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19 April 2010

Dear Professor Morris

I write to you in my role as Chairperson of the British Accounting Association (to be renamed the British Accounting and Finance Association from January 1, 2011) (BAA/BAFA) to express disquiet at some aspects of the recently published Association of Business Schools (ABS) Academic Journal Quality Guide Version 4.

By way of introduction, the BAA/BAFA is the learned society representing UK academics in the fields of both accounting and finance. Under various names, the BAA/BAFA has been in operation for over sixty years, having been founded in 1946. Notwithstanding the focus on the UK, we also have a strong minority of non-UK members. We organise an annual conference and associated doctoral colloquium, organise regional conferences, have special interest groups that organise their own conferences, publish a well-respected refereed research journal (the *British Accounting Review*), and publish the biennial *British Accounting Review Research Register*. The latter documents the membership and research interests of all departments of accounting and finance in the UK, together with their research publications during the period covered by each Register. BAA/BAFA is an organisation which is invited to nominate academics for RAE/REF panels and, in the past, and along with its sub-committees (the Conference of Professors of Accounting and Finance and the Committee for Departments of Accounting and Finance), has been extremely influential in determining the membership of these panels. Finally, we represent a research community that contributed around 15% of the publications submitted to the 2008 RAE, either through the Accounting and Finance or Business and Management sub-panels.

In expressing disquiet about the recent version of the Journal Quality Guide, we initially note the four purposes for journals rankings put forward by ABS in the document:

- (i) provide an indication of where best to publish;
- (ii) inform staffing decisions;
- (iii) inform library purchasing decisions; and
- (iv) application in reviews and audits.

In the absence of any disclaimer, as a consequence, ABS apparently explicitly intends to influence the publishing behaviour of academics in the UK business academic community (and elsewhere possibly), and their general welfare *via* whether they get hired, are granted a permanent position, or get promoted.

Further, it intends to influence the welfare of journal editors and their publishers. Finally, it intends to influence resource allocation decisions within universities that can result as a consequence of journal rankings being used in reviews and audits of parts of universities.

Given this ambitious set of implied influencing activities, it is incumbent on ABS to follow a process such that the Journal Quality Guide is credible and has validity with respect to a few simple tests. One test would be if the rankings are free from clearly material error. Another would be if the rankings are comprehensive (as apparently they are intended to be). Another would involve comparability across research areas. A final one would be whether the process of generating the rankings involves an appropriately consultative process with individuals and/or associations that might be considered to possess relevant expertise. Unfortunately, the rankings fail all of these tests.

It should be emphasised that the BAA/BAFA is a learned society the members of which are, in general, employees of UK universities. Given the purposes set out by ABS, and repeated above, it might not be entirely surprising to find that we, as a learned society dedicated to the advancement of knowledge and education in accounting and finance, should have disquiet, as a matter of principle, about a set of journal rankings established by a body that exists to represent and advance the interests of the employers of academics in business and management overall, as opposed to the advancement of knowledge and education.¹

Nonetheless, our concerns are generally not concerned with specific journal rankings, although we believe that some clearly anomalous results (material errors) emerge from *misclassifying* journals. We are well aware that journal rankings carry an element of taste and self-interest in the views expressed by individual academics. We are also aware that journal rankings in individual institutions can be influenced by the publishing patterns of senior professors in those institutions. It is for these reasons, and others, that the UK RAE has wisely steered clear of using journal rankings and looks to carry on so doing in the future *via* the Research Excellence Framework (REF), instead relying on peer review. Hence, we would not wish to enter into any general debate about the merits of individual journals. What perhaps is more important is that the obvious misclassifications in the ABS rankings could well result as a consequence of the failure of the process of consultation.

What specific journals do we believe have been misclassified and, as a consequence, the ratings of which are misleading? The most obvious one is the *Journal of Accounting and Public Policy*. This is clearly an accounting journal. It has been edited by senior accounting professors from the University of Maryland for nearly thirty years. It has recently been re-admitted to the Social Science Citation Index (SSCI) in the same list as other accounting and finance research journals. Its editorial board is made up of well-known accounting academics from around the world. Unfortunately, ABS classifies it as a 'public sector' journal and it is ranked at '1', having previously been classified as an 'accounting' journal and ranked at '3' in previous versions of the Guide. Such an outcome is clearly risible and the BAA/BAFA can only speculate at the processes that could bring about such a result. Our main suspicion is that it is a consequence of its change in classification, resulting in individuals unfamiliar with the journal having the main responsibility for deciding upon its ranking. We suspect that if accounting academics were to be asked about the ranking of the *Journal of Accounting and Public Policy*, they would respond that it is highly respectable, publishes excellent work, and has good reviewing processes. Further, they might comment that its editors are

¹ The ABS website claims that it 'is the representative body and authoritative voice for all the leading business schools of UK universities, higher education institutions and independent management colleges.'

amongst the few individuals editing US-based research journals in accounting who take an international view of accounting research and, as a consequence, are positively interested in publishing high quality papers written by UK authors and using UK data. Given the verbal definitions used to rate journals, and as in your previous Guides, the ranking of this journal seems like a '3'. But, the fact that such a change in classification could occur, with such an attendant change in rankings, casts grave doubts on the consultation process purportedly followed by ABS.

Two sets of journals about which we would have concern are those concerned with accounting education and accounting history. Both accounting education and accounting history have strong traditions in the UK as a research area, so much so that the last RAE sub-panel had individuals who were specialists in both areas, and were nominated as such by the BAA/BAFA and its sub-committees. It would not be clear that UK institutions having an involvement with either accounting education or history suffered in successive RAE's as a consequence of the low quality of their published output. Nonetheless, the three main specialist journals in the accounting education area, *Accounting Education*, *Issues in Accounting Education*, and the *Journal of Accounting Education*, are classified as Management and Education journals. All the accounting education journals are ranked at '2'. The accounting history journals, *Accounting, Business and Financial History*, the *Accounting Historian's Journal*, and *Accounting History* are classified as Business History journals and, again, all are ranked at '2'. It would be very surprising to the BAA/BAFA if all the accounting education and history journals are appropriately ranked with respect to views held by the community we represent. Perhaps not surprisingly, we believe that some or all of them are classified lower than would be expected. Given the evidence provided by the case study offered by the change in classification of the *Journal of Accounting and Public Policy*, we find it difficult to believe that this is not a consequence of misclassification. Again, we would wonder what consultation process was followed that resulted in these classifications.²

Other misclassifications that are clear include the *British Tax Review* and *Financial Accountability and Management*. The *British Tax Review* mainly adopts a legal approach to tax issues, as opposed to an economics-based, public finance, approach. It is an outlet that is used by the tax academics based in departments of accounting and finance and others, possibly in law departments. It is classified as a finance journal, which it is clearly not. Whether its ranking is appropriate, given its misclassification, is open to question. *Financial Accountability and Management* is also in the finance classification, despite it clearly being an accounting journal and edited by a senior UK accounting academic. Notwithstanding its obvious misclassification, its ranking is probably reasonable, given the views of senior academics in the field.³ Finally, with respect to misclassifications, why should it be the case that actuarial journals are included as accounting journals? It is highly unlikely that many accounting and finance academics have any knowledge of these journals, let alone the research material to publish in

² We note that, unlike the *Journal of Accounting and Public Policy*, the accounting education and accounting history journals have been consistently (mis)classified over the course of the various versions of the Guide.

³ In another issue concerning a journal with the word 'accounting' in the title, we note, in the original version of the rankings, that the journal *Accounting, Management and Information Technologies* which, in 2000, became the journal *Information and Organization*, is classified as '1' whereas its successor journal is classified as '3', both in the information management list. Perhaps it is not surprising that a journal that is no longer in operation under its original title is poorly ranked. What is surprising is that it is recognised as having many of its publications put forward to the 2008 RAE, despite it having not operated during the period covered by the exercise, whereas its successor had no papers submitted. We would worry about the quality assurance process in linking RAE submissions to the journal rankings. Presumably, *Information and Organization*, despite it having no impact on the 2008 RAE must be classified as a 'new' journal to allow it to have ranking. That leads to issues as to what constitutes a 'new' journal. *Accounting, Management and Information Technologies* is omitted from the updated version of the rankings.

them. And then journals dealing with insurance, the activity with which actuaries are associated, are included in the finance category.

A subsequent issue is the omissions of journal titles from the rankings. A cursory look at the SSCI Business, Finance list reveals a number of journals across the fields of accounting and finance that are included in the list but are not included in the ABS rankings. Indeed, the journals listed are only a sample of accounting and finance journals with many being omitted. This might be a consequence of a *primary* selection procedure to be included in the rankings that at least two papers are put into the 2008 RAE from the journal. If this is so, there is a danger of closing off new journals and ending up with a self-perpetuating cycle. There are other procedures for considering new journals, but it is surprising that inclusion in the SSCI might not be one of them. Admission to the SSCI is not exactly a transparent process but, given the limited number of journals in accounting and finance covered by the SSCI, one might think that those that do get in would at the least be covered by any ABS journal ranking. Many other journals could also be found that are known to UK (and other) academics that should have been included. Perhaps more importantly, given the four purposes put forward by ABS repeated above, it seems surprising that journal rankings are particularly influenced by something as parochial as the UK RAE, as opposed to providing a comprehensive survey.

Two final observations can be made. The first concerns comparability. By putting together rankings for different research areas in the one overall document, comparability of standards is implied across these research areas. Further, the same words are used to delineate the rankings in all areas, implying a comparable absolute standard. If such is the case, and although it might well also be the case that 'grading to the curve' is inappropriate, it is not unreasonable to ask how it can be the case that there are such disparities between different research areas in terms of the percentage of journals rated as '4' or '4' and '3'. Here, it seems that, *a priori*, the general management and psychology areas could be anomalous in terms of the apparent superior merits of journals in these fields at the '4' level. The same applies to the psychology field at the combined '4' and '3' level. Other areas appear particularly disadvantaged. Are there any factors in the general backgrounds and histories to these areas, as academic activities, that suggest reasons for these disparities? Nothing would be immediately apparent to us. As a consequence, comparability is only apparently assured by an attempt at a process of consistent application of verbal definitions without any publicly visible consideration *ex post* of the outcomes of the process. Without any explicit *ex post* consideration of outcomes, comparability across research areas is not demonstrated clearly, if at all.

It is also unfortunate that the words used to describe each ranking involve the use of citation impact factors. At a time when the UK REF is moving further and further away from the use of citations as anything other than voluntary factors to be used with enormous care (see paragraph 15 of http://www.hefce.ac.uk/pubs/circlets/2010/cl04_10/cl04_10a.pdf), and almost certainly not at all in the arts, humanities and much of the social sciences (see paragraph 25 of http://www.hefce.ac.uk/pubs/consult/outcomes/REF2_0310.pdf), it is surprising that the ABS rankings make use of such factors, and this use is a further challenge to their credibility. The UK REF is moving away from the use of citation statistics partly because of concerns about equal opportunities (again, see paragraph 15 of http://www.hefce.ac.uk/pubs/circlets/2010/cl04_10/cl04_10a.pdf and paragraph 23 of http://www.hefce.ac.uk/pubs/consult/outcomes/REF2_0310.pdf). As a consequence, it appears to us that any attempt by UK universities to use the ABS rankings in the ways implied by some of the intended influencing activities could be in possible contravention of existing equal opportunities legislation.

The final observation concerns the process of consulting the views of 'leading UK researchers in each of the main sub-fields covered'. We are aware that the BAA/BAFA was not asked as to who it might be suitable to consult. But, if attention had been paid to a proper consultation process, some of the clearly material errors documented above would have been avoided.

Please note that we have read the various documents on the ABS website concerning the rankings, including the Kelly *et al.* (2010) paper on modelling the outcomes of the 2008 RAE rankings using the ABS rankings. We remain unimpressed with the case made in the latter for the use of ABS rankings in university and business/management school management and planning activities, if only because the 'similarities' between outcomes for business and management and what would have occurred if the ABS rankings had been used, hide many potential individual differences in outcomes for particular institutions, together with the attendant funding consequences. Here, it is clearly not good enough to be 'nearly' correct. Correlations and regression R^2 are misleading as to actual consequences and, further, to how individual academics at their places of work would be affected.

Moreover, and perhaps more importantly, the case made in the paper implies that research activity would have remained unchanged if the ABS rankings had been used to 'plan' for the RAE. This is clearly unrealistic and ignores the feedback loop between the use of journal rankings to 'plan' research activity and subsequent behaviour. For example, despite the strength of the demonstrated intellectual contribution of accounting historians to that field and to the field of business history in general, the ABS rankings, if used by university 'planners', would almost inevitably discourage these activities. Research in accounting education would be similarly discouraged. More specifically, publication in the *Journal of Accounting and Public Policy* would be seen as, counterfactually, a disastrous publication outlet choice. As a consequence, distortion of research activity would likely have taken place. Although this is not an implied intention of the ABS rankings, if used inappropriately, as in research 'planning' activities, it is likely to be an unintended consequence.

We look forward to your response on these matters. In the interests of transparency and accountability to our members, we will be expressing our views publicly *via* openly publishing this letter on our website, sending out copies to all our members, and, after receiving any response you choose to make, we will also send a letter to all Business School heads, directors and deans, and heads of accounting and finance groups, raising any remaining concerns. Of course, we will be happy to post your letter of reply alongside this letter on our website.

Yours sincerely

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