, John E.	23	8.	Bahr, Kevin M.	13.5
9.	Kohli, Raj K.	20	9.	Tyree, Donald A.	13.0
10.	Kenny, Peppi M.	19		Naidu, G. N.	13.0
11.	Chang, Edward C.	18		Bhandari, Shyam B.	13.0
12.	Tripp, James D.	17	12.	Lee, Jeong W.	12.0
13.	Naidu, G. N.	16	13.	Johnson, Don T.	11.3
	Bahr, Kevin M.	16	14.	Swanton, Donald W.	11.0
	Crepas, Kenneth J.	16	15.	Pope, Ralph A.	10.7
16.	Pope, Ralph A.	15	16.	Ary, Eddie	10.0
	Ghosh, Asim	15	17.	Gu, Anthony Yanxiang	9.5
	Consler, John	15	18.	Nelson, Walt A.	9.3
19.	Tyree, Donald A.	14	19.	Patton, John E.	8.5
	Ragan, Kent P.	14	20.	Consler, John	8.3
	Lee, Jeong W.	14		Byler, Ezra U.	8.3
22.	Gu, Anthony Yanxiang	13	22.	Crepas, Kenneth J.	8.0
	Bhandari, Shyam B.	13	23.	Kenny, Peppi M.	7.8
24.	Ary, Eddie	12	24.	Ragan, Kent P.	7.8
	Samant, Ajay	12	25.	Mangla, Inayat U.	7.7
	Hasan, Tanweer	12	26.	Ghosh, Asim	7.5
27.	Swanton, Donald W.	11	27.	Philpot, James	7.1
	Mangla, Inayat U.	11	28.	Tripp, James D.	6.8
	Philpot, James	11	29.	Chang, Edward C.	6.8
	Nelson, Walt A.	11	30.	Samant, Ajay	5.7
31.	Boldin, Robert J.	10	31.	Martin, Donald D.	5.5
	Ramjee, Balasubramani	10		Gahala, Charles L.	5.5
	Edwards, Edward A.	10	33.	Moini, A. H.	5.3
	Adamson, Stanley R.	10		Islam, Mazhar M.	5.3
	Byler, Ezra U.	10	35.	Liu, Weiping	5.2
	Ebeid, Fred J.	10			

Table IV
Frequency of Participation
Discussants and Chairs, 1987-2007

	Discussants	Count		Chairs	Count
1.	Bowdidge, John S.	20	1.	Naidu, G. N.	13
2.	Kenny, Peppi M.	18	2.	Robinson, Michael L.	11
	Balik, Robert J.	18	3.	Potter, Roger E.	9
4.	Kohli, Raj K.	15		Balik, Robert J.	9
5.	Krueger, Thomas M.	14	5.	Swanda, John R.	8
6.	Nelson, Walt A.	13	6.	Ebeid, Fred J.	7
	Consler, John	13		Crepas, Kenneth J.	7
8.	Swales Jr., George S.	12	8.	Sabbaghi, Asghar	6
9.	Swanton, Donald W.	11		Bhandari, Shyam B.	6
	Lee, Jeong W.	11		Consler, John	6
	Johnson, Don T.	11		Joray, Paul A.	6
12.	Verma, Shailendra	10		Byler, Ezra U.	6
	Pope, Ralph A.	10	13.	Tripp, James D.	5
	Bahr, Kevin M.	10		Swanton, Donald W.	5
	Boldin, Robert J.	10		Bowdidge, John S.	5
	Hoque, Monzurul	10		Hoque, Monzurul	5
17.	Samant, Ajay	9		Bahr, Kevin M.	5
	Bhandari, Shyam B.	9		Krishnamoorthy, Anand	5
	Ragan, Kent P.	9	19.	Hasan, Tanweer	4
20.	Varjavand, Reza	8		Kohli, Raj K.	4
	Tripp, James D.	8		Kenny, Peppi M.	4
	Chang, Edward C.	8		Krueger, Thomas M.	4
	Robinson, Michael L.	8		Lee, Jeong W.	4
	Hasan, Tanweer	8		Mangla, Inayat U.	4
	Ary, Eddie	8		Mohr, Coenraad	4
	Naidu, G. N.	8		Rassuli, Ali	4
27.	Chishty, Muhammad R. K.	7		Ary, Eddie	4
	Mangla, Inayat U.	7		Nelson, Walt A.	4
				Pope, Ralph A.	4

The average annual author retention rate was 45%. However, this rate varied from a low of 29% in 1996 to a high of 59% in 2000. To test if retention rates were related to program size (as measured by the number of unique authors on the program), we used a regression model, Retention Rate = $\alpha + \beta$(program size ratio) + ε, where "retention rate" is the percentage of authors on one year's program who return the following year and the program size ratio defined as (this year's program's unique authors)/(last year's program's unique authors). The model had an F-value of 3.66 ($p \leq .10$), and an r^2 value of .17, indicating that 17% of the program's retention rate could be attributed to program size.

Figure II
Retention Rates of Authors



One possible explanation for the fluctuating retention rates is that business cycles affect institutional funding, and thus support for professional travel. For example, during the early 1990's recession and aftermath, faculty had limited budgets for repeat travel, accounting for low retention in that time period. Another possible explanation is that competing spring associational meetings such as Midwest Finance Association or Southwestern Finance Association (which meet at rotating sites) occasionally meet at locations holding special travel interest for participants. In these years, the Academy's retention levels may decrease.

We find the fluctuation in annual author retention somewhat puzzling. Sometimes only one of the authors on a paper attends the meeting and the nonattending author is less likely to be on the program again the next year. We attempted to measure the year-to-year retention rates for registrants as we suspected the retention rate for registrants would be higher than the rate for authors. However, we were unable to locate the records necessary to measure the retention rates for registrants.

Employer Affiliations

As expected, the large majority of authors (97.1%) were affiliated with universities, and 65.6% of the authors are affiliated with AACSB-International-accredited schools (see Table V). The Academy's annual meeting has seen representation from 387 unique organizations. The top five universities are Missouri State University, formerly Southwest Missouri State University (236 authors, 111.7 adjusted papers), Western Illinois University (142 authors, 64.1 adjusted papers), Western Michigan University (78 authors, 50 adjusted papers), Illinois State University (73 authors, 46.5 adjusted papers), and Indiana University – South Bend (60 authors, 41.8

adjusted papers). A list of top employers is listed in Table VI. The top five universities accounted for 589, or 30.6% of the authors on the papers presented. Further, the top five universities accounted for 281 adjusted papers, or 24.8% of the total papers presented. Finally, the top five universities had representatives on 496 unadjusted papers, or 25.7% of the total papers. Interestingly, four of the top five universities are the institutions associated with the founding members of the Academy.

Table V
Authors and Accreditation Status, 1987-2007

Employer Category	Authors	Percent
AACSB Schools	1027	63.7%
Non-AACSB Schools	539	33.4%
Non-School Affiliated	47	2.9%
Total	1613	100.0%

As with most conferences, the Academy was founded by professors from a small number of institutions. Thus, in the conference's early years most papers were from a limited number of universities. As the Academy grew, authors represented a larger number of institutions, bringing considerable diversity to the conference.

We use the Herfindahl Index to measure the degree of concentration of employers at the Academy. This index is calculated by squaring the market share of each firm in the market and then summing the results. A market where one firm has 100 percent of the market would have a Herfindahl score of 10,000; a market with 1000 firms, each with a tiny market share, would have an index score approaching zero. The lower the Herfindahl score the less concentration and control there is by a few firms and the greater the diversity.

We treat each employing institution as a firm. We measured the share of papers presented at the conference from each institution and then calculated a yearly Herfindahl score. The initial year of the conference had a Herfindahl score of 709; the highest index score of 898 occurred in 1990, the fourth year. By 1998 the concentration score had fallen to 354, a 60% reduction since 1990. The lowest level of concentration was in 2006, with a Herfindahl score of 312. Over the past four years the Herfindahl score has averaged 389, twice being under 400. The results are displayed in Figure IV. A simple regression model of the years and Herfindahl scores (Herfindahl Score = $\alpha + \beta$year $+ \varepsilon$) revealed that years and concentration levels are negatively correlated (at $p \leq .01$). Over time, there has been a marked increase in the number of paper presentations coming from a diverse group of institutions.

The Academy changed its name in 2000 in part to better reflect its desire and success in appealing to participants beyond the Midwestern United States. Removing the regionality from the organization's name reflects the organization's draw of participants from throughout the U.S. and beyond. Further, the new name and scope improved the Academy's prestige among its own members and outsiders.

Table VI
Employers With Largest Number of Listed Authors and Adjusted Papers, 1987-2007

Employers	Authors	Adj. Papers	Employers	Authors	Adj. Papers
Missouri State	236	111.7	Indiana State	22	18.5
Western Illinois	142	64.1	Mississippi State	20	9.2
Western Michigan	78	50.0	Millikin	20	12.3
Illinois State	73	46.5	Northeastern Illinois	19	9.5
Indiana-South Bend	60	41.8	Saint Louis	19	15.7
Wisconsin-LaCrosse	49	31.0	Youngstown State	18	8.7
Saint Xavier	34	24.7	James Madison	18	5.8
Wisconsin-Whitewater	31	22.8	State U of New York	17	11.5
Roosevelt	31	20.7	Southeast Missouri State	15	9.0
Le Moyne College	30	19.2	Illinois Wesleyan	14	9.3
Central Missouri State	29	17.3	Indiana U of Pennsylvania	14	6.5
Northern Kentucky	28	9.3	Bradley	13	13.0
Cal. State-Sacramento	27	16.7	Wisconsin-Green Bay	13	8.3
Wisconsin-Stevens Point	26	18.0	Saint Joseph's	12	8.2
Ouachita Baptist	26	17.5	Truman State	12	6.2
North Dakota	23	17.0	Wisconsin-Platteville	12	8.0

One measure of the increasing geographic reach of the Academy is the distance the presenters are willing to travel to attend the conference. We identified the direct mileage between the employer of each author at the annual meeting and Chicago. We then calculated the mean distance for all presenters, with the exception of the international presenters, for each year of the conference. The results are displayed in Figure IV. The mean distance traveled by domestic presenters has increased over time. In the first year of the conference, the mean distance traveled by authors was 288 miles. The third year, 1989, saw the shortest distance traveled with the mean trip being only 238 miles. However, the mean distance traveled quickly escalated, rising by 118% when it reached the historic high of 519 miles in 2006. A simple regression model of the years and mean travel distances (Mean Mileage = $\alpha + \beta year + \varepsilon$) revealed that year and distance are positively correlated (at $p \leq .01$), supporting the contention that the Academy is attracting authors from a much larger geographic area.

Another indicator of the growing geographic reach of the Academy is the number of states and countries represented by authors on the program. As shown in Table VII, forty states have been represented by authors on the Academy program over the years. The top five states account for 61.3% of the authors. These states were Illinois (21.9%), Missouri (17.2%), Wisconsin (9.3%), Indiana (6.7%), and Michigan (6.2%). While these states accounted for over half the authors over the life of the conference, as the conference has broadened its geographic reach, these states' share of the total has fallen noticeably. Ebeid and Johnson (2003) looked at the first 16 years of the organization and found that these same five states accounted for 67.1% of the authors. During the most recent five years, their share of the total was only 57.4%, a drop of nearly 10 percentage points. The reduction of market share for these states has been due almost entirely to the growth in attendees from other states, not a reduction in members from these five states.

Table VII
Home Location of Conference Authors
States and Countries, 1987-2007

State	Freq	%	State	Freq	%	State	Freq	%
Alabama	11	0.6	Maine	2	0.1	Oklahoma	1	0.1
Arkansas	47	2.4	Maryland	12	0.6	Oregon	3	0.2
California	56	2.9	Mass.	8	0.4	Pennsylvania	53	2.8
Colorado	10	0.5	Michigan	120	6.2	Rhode Island	4	0.2
Conn.	4	0.2	Minnesota	25	1.3	S Carolina	7	0.4
Delaware	1	0.1	Mississippi	20	1.0	S Dakota	4	0.2
Florida	15	0.8	Missouri	332	17.2	Tennessee	10	0.5
Georgia	18	1.0	Montana	2	0.1	Texas	34	1.8
Idaho	2	0.1	Nebraska	10	0.5	Virginia	25	1.3
Illinois	423	22.0	Nevada	7	0.4	Washington	2	0.1
Indiana	129	6.7	New Jersey	12	0.6	Wisconsin	180	9.3
Iowa	18	0.9	New York	67	3.5	Wyoming	1	0.1
Kansas	4	0.2	N Carolina	8	0.4	International	40	2.1
Kentucky	48	2.5	N Dakota	28	1.5	Unknown	75	3.8
Louisiana	21	1.1	Ohio	30	1.6	Total	1929	100.0*

*may not total to 100% due to rounding

Figure III
Concentration of Employers

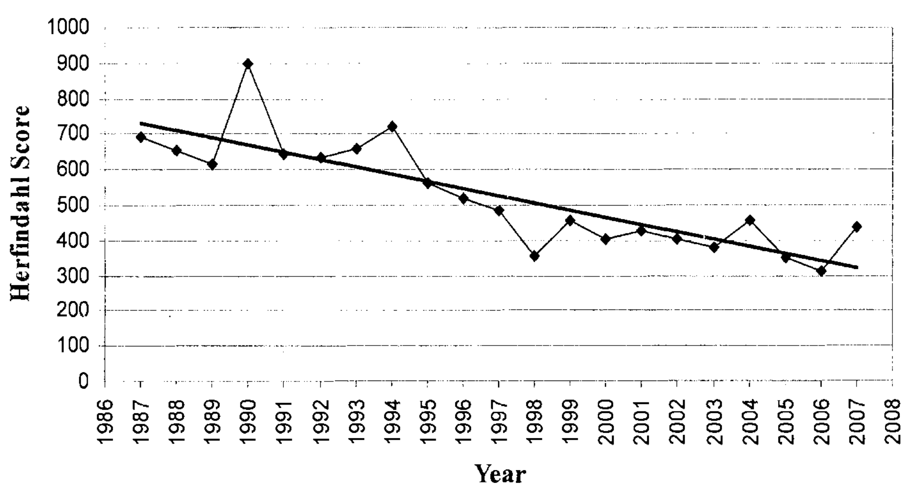
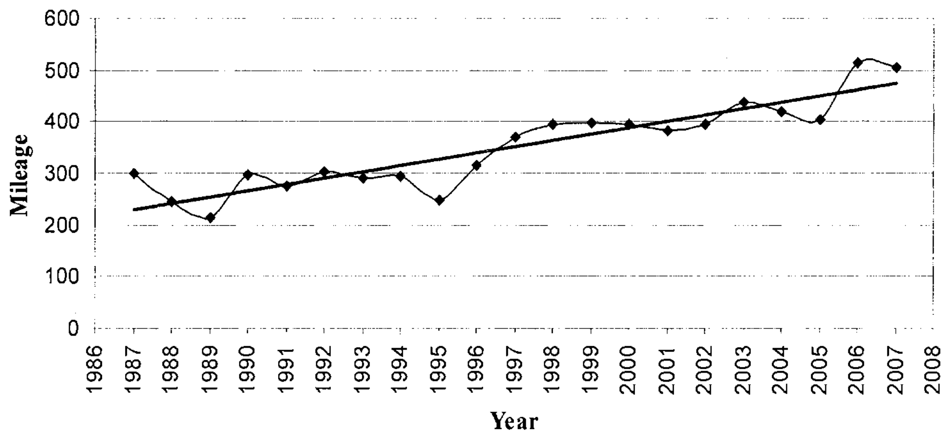


Figure IV
Distance of Presenters



Future Directions for the Academy

The Academy has had a wonderful two decades, having grown and provided considerable value to its members. However, in our opinion, the Academy has reached a point where its members and leadership need to make some important decisions about what kind of organization it will be in the future.

The size of the conference has increased substantially, from 23 papers initially to 112 papers in 2007. This growth entails extra effort in marketing and programming the conference, in the form of added reviewing of papers, session scheduling and mailing list management. In recent years, the Academy has added a conference luncheon, best paper awards, teaching competition, newsletter, and other features, further requiring hours of labor by its leaders and members.

Probably the most important feature of the Academy to this point has been the creation of the *Journal of the Academy of Finance*. The *Journal* provides a valuable publication opportunity for our members, and we should work to promote and improve the *Journal*. One option for improving the *Journal* is to make it more widely available, beginning with full text coverage on the Academy's website. Members should encourage their universities' libraries to subscribe, as that helps the *Journal* financially and provides additional legitimacy; members may even consider donating their copies to their universities' libraries if the libraries are reluctant to subscribe in these times of very tight budgets. Longer term, the Academy should seek to have the *Journal* included in one or more of the online indices such as *ABI/INFORM* or *Business Source Premier*.

Growth: Quantity versus Quality.

An argument is sometimes made that the Academy should attempt to increase the quality of its offerings even though that may result in fewer papers on the program. In general, we reject this Quantity-Quality argument, Academy officers always strive for the best program possible, accepting only research that is interesting, meaningful and well done.

A greater quantity of papers can in and of itself lead to a better quality meeting. One strategy to increase the average quality of papers is to establish a higher rejection rate and, if the reviews are conducted properly, the remaining papers should have a higher average quality. But, submissions must reach some critical mass before the Academy can begin rejecting large numbers of them. For example, the Financial Management Association some years has 1200 submissions and accepts fewer than 500 (approximately a 40% acceptance rate). Midwest Finance in 2006 reported 271 submissions and 192 acceptances (71% acceptance rate). We are not sure where the critical mass in terms of quantity is for the Academy, but it is probably higher than our current level. Also, efforts for more thorough review require more time than MBAA program schedules allow.

Improved best paper awards may add incentive increased submissions. Having several best paper awards (and the distinguished paper award), induces authors to submit better work to the meeting. If each award caused just 5 people to write better in hopes of winning the award in their areas, then 10 awards means 50 better papers and thus an increase in the average paper quality.

Organizational Structure and Function.

The Academy is functioning with much the same organizational structure it had 21 years ago. We suggest some modest changes in the structure and functionality of the Academy's leadership that may lead to growth and improvement:

Executive Director. Most organizations (MBAA, the Marketing Management Association, and the North American Management Society, for example) have such a position. Currently, the success of the annual meeting, and thus the health of the Academy, depends heavily on the competency and attitude of the Program Chair, with subsequent meetings depending on a successful transition to a new Program Chair. An Executive Director would provide continuality, year to year. The Executive Director will keep track of the conference work timetable, developing a continuing base of expert knowledge. The Executor Director would keep permanent records of the Academy, including all programs, meeting minutes, registration lists, copies of the treasurer's report, copies of flyers and calls for papers, language used on award plaques, and so forth. Presently, the Academy lacks a good records systems. The Executive Director would not be a policy setting position nor would this position have authority to compel any other officer to act.

Board of Directors as Strategic Planners. The Board of Directors needs to take an active role in the direction of the Academy. This is a behavioral, rather than a structural change recommendation. The Board, under the leadership of the President, needs to set goals and specific targets for the organization. Now, it is typically the Program Chair who comes up with ideas for the year. The Board needs to decide where it wants the Academy to be long term and develop a list of steps to get there. These goals and plans would involve deciding what would best benefit our membership and how we want to be viewed by potential members when they are choosing from among many academic organizations. The Board could then task those goals to various officers within the organization, probably most often the positions of Program Chair and President. Marketing Management, a sister MBAA organization, for example, has a list of goals set by its Board. Each year, the President selects one of the Board's goals as his/her project for the year and thus over time the organization is moved towards its long term strategic goals.

We must reiterate, that while the workhorse in the organization is the Program Chair, it is the Board who functions as the heart of the Academy. The organization will never grow and become what it has the potential to be unless the Board steps up and exerts the necessary influence and guidance. Very importantly, they need to be discussing plans and issues prior to the annual meeting so that most of the topics at the Board meeting have already been raised and if not solved, at least discussed prior to the actual meeting. The Program Chair usually has all s/he can handle dealing with the tactical issues of marketing the conference and putting together the program for the year. Someone must think and plan strategically and as a practical matter that would be the duty of the Board, President and possibly the Executive Director.

President, Program Chair and Secretary. The Executive Officers of the Academy need to work together to move the organization forward. They need to coordinate and communicate with each other. Further, it is essential that they begin preparing for the next year's program prior to the current year's meeting. All calls for papers, mailing lists and much of the program's special events should be planned by the Secretary prior to the current year's meeting. The Secretary (who is the rising Program Chair) should present his/her preliminary plan to the Board for the upcoming year. Advanced planning will allow the new Program Chair to "hit the ground running" immediately following the annual meeting.

We also encourage the officers and Board to develop a Program Chair's Manual. Without a Manual, the new Program Chair is reinventing the wheel every year. Currently, the handoff of materials from one Program Chair to the next is haphazard, sometimes handled in a timely and professional manner and sometimes not. A Program Chair's Manual would contain information such as the deadlines for various activities, copies of calls for papers, submission forms, and so forth. It would also contain "lessons learned" sections that each program chair would add during their year of service. For example, one "lesson learned" might be: "Be sure the submission form includes a way for someone to indicate if one of the authors is a student or otherwise you will use the student as a session chair and/or discussant because you are unaware of their student status."

Industry Relations Officer.

The Academy should consider appointing an Industry Relations Officer to establish contacts and relationships between the Academy and the Business and Governmental communities in Chicago and elsewhere. It may also be practical (but not a requirement) to look for someone from the Chicago metropolitan area for this position. A person tasked specifically to this duty may be more successful at establishing relationships. We suggest a two-year appointment with possible renewal for the position.

Possible Future Activities

In this section, we highlight some possible activities that the Academy might pursue to the benefit of our members:

1. Establish ties with businesses and other organizations located in Chicago. Being a financial center, Chicago offers many opportunities including tours, guest speakers and potential industry sponsorships.
2. Establish arrangements with additional publication outlets, particularly those with global interests. Multiple publishing outlets available will attract additional people to the conference.
3. Establish a plan for special sessions and panels, hopefully utilizing the resources in Chicago.
4. Develop each of the specialty fields, perhaps targeting and promoting one each year for enlargement. By rotating through the subfields over a period of a few years, hopefully the overall program will grow in all areas.
5. Secure larger and permanent funding for the teaching competition, similar to Hormel's $2,000 funding of the Marketing competition at MBAA.
6. Secure industry/publisher funding for the Distinguished Paper Award and for the Best Paper Awards.
7. Establish a life-time contributor award, recognizing and rewarding a person's contribution to the finance field and the person's contribution to the Academy.
8. Establish an Outstanding Administrator Award for a department chair or dean who provided outstanding contributions or support to the Academy.
9. Establish an achievement award for achievements in industry. It is common practice in some organizations to give such an award and then invite the award winner as the luncheon speaker.
10. Register Academy sessions with groups such as the CFP Board, to count as continuing education for their designations. This will benefit members who hold such designations, and may attract increased registration and participation from practicing professionals.
11. Explore marketing the conference to professors in the Departments of Family and Consumer Sciences. These departments increasingly focus on financial topics from a consumer perspective, and hire faculty with finance and economic doctorates.
12. Develop a membership informational database, including members interests in research and teaching, consulting interests, professional designations, and so forth.
13. Always be on the look out for ways to improve the organization. In particular, we should be aggressive in watching other organizations and copying what works.

These suggestions are only a partial list of possible activities we might undertake in the future. While the list may appear daunting, it is important to recognize that improvements may be made gradually and sequentially. The Academy can with much confidence pursue a new goal, achieve it and make it a permanent part of the organization and the conference program, then pursue other goals and add permanently add them. The outcome is an improved organization benefiting its members, our students, the financial discipline and the community.

Conclusions

In summary, the Academy of Finance has experienced significant growth and improvement within the past several years. As always, the Academy continues to serve the professional development needs of its members by providing opportunities for networking, fellowship, education, presentation, and publication. Such exchange of ideas is crucial to our success in the field.

The Academy no doubt has a bright future, yet with recent participation at historic high levels, the Academy is at a significant juncture. There are many potential areas for improvement of the Academy, its administration, its programs, its publications, and its services. We have offered several in this paper as a starting point for future discussion and possible action, as desired by the Academy leadership and members.

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