

# History of the Academy of Finance: Building for the Future, 1987-2007<sup>1</sup>

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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 the 1985, at which time it and the Midwest Economics Association began meeting independently of MBAA. The remaining MBAA associations continued hosting papers on finance-related topics for the next couple of years and then several finance faculty, former members of Midwest Finance but who did not want to leave MBAA, began meeting 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 an academic 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

These original members founded in 1990 the Midwest Academy of Finance and Insurance (MAFI), combining two discipline areas, as at that time there was a strong academic interest in insurance among Midwestern 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. Although the Academy continues to recognize and serve its regional constituency, in 2000 MAFI changed its name to the Academy of Finance, acknowledging its broadened subject matter scope and geographical representation.

The Academy has a long history of supporting 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 papers from the conference. 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 papers presented at the annual conference that have passed a second round of double-blind peer-review. The Academy also continues to publish the *Proceedings* of its conference, a tradition that began with the organization's inception. In addition to these publishing opportunities,

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<sup>1</sup> This paper draws heavily from the work of Ebeid and Johnson (2001).

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the Academy has, since 1993, encouraged excellence in research by awarding an annual distinguished paper award to the paper judged by the Academy's editorial review Board to be the best paper presented at that year's conference. Originally sponsored by Irwin, the award is now called the *McGraw-Hill/Irwin Distinguished Paper Award*, and carries a cash award and recognition plaque.

Another important step forward in professionalism for the Academy occurred in 1996 when Fred Ebeid (Western Illinois University) developed an organizational website. The website has since been maintained, improved and expanded for the past several years by Robert Balik (Western Michigan University). Internally, the website is valuable to members as they can visit it to download useful information about the Academy and the annual meeting. Further, and very importantly, the website serves as the face of the Academy to the outside world. Any time a potential member, an evaluator or a potential industry contact wants information about the Academy, it is the website they visit and rely upon. A professional and complete website such as the Academy currently has is invaluable in projecting a professional image for the organization.

In 2006, the Academy further encouraged its members' professional development by instituting the Distinguished Teaching Excellence Award. The Teaching Award was supported by MB Financial with a cash contribution. This award recognizes annually a member who pursues exemplary classroom teaching. In 2007, the Academy began to reach out beyond academics by registering and offering its program sessions as continuing education for finance professionals holding the Certified Financial Planner® designation. See Table I for a summary timeline of some important developments in the history of the Academy.

Insert Table I about here.

## **Paper Topics**

During the 21-year history of the organization, 1987-2007, there have been 1133 papers presented at the Academy's annual meeting. 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. This topical distribution was not unexpected as the insurance and risk management professors at Illinois State University were heavily involved in the founding of the organization (thus, the name "Midwest Academy of Finance and Insurance"). As time passed, there was greater topical diversification. Over the history of the organization, there were a total of 1133 papers presented at the 21 annual meetings, or an average of 54 papers per year. The program has set a new record for size during each of the past four years (see Figure I).

Insert Figure I about here.

Being a general finance organization, the Academy of Finance draws papers from a variety of sub-disciplines. In this study, we classified each paper into one of the following nine categories: corporate finance, investments, institutions and markets, real estate, insurance, personal finance, financial education, risk management and general

interest. Additionally, if the paper involved topics outside the United States, we indicated it had a global finance interest. For example, if the paper concerned the banking system in Russia, we categorized it as institutions and markets and then also indicated that it has a global angle.

Insert Table II about here.

The largest category of papers has been investments, accounting for 31% of the 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 insurance is the fifth largest category (9%). However, it is worth noting that over the history of the meetings, financial education has seen increasing interest (accounting for 14% and 11.5% in the most recent two years, respectively), while insurance was strong in the earlier meetings but was weak in the middle years (due in large part to the retirement of the Illinois State professors), while recovering modestly in recent years (4.7% of the papers in the past 3 years). Real estate accounts for 6% of the papers (with a modest but steady performance during the past five years), as does personal finance with 6%. Risk management (3%) and general interest (4%) complete the categories.

### **Global Topics**

Approximately 21% (237 of 1133) of the papers addressed a global financial issue. While there were few global papers in the early years of the Academy (2 papers in the first 3 years), by 1993 global had become a steady and important part of the program. In 2003, fully 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. Given such a large interest in global topics, the Academy might consider cross programming with the Midwest International Business Society with the topics being of interest to members of both groups. We also believe this high percentage of papers addressing global financial issues is an indication that faculty are fulfilling AACSB's desire for global issues to be incorporated throughout the business curriculum.

### **Participants**

The three key players for a successful academic meeting are the presenters, the discussants and the session chairs. During the 21 year history of the Academy, there have been 774 unique authors and 803 unique participants. In total, there 1929 (nonunique) authors listed on the programs, an impressive number.

We ranked authors on both the total number of papers they presented and the adjusted number of papers (that is, we divided credit evenly among authors when there were 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 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). Please see Table III for a more exhaustive list of productive authors.

Insert Table III about here.

### **Authors per Paper**

We calculated the average number of authors per paper. We found it to be 1.7 authors/paper overall and that the average has remained quite steady at around 1.7-1.8. In the first five years, the average was 1.4, ranging from 1.3 to 1.5. However, in the most recent 15 years (1993-2007) the average each year has been either 1.7 or 1.8, except for 1994 (1.5) and 2007 (1.9). This average has remained steady year in and year out even though there has been substantial growth in the program's size and even though there has been typically large turnover in program authors from year to year. 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.

### **Session Chairs and Discussants**

A successful conference also requires the services of session chairs and paper discussants. It is only through the peer review process that authors improve the quality of their research. The primary source of this important feedback is the paper discussant, who can spend a considerable amount of time and effort critiquing a paper. Additionally, the session's audience members often provide important feedback to the presenter. The session chair, in addition to contributing feedback, is also responsible for the efficient organization of the session which makes the experience better for everyone and which maximizes the likely feedback for the authors. The people who have made the largest contributions in these two areas are presented in Table IV.

Insert Table IV about here.

### **Retention Rates**

We also reviewed the retention rates of program authors from year to year. That is, what percentage of authors on the program one year returned for the following year. We believe a strong retention rate indicates participants enjoyed the conference and found it to be a valuable activity. Further, a strong retention rate will allow the organization to more easily experience steady, solid growth. After all, marketers often tell clients that the most important "customers" are the ones you already have. The retention rates for the past 20 years are identified in Figure II.

Insert Figure II about here.

The average year-over-year retention rate for authors was 45%; that is, 45% of the people on the program as an author this year could be expected to return next year. However, the retention 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 =  $\alpha + \beta(\text{program size ratio}) + \varepsilon$ , where

Retention rate = the percentage of authors on one year's program who returns the following year;

Program size ratio = (this year's program's authors)/(last year's program's authors)

The model had an F-value of 3.66 which was significant at  $p \leq .10$ . The model had an  $r^2$  value of .17, indicating that 17% of the program's size could be attributable to the year over year retention rate 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 may have had limited budgets for repeat travel, thus 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, AF retention may decrease.

Obviously, if the members felt that they benefited from attending the meeting one year, they are likely to return in future years. We find it puzzling that some years well over half the authors return while other years, only just over a third return. Especially given that the conference was held in the same location each year, we expected a higher retention rate. We also realize that sometimes only one of the authors on a paper attends the meeting and that the nonattending author is probably much 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 have been higher than the rate just 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 institutions of higher learning. Checking the employers against the AACSB-International membership list (website), revealed that 65.6% of the author affiliations were AACSB accredited (see Table V).

Insert Table V about here.

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 more complete list of top employers is listed in Table VI.

Insert Table VI about here.

### **Concentration of Institutions**

As with the origin of most conferences, the Academy was initially founded by professors from a small number of institutions. As a result, in the early years of the conference most papers were from a limited number of universities. However, as the Academy grew, authors began coming from a much 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 that would approach zero. The lower the Herfindahl score the less concentration and control there is by a few firms and the greater the diversity.

In this analysis each employing institution is treated as a firm. We measured the market share commanded by each institution for the papers presented at the conference 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 hovered averaged 389, twice being under 400. The results are displayed in Figure III.

Insert Figure III about here.

A simple regression model of the years and Herfindahl scores (Herfindahl Score =  $\alpha + \beta\text{year} + \epsilon$ ) revealed that years and concentration levels are negatively correlated. That is, over time there has been less concentration of paper presentations from a small number of universities. Instead, there has been a marked increase in the number of paper presentations that are coming from a wider, more diverse group of institutions. The model has an  $r^2$  of .71 and an F-value of 46.2, meaning that the model is significant at  $p \leq .001$ .

These top five universities have 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.

## Geographic Representation

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. By removing the regionality from the organization's name, it was reflected that the organization was growing beyond its traditional boundaries and drawing participants from throughout the U.S. and beyond. Further, the removal of the "Midwestern" part of the name made the Academy more prestigious among its own members and among other evaluators.

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.

Insert Figure IV about here.

The mean distance traveled by domestic presenters has trended upward 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 ( $\text{Mean Mileage} = \alpha + \beta\text{year} + \varepsilon$ ) revealed that year and distance are positively correlated, supporting the contention that the Academy is attracting authors from a much larger geographic area. The adjusted  $r^2$  is .75 and the F-value is 56.7, indicating the model is significant at  $p \leq .001$ .

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.

Insert Table VII about here.

## **Future Directions for the Academy**

The Academy has had a wonderful two decades. It has grown and developed and been of 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 25 papers initially to 113 papers in 2007. This growth entails extra effort in marketing the conference. Besides building larger and more accurate mailing lists, personally contact previous participants is a proven method to boost the retention rate and thus enlarge the program. Scheduling sessions takes a modest amount of time but the size of the conference doesn't have much impact on that activity. The major time consuming effort for the officers will be the "extras" that will allow the conference to be better and more valuable to its members. During the past three years, we have added a luncheon, which consumes time in working with hotel dining and in finding a worthy speaker. We have added a teaching competition which takes time to organize the reviews, to handle the presentations at the meeting site, and to find an industry sponsor. We have added Best Paper Awards. Again, it takes time to arrange for reviewers (outside the regular conference paper review process), plus it takes time to secure the award plaques for the winners. We added a newsletter so that members can learn about each other and share not only good news but also good advice.

Probably the most important feature of the Academy to this point has been the creation of the *Journal of the Academy of Finance*. We must continue the *Journal* as well as the *Proceedings* into the future. The *Journal* provides a publication opportunity for our members, which is crucial in today's academy environment. In addition to the *Journal*, we should explore relationships with other journals to make the conference more attractive and to better benefit our members. However, any tie-ins with other journals must not be allowed to harm the *Journal*.

Another option for improving the *Journal* is to make it more widely available. We could begin with making it available, full text, on the Academy's website. Members should encourage their universities' libraries to subscribe as that helps the *Journal* financially and provides additional evidence of legitimacy. Members may even want to consider donating their copies to their universities' libraries if the libraries are reluctant to subscribe. 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 made sometimes 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 believe this Quantity-Quality discussion to be a false argument. In every

respect, we believe that current and past officers have strived for the best quality program possible. We are unaware of any actual tradeoffs that have been made between quantity and quality.

In particular, we believe that 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 of submissions. Even if we wanted to introduce a substantial rejection rate at the current level of paper submissions, it would be difficult to do properly because we must follow the time schedules put out by the MBAA and it is difficult as a practical matter to accurately screen papers given the extremely short turnaround time available for reviewing.

Rejecting a higher number of papers to improve average paper quality might be referred to as a “stick” approach. A “carrot” approach includes the best paper awards. By offering several best paper awards (and the distinguished paper award), people have an incentive to write a better paper and to send their better works to the meeting. If each award caused just 5 people to write better in hopes of winning the award in their areas, then with 10 awards that means 50 papers were better written, raising the average quality of the papers on the program.

## **Organizational Structure and Function**

The Academy is functioning with much the same organizational structure it had 21 years ago. Some modest changes have occurred and are highlighted earlier in this paper. However, for the Academy to both grow and improve – and we believe these two infinitives are intertwined and related – we suggest some modest changes in the structure and functionality of its leadership in the following paragraphs.

### **Executive Director**

We believe for the Academy to continue to grow and improve it will be necessary to develop the position of Executive Director. Most organizations of a certain size have such a position. For example, MBAA and Marketing Management each have Executive Directors; within the finance field many of the organizations such as Western Finance, Eastern Finance, Southern Finance, Midwest Finance, etc., all have Executive Directors. Currently, the success of the annual meeting, and thus the health of the Academy, is dependent primarily on the competency and attitude of the Program Chair. How well the handoff of responsibilities goes from the new President (and outgoing

Program Chair) to the new Program Chair has a significant influence on how well the next year's meeting will go.

An Executive Director would provide continuity from year to year. S/he will be available to help pick up any missed pieces between officer handoffs. The Executive Director will help keep track of what must be done and when. The Executive Director will act as a repository of knowledge and experience that can be drawn upon by others within the organization. The Executive Director would keep for the permanent records of the Academy, including but not limited to all programs, minutes of meetings, registration lists, copies of the treasurer's report, copies of flyers and calls for papers sent out by the program chair, copies of the language used on plaques for different awards, and so forth. The Executive Director would in essence become an organizational library. Sadly, this duty is currently unfilled in the organization; officers may, for a short period, keep records related to their own time of service, but those records are spotty, scattered and around for only a limited time. For example, the Academy even lacks records as basic as a list of previous conference registrants beyond a year or so back.

The Executive Director would not be a policy setting position. The Executive Director would not have the authority to compel any other office to act. However, in addition to the knowledge repository duties, it would be the Executive Director's role to act as a sounding board for the officers and directors.

### **Board of Directors as Strategic Planners**

The Board of Directors needs to take an active role in the direction of the Academy. This recommendation isn't so much a structural change as it is a behavioral change. The Board, under the leadership of the President, needs to set goals and specific targets for the organization. Until now, it has been nearly entirely up to the Program Chair to come up with ideas for the year with almost no input or direction from anyone else and, much worse, with no coherent longer term strategy. The Board needs to decide where they want the Academy to be five years from now and then develop a list of steps to get us 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 work horse 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**

We encourage the Academy to consider appointing an Industry Relations Officer. The responsibilities of this position would include establishing contacts and relationships between the Academy and the Business community. The primary source of these contacts will be in the Chicago area of course, but the person could make contacts anywhere. It may also be practical to look for someone from the Chicago metropolitan area for this position, though that wouldn't necessarily be a requirement. 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. Meeting in Chicago every year is a competitive advantage for the Academy. It allows us to establish long-term, on-going relationships with important business organizations. Chicago is the home of the MERC, the AMEX, and the CBOT. It

is the home of some of the world's largest banks, as well as several members of the S&P 500. There are important governmental units such as the Chicago Federal Reserve located in Chicago. Various major nonprofit industry groups call Chicago home. Some of the most famous professors in the world are located in Chicago at the University of Chicago and Northwestern University. Overall, Chicago is a treasure trove of opportunities for the organization to tap into. If we carefully establish ties with these organizations over a period of time, we could build a whole host of connections for speakers, tours and monetary contributions. Individual member's will hopefully be able to use the contacts they make through the Academy to improve their own professional lives. Ideally, have these arrangements in place early enough that they can be advertised as part of the call for papers, if not in the initial call then at least in the August call.

2. Establish arrangements with additional publication outlets. If there are multiple outlets available, this will be a factor to attract additional people to the conference. Given the number of papers with a global interest, we might especially look to establish arrangements with a journal focusing on global issues. Again, have these arrangements made enough in advance that they can be advertised in the call for papers. The tie-ins would serve dual purposes as both a marketing tool to increase attendance and as a benefit for our members.
3. Establish a plan for special sessions and panels, hopefully utilizing the resources in Chicago. Again, have these arranged early enough to include in the call for papers to make the meeting more attractive to more people. Of course we should welcome individuals who wish to create special sessions, but we should not rely on individuals coming up with an interesting and useful set of sessions and panels. Instead, the Program Chair should task session and panel creation to various individuals. For example, it could be expected that each Track Chair take responsibility for creating one special session or panel in his/her area. The Track Chair could create the panel or session he/she, or could recruit someone else to do so. Asking an organizational leader (a Track Chair) to create one session or panel would be a very reasonable expectation.
4. Develop each of the specialty fields. Target a field each year for enlargement, do extra promotions to the faculty in that topical area, arrange panels in that area, etc., in hopes of developing a critical mass that will become self-sustaining. 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. One example of such an arrangement is the current arrangement one of our MBAA sister organizations has with Hormel. Hormel funds the Marketing teaching competition with \$2000. The money pays for a cash prize, nice trophies and dinners for the finalists. The Hormel representative actively participates in the teaching competition and the conference.

6. Secure funding for the Distinguished Paper Award and for the Best Paper Awards. Other finance organizations provide such prize money through industry funding. For example, the American Real Estate Society provides \$1000 to the winners of each of 15 different tracks (that means that over 10% of the papers presented at ARES will receive prize money). While we are a number of years away from establishing that level of financial support from industry, it would be reasonable to pursue some level of support and then build from there.
7. Establish a life-time contributor award. This award could be for a person's contribution to the finance field and it could also be overweighted to the person's contribution to the Academy. People who do a great deal should be recognized and rewarded.
8. Establish an Outstanding Administrator Award for a department chair or dean who did an excellent job. The person could apply or be nominated and if they were a contributor to the Academy in terms of their administrative support, that could be overweighted.
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. Certifications/Designations. Have Academy sessions certified by groups such as the CFP Board to count as continuing education for the designations they offer. For the members who hold those designations, this would be an economical way for them to satisfy their continuing education requirements. Further, it will bring in practicing professionals to mix with our currently largely academic membership, benefiting all. Finally, it may become possible to financially benefit from the increased registration, including possibly premium registration fees to cover the trouble and expense of us arranging the continuing education credit approval.
11. Explore marketing the conference to professors in the Departments of Finance, Housing and Consumer Economics. The exact departmental names vary from university to university, but these are usually departments that were formerly known as Home Economics. These departments are outside the College of Business and thus off the radar for most finance professors. However, a revolution is currently underway in these departments and they are upgrading, improving and changing their programs to be much more like traditional finance departments. The difference however is that they concentrate almost entirely on consumer issues. Their courses and research interests include topics such as bankruptcy, credit card issues, mortgages, housing development, consumer finance, etc. They are hiring professors with doctorates in finance and economics and they often specify a desire for the person to have a professional designation such as Certified Financial Planner. Their research would be an

excellent fit within our program and if we market ourselves to professors in that area we find a receptive audience.

12. Develop a membership informational database, similar to what organizations such as the Financial Management Association has. We would collect whatever information our members would be willing to give us about their areas of interest in research and teaching, their consulting interest, their professional designations, and so forth. When we need someone to do something, this database could be valuable in helping us identify the right person for the job.
13. Always be on the look out for ways to improve the organization. In particular, we should be shameless in watching other organizations and copying what works!

Obviously, these suggestions, as a group, represent a lot of work! Additionally, this is only a partial list of possible activities we might undertake in the future. However, we need to realize that we can't do everything all at once. Those interested in advancing the organization should select the activities that can be accomplished this year, do a good job with them, lock them into the program permanently, then select additional goals, advance, achieve and secure. Then repeat again and again with new goals. Eventually, we will have a substantially expanded and improved program and organization. Just because we can't do everything at once should not be a reason to not advance at all!

## **Conclusions**

In summary, the Academy of Finance has greatly advanced not only since its founding, but also 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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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
1988	<i>Midwest Review of Finance and Insurance</i> established
1989	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
1994	Secretary/Treasurer position separated into two positions
1997	Significant increase in program size, from 45 papers to 58
2002	Significant increase in program size, from 48 papers to 66
2003	<i>Journal of the Academy of Finance</i> established as the successor to <i>Midwest Review of Finance and Insurance</i> 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 Establishment of Track Chairs
2007	Significant increase in program size, from 100 papers to 113

**Table II**  
**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	1999	2000	2001	2002	2003	2004	2005	2006	2007	Total	%
Corporate Finance	3	8	5	4	6	11	11	7	16	13	6	4	7	7	3	3	6	6	22	18	26	192	17%
Investments	6	5	7	8	6	12	10	8	13	14	20	18	21	18	16	26	20	23	27	34	39	351	31%
Institutions and Markets	2	6	3	3	4	8	7	10	10	6	8	15	8	7	12	10	9	10	15	12	8	173	15%
Real Estate	2	0	0	0	1	1	1	9	4	0	1	2	3	0	2	8	6	6	7	5	5	63	6%
Personal Finance	0	4	4	2	3	3	1	2	2	1	4	2	1	2	2	7	0	7	11	2	4	64	6%
Financial Education	0	0	1	1	2	2	4	2	4	3	12	8	4	4	10	5	10	6	8	14	13	113	10%
Insurance	10	4	7	6	10	7	8	5	5	6	3	3	4	2	0	0	2	3	5	7	3	100	9%
Risk Management	1	3	1	1	1	2	0	1	0	1	2	4	1	3	1	3	1	0	1	4	1	32	3%
Other	1	2	0	1	0	0	2	2	0	1	2	0	0	3	2	4	3	0	4	4	14	45	4%
<b>Total Papers</b>	<b>25</b>	<b>32</b>	<b>28</b>	<b>26</b>	<b>33</b>	<b>46</b>	<b>44</b>	<b>46</b>	<b>54</b>	<b>45</b>	<b>58</b>	<b>56</b>	<b>49</b>	<b>46</b>	<b>48</b>	<b>66</b>	<b>57</b>	<b>61</b>	<b>100</b>	<b>100</b>	<b>113</b>	<b>1133</b>	<b>100%</b>
Global Topics		2		4	3	5	8	14	9	9	10	17	12	13	8	17	19	16	21	23	27	237	21%
Participants*	40	50	37	35	70	102	105	66	97	89	99	94	71	73	77	81	94	92	153	160	155	1840	87.6
Number of Authors**	38	49	36	37	48	90	74	69	90	82	102	101	82	78	83	96	101	104	173	184	212	1929	91.9
AVG No. of Authors	1.5	1.5	1.3	1.4	1.5	2.0	1.7	1.5	1.7	1.8	1.8	1.8	1.7	1.8	1.7	1.7	1.8	1.7	1.8	1.8	1.9	1.7	1.7
Sessions	8	10	9	8	10	15	15	15	18	15	20	19	16	15	16	18	18	18	33	31	32	359	17.1

\*the total of unique individuals serving as authors, chairs and discussants  
\*\*the number of authors appearing on the program (not unique individuals)

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

<b>Name of Author</b>		<b>Total</b>	<b>Name of Author</b>		<b>Adjusted</b>
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**

<b>Discussants</b>		<b>Count</b>	<b>Chairs</b>		<b>Count</b>
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

**Table V**  
**Authors and Accreditation Status**  
**1987-2007**

<b>Employer Category</b>	<b>Number of Authors on Papers</b>	<b>Percent</b>
AACSB Schools	1027	63.7%
Non-AACSB Schools	539	33.4%
Non-School Affiliated	47	2.9%
Total	1613	100.0%

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

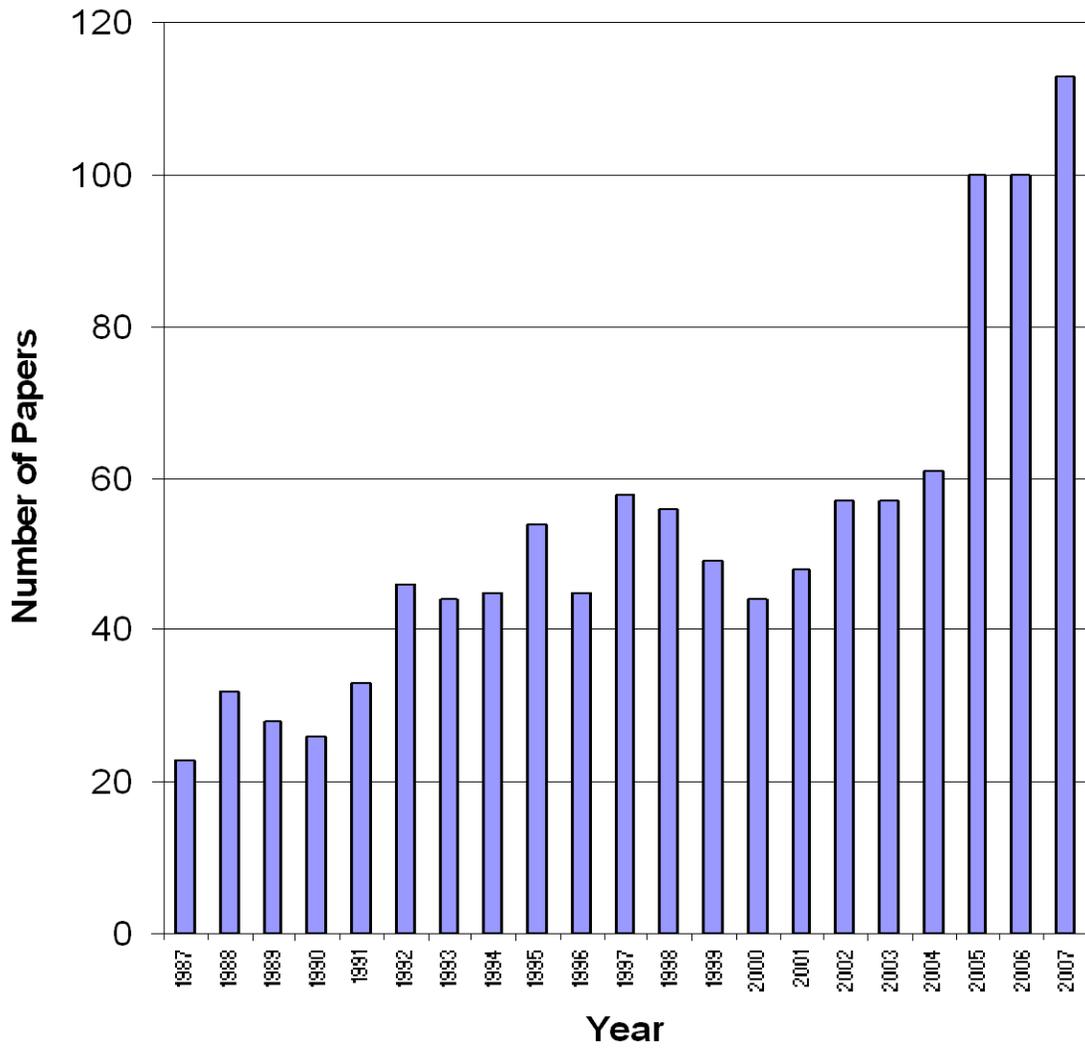
<b>Employers</b>	<b># of Authors</b>	<b># of Adj. Papers</b>
Missouri State University	236	111.7
Western Illinois University	142	64.1
Western Michigan University	78	50.0
Illinois State University	73	46.5
Indiana University - South Bend	60	41.8
University of Wisconsin - La Crosse	49	31.0
Saint Xavier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

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

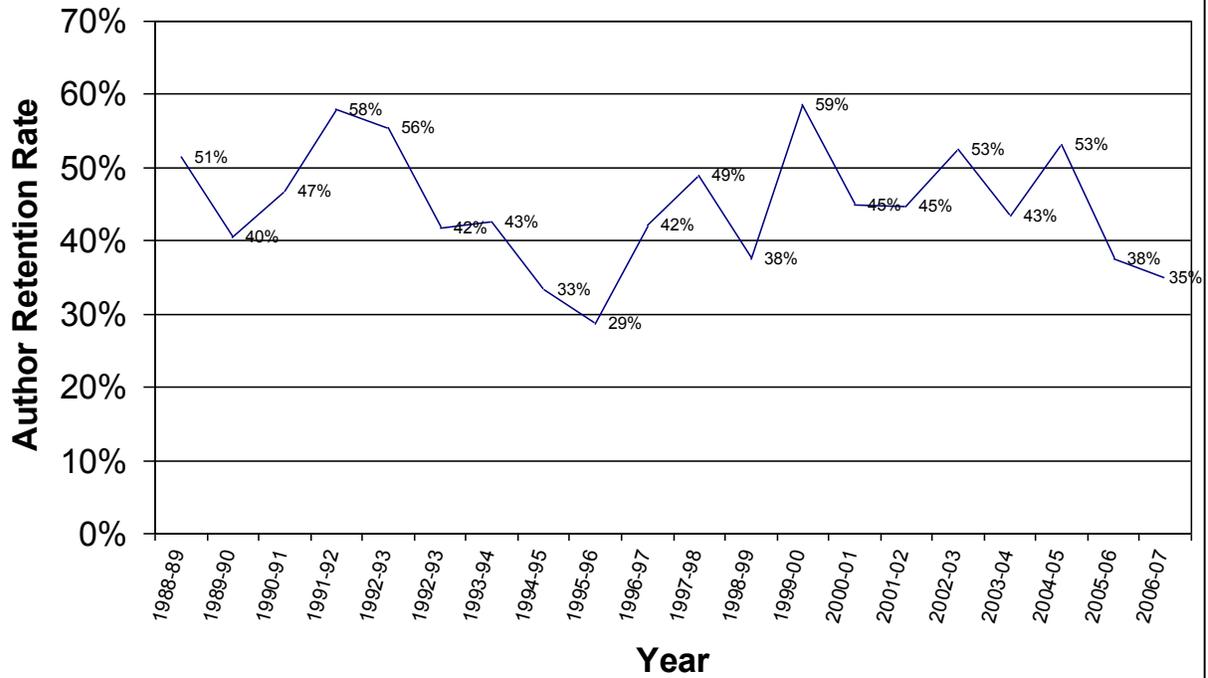
<b>Location</b>	<b>Frequency</b>	<b>Percent</b>	<b>Location</b>	<b>Frequency</b>	<b>Percent</b>
Alabama	11	0.6%	Montana	2	0.1%
Arkansas	47	2.4%	Nebraska	10	0.5%
California	56	2.9%	Nevada	7	0.4%
Colorado	10	0.5%	New Jersey	12	0.6%
Connecticut	4	0.2%	New York	67	3.5%
Delaware	1	0.1%	North Carolina	8	0.4%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

\*may not total to 100% due to rounding

**Figure I**  
**Number of Papers**



**Figure II**  
**Retention Rates of Authors**



**Figure III**  
**Distance Traveled by Authors**

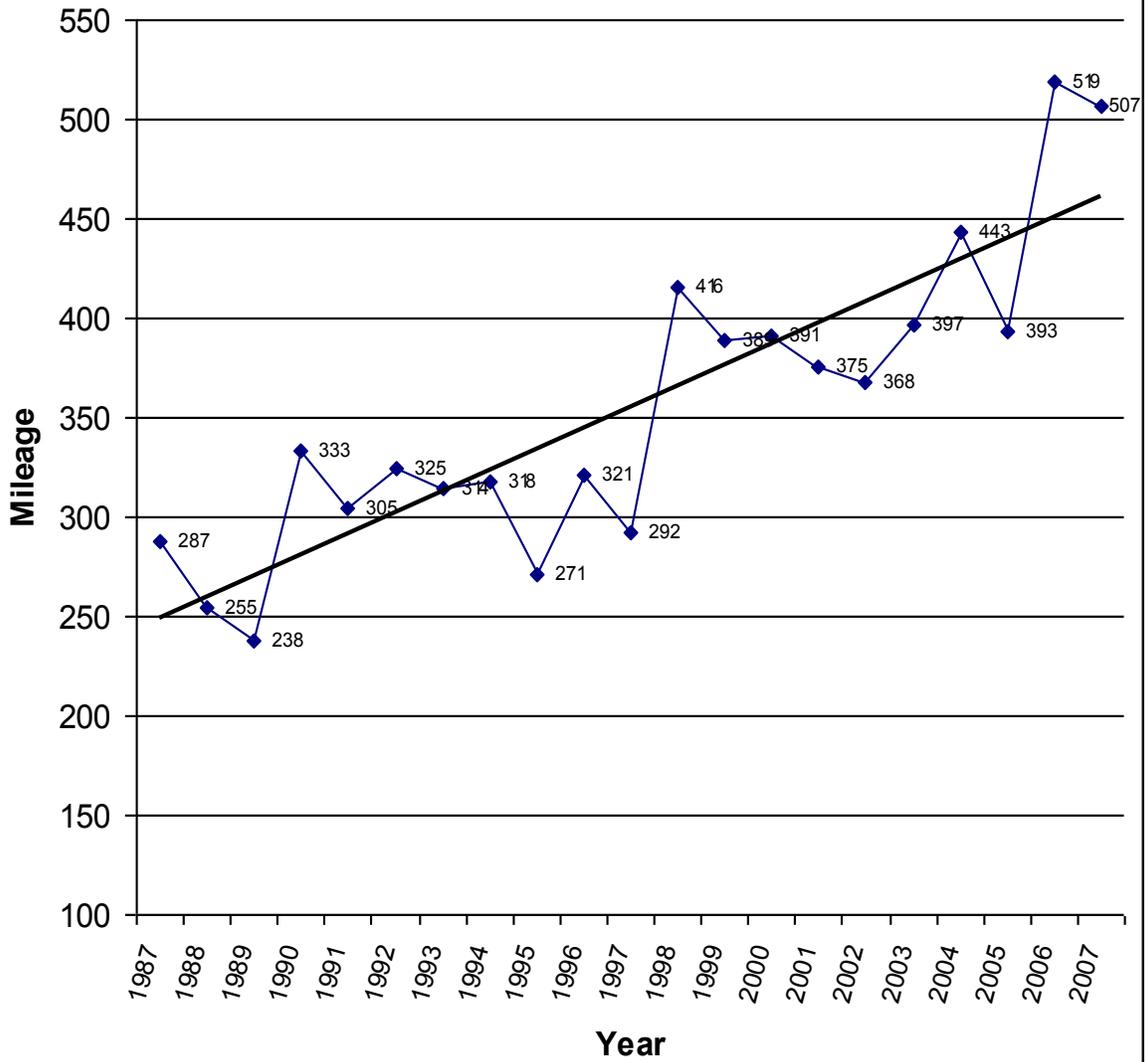


Figure IV  
Concentration of Employers

