



Contents lists available at ScienceDirect

Journal of Banking & Finance

journal homepage: www.elsevier.com/locate/jbf

Finance journal rankings and tiers: An Active Scholar Assessment methodology

Russell R. Currie^a, Gurupdes S. Pandher^{b,*}^a Kwantlen Polytechnic University, Professional and Continuing Education, Langley, B.C., Canada V3A 8G9^b University of British Columbia, Faculty of Management, Kelowna, B.C., Canada V1V 1V7

ARTICLE INFO

Article history:
Available online xxxxx

JEL classification:
G00
G30

Keywords:
Journal assessment
Active scholars
Endogenous ranking
Tiers
ABS
ISI impact factors
Nested random-effects regression

ABSTRACT

This study uses respondent data from a web-based survey of active finance scholars (45% response rate from 37 countries) to endogenously rank 83 finance journals by quality and importance. Journals are further tiered into four groups (A, B, C and D) and stratified into “upper”, “middle” and “lower” tier categories (e.g. A+, A and A–) by estimating a nested regression with random journal-within-tier effects. The comprehensive and endogenous ranking of finance journals based on the Active Scholar Assessment (ASA) methodology can help authors evaluate the strategic aspects of placing their research, facilitate assessment of research achievement by tenure and promotion committees; and assist university libraries in better managing their journal resources. Study findings from active researchers in the field also provide useful guidance to editorial boards for enhancing their journal standing.

Crown Copyright © 2010 Published by Elsevier B.V. All rights reserved.

1. Introduction

Academic journal rankings have become an important factor in assessing the significance of research in decisions regarding tenure, promotion, remuneration and research funding. These rankings frequently serve as a broad proxy for research quality and its impact. Prevailing methods for ranking journals may be broadly classified as (i) publication citation-based methods and (ii) peer assessment methods. The citation approach attempts to measure the impact of scholarship published in a journal by counting its papers referenced by other authors. Peer assessment-based studies survey select members of the finance academic community (e.g. Chairpersons of finance departments) and ask respondents to directly rank journals in the field.

This paper carries out a web-based survey of active scholars in finance and uses respondent data to rank and tier journals in the field. The sample of active scholars in the study consists of authors who published in the most recent issues of 83 finance journals at the time of the survey. To avoid subjectivity in journal selection, the study uses a list of finance journals created by the Association

of Business Schools (ABS) in the United Kingdom.¹ An email requesting authors to complete the on-line questionnaire was sent to an effective survey sample of 866 active scholars, with two subsequent follow-up reminders. The survey elicited 390 responses from active finance scholars in 37 countries, yielding a response rate of 45%.

The Active Scholar Assessment (ASA) methodology of this paper may be distinguished from other journal assessment studies in some important respects and the results can be useful to authors, promotion and tenure committees, libraries and editorial boards. First, the survey sample consists of active scholars who have published in recent issues of journals in the field and may be reasonably inferred as being more aware and current in their knowledge of journal quality. Second, the ASA methodology does not ask active scholars to sequentially rank journals as in other assessment studies, but determines relative rankings as an endogenous function of active scholar perceptions of quality and awareness of each journal. We believe that this imposes a much lower cognitive and memory burden on respondents and improves the quality of survey results (for example, can respondents asked to consecutively rank journals differentiate between journals ranked in positions 6–7, or 79–80, for that matter). Third, the

* Corresponding author. Tel.: +1 250 807 8128.

E-mail addresses: Russell.Currie@Kwantlen.ca (R.R. Currie), Gurupdes.Pandher@ubc.ca (G.S. Pandher).¹ The Association of Business Schools (ABS) in the United Kingdom developed journal ranking lists for various disciplines (e.g. Harvey and Morris, 2005; Harvey et al., 2008).

ASA methodology also tiers journals into four groups (A, B, C and D) based on their quality and importance rankings and uses a nested random-effects regression model to further stratify them into upper and lower tier categories (e.g. A+, A and A–). These results can be useful to tenure and promotion committees who frequently evaluate candidate publication records in terms of such categories (e.g. does a publication fall in the “A” or “B+” journal group). The regression analysis also provides insights on the relation between respondent scores, tier-levels and respondent characteristics.

Fourth, in addition to ranking and stratifying journals by perceptions of journal quality, the ASA study also provides rankings by journal importance to the field. The importance to the field score for each journal is defined as the product of the journal's average relative quality times its percent level of awareness by survey respondents and has a simple utility interpretation. Scholars publishing in academic journals may be seen as deriving utility from a journal's perceived quality as well as its reach or awareness within the field (the latter is positively linked to the potential of increasing a paper's citations and research impact). For instance, in considering journals following the premier journals (e.g. top 2–3 journals), an author of a quantitative paper may be indifferent between publishing in a technically rigorous journal with smaller readership and a broader journal with higher readership. This tradeoff may be represented by utility isoquants over journal quality and level of journal awareness. This utility interpretation of the importance score offers one justification for using it to rank academic journals. In the study, we report results for journal rankings (and tiers) using both quality and the importance scores.

The paper also compares journal ranking results from the Active Scholar Assessment study with other sources including the ABS Academic Journal Quality Guide and Thomson Reuters' ISI Journal Citation Reports. The ISI Citation Report for “Business Finance” journals ranks 48 journals of which 24 are finance journals and the remainder are from accounting and other disciplines. Furthermore, we find a more monotone and less steep descent in both quality and importance measures after the top ranked finance journals in comparison to citation-based rankings. For example, while the Journal of Finance has average quality (importance) scores of 4.84 out of 5 (78.7 out of 100), the 5th, 10th and 20th ranked journals have quality (importance) scores of 4.03 (58.3), 3.66 (35.4) and 3.31 (28.7), respectively. In contrast, citation-based metrics exhibit a much sharper decline beyond the top few citation-ranked journals and their magnitude remains small and clustered over the remaining journals (Chung et al., 2001).² For instance, the 2009 Thomson Reuters' ISI citation impact factors for the 1st, 3rd, 5th, 10th and 20th ranked finance journals are 4.02, 3.55, 1.63, 1.21 and 0.57, respectively (Table 3). This suggests that the quality of finance journals following the premier three journals, as perceived by active finance scholars, is higher than what citation-based methods may appear to suggest.

Some researchers including Chan et al. (2000), Arnold et al. (2003) and Krishnan and Bricker (2004) have suggested that the steep decline may be due to a self-citation group-bias among authors publishing in the premier finance journals. The more monotonic decline in quality and importance measures over journal rankings and lack of clustering suggest that the active scholar

peer assessment methodology may be less influenced by this type of potential citation bias. It has also been suggested that the more gradual decline in quality across journal ranks may be due to respondent subjectivity and bias. This is considered in more detail later (Section 5.2) and we argue that the ASA survey design minimizes the effect of such potential bias.

The remaining paper is organized as follows. Section 2 describes the relation of the proposed ASA methodology to previous studies on journal assessment. Section 3 describes the survey design and data collection and the journal assessment methodology follows in Section 4. Results on journal ranks and tiers are presented and discussed in Section 5. This section also reports the results from nested random-effects regression analysis used to stratify journals into upper and lower tier categories within tiers and evaluate the impact of respondent characteristics. Section 6 concludes the paper.

2. Literature review

Methodologies for ranking journals are typically categorized as (i) objective measurement or (ii) peer assessment. The most common objective measures are citation indices (e.g. Thomson Reuters ISI) or citations impact measures. More recent metrics include SSRN downloads (Brown, 2003) and Google Scholar citation numbers (Law and Van der Veen, 2008). Peer assessment methodology relies on assessments of journal and rankings by peers and qualified experts. They are increasingly used as a method for ranking journal importance in the social sciences, including finance.

Objective measurement studies have used metrics based on the number of publications by finance researchers (Klemkosky and Tuttle, 1977ab); the number of papers published by researchers and institutions in leading journals (Schweser, 1977; Niemi, 1987; Heck et al., 1986; Heck and Cooley, 1988); the distribution of contributors to top journals (Chung and Cox, 1990; Cox and Chung, 1991); and publication rates by doctoral graduates over time (Zivney and Bertin, 1992). Later studies tend to use citation measures based upon the argument that the number of publications measure scholarly output while the number of citations received is more reflective of scholarly impact (Alexander and Mabry, 1994; Borokhovich et al., 1995, 2000; Chung et al., 2001; Chan et al., 2002; Borokhovich et al., 2010). More recently, studies have used peer assessments to rank finance journal quality by surveying select groups of individuals within the finance research community (Borde et al., 1999; Oltheten et al., 2005).

The peer assessment approach was first applied to the finance literature by Coe and Weinstock (1983), who survey finance department Chairpersons at 107 US business schools to evaluate the relative ranking of finance journals, as measured by perceived acceptance rates and achievement ratings. Their results show that perceived acceptance rates are not correlated with actual acceptance rates. Borde et al. (1999) rank finance journals by surveying the perceptions of finance journal quality among finance department chairs at 125 AACSB accredited business schools. The study is geographically confined to US schools and considers a selection of 55 journals in finance, insurance and real estate. Borde et al. (1999) argue that finance department chairs represent a measure of how the market views finance journals, insofar as Chairpersons often have experience in writing and reviewing articles for academic journals and they typically have administrative power to screen job applicants and make hiring decisions. The authors find that the four highest rated journals from this survey (JF, JFQA, JFE and JB) are generally rated in the top tier of citation-based ranking studies, but that the ordering of the remaining journals does not correspond very closely with citation-based studies.

² In addition to the commonly used annual impact factors, the ISI Journal Citation Reports (JCR) also reports 3- and 5-year impact factors. The annual citation factor is calculated by dividing a journal's current year cites (among a reference set of journals) of articles published in the previous two years by total journal articles published over the same period. For example, the 2009 impact factor for JBF is based on counting JBF's 2009 citations among the 48 journals listed in ISI's “Business Finance” category that were published in 2007 and 2008 and dividing by the total number of JBF articles published in 2007–2008. Note that 24 journals in the ISI “Business Finance” category are present in the ABS list of 83 finance journals.

The peer assessment method is extended by Oltheten et al. (2005) who survey finance journal ranking perception in a sample of 2336 faculty names taken from the Worldwide Directory of Finance Faculty maintained by Ohio State University, resulting in an international sample that contains both publishing and non-publishing finance scholars. In the study, respondents are asked to rank journals into two tiers 1–10 and 11–20. The results show a strong consistency in the rankings of top journals but, for the remaining journals, perceptions of journal ranking vary along geography, research interests, seniority and journal affiliation.

Our Active Scholar Assessment study has some similarities and differences with the peer assessment studies described above. The population surveyed in this study is restricted to that of active research scholars, those who have recently published in one of the 83 finance journals. In contrast, Borde et al. (1999) survey finance chairs and Oltheten et al. (2005) survey members of the World Wide Directory of Finance Faculty who may be either active, inactive, or have never been active in research. Active scholars may be reasonably inferred as being more aware and current in their knowledge of journal quality and awareness in the field. As in Borde et al. (1999), we find a much more gradual decline of quality ratings from top to lower ranked journals than shown by studies that use citation measures. In addition to rankings by perceptions of journal quality, this study also provides rankings by journal importance to the field (product of average journal relative quality times its percent awareness), which may be interpreted as scholar utility over journal quality and awareness. Furthermore, our methodology does not ask respondents to sequentially rank journals as in other assessment studies and, therefore, imposes a lower cognitive and memory recall burden on respondents. Instead, relative journal rankings are determined endogenously using active scholar perceptions of quality (on a scale of 1–5) and awareness for each journal. The study also tiers journals into four groups (A, B, C and D) and further stratifies them into upper and lower tier categories (e.g. A+, A and A–) by estimating a nested regression with random journal-within-tier effects.

Although citation-based measures remain the most common method for ranking journals, a growing literature has identified that this method has its limitations and may be prone to its own biases. Chan et al. (2000) show that citation-based ranking of finance journals is subject to journal self-citation bias, which is the tendency to cite articles in the same journal. Article quality and value added are modeled by Krishnan and Bricker (2004) who test the citation performance of articles for the year of publication and the next two years using proxy variables for quality and value. After controlling for article quality, they find that only JF, JFE and RFS have statistically significant journal value. Since it is implausible that journal articles outside these three journals have no research value, they conclude that a more credible explanation for their results is that the citation methodology is biased toward the top three finance journals. Arnold et al. (2003) analyse journal articles with the greatest impact in finance research. They report that six out of ten articles most frequently cited by finance journals are published in econometrics or economics journals. Smith (2004) estimates Type I and Type II errors of 44% and 33% for articles published in the 'top three' journals and concludes that these high error rates suggest that identifying top articles requires looking beyond the top three journals to determine their intrinsic quality.

3. Survey design and data collection

This section describes the survey design used to select the study's active scholar sample and the data collected from the on-line survey. Response rates and summary statistics for respondent characteristics are also provided.

3.1. The active scholar survey design

Active scholars are defined as individuals who have recently produced research for publication in one of the 83 finance journals listed in the Association of Business Schools' (ABS) Academic Journal Quality Guide (Harvey et al., 2008). Özbilgin (2009) discusses a number of biases in the making of the ABS Academic Journal Quality Guide list. Not to discount or ignore those biases, this study chose to use the ABS list because it is at this time the most comprehensive list of finance journals developed by an academic body in good standing. In total, 83 journals are assessed and ranked in this study.

To obtain a sample of active scholars, a two-stage cluster sample was used. First, authors for articles published in the most recent issues of the 83 finance journals were selected. Equal representation for each journal was initially achieved by using the most recent 12 articles from each journal to identify active scholars. Since the number of articles per issue vary across journals, several years of issues were initially used to identify active scholars (2009 – 72%, 2008 – 25%, 2007 – 2% and 2006 – 1%). Data collected from journals in 2006 and 2007 was removed from the analysis (3% of initial sample) in order to comply with the intent of the active scholar definition. At the second stage, if an article has multiple authors, a representative author was randomly chosen using a random number generation program; sole authors are automatically included. This was done to ensure that each published article contributes one active scholar to the sample. If an author had published several articles solely or with multiple authors and his/her name was randomly chosen, their name was only used once (a co-author or next article was selected in such cases). In addition, the on-line survey program allows for the completion of the questionnaire only once from an IP address.

The sample selection above provided a sample of 962 active scholars (approximately 12 active scholars per journal) representing 37 countries. For each active scholar, an attempt was made to obtain their current email address. In some cases this information is available from journal websites and in other cases had to be found manually using internet searches on the name of the scholar, institution and/or affiliation.

At the sample design stage, it was determined that a minimum sample of 207 is needed to obtain a relative margin of error³ (RME) of 5% for a mid-quality journal (mean rating of 3.0; respondent quality scores take integer values between 1 and 5). This calculation was based on a standard deviation of 1.1. Based on the actual survey data, the mean for quality over all responses (across all journals) is 3.15 and its corresponding standard deviation is 1.242 (Table 2). These estimates suggest that a sample of 239 is needed to maintain the relative margin of error at 5%. As described in more detail below, the survey achieved a 45% response rate with 390 responses. This implies that with 95% confidence, a relative margin of error of 1.4% is achievable for a mid-quality journal (mean rating of 3). For a high quality journal (mean rating of 4) and a low quality journal (mean rating of 2), the relative margin of errors implied by the study's sample size are 0.1% and 10.1%, respectively (these RMEs are obtained by finding the probability of obtaining a mean value within the 95% confidence interval at the survey sample size of 390).

³ The margin of error (ME) corresponds to half the length of the 95% confidence level: $ME = \frac{Z_{\alpha/2}\sigma}{\sqrt{n}}$. The relative margin of error is the ME divided by its mean ($RME = \frac{Z_{\alpha/2}\sigma}{\bar{X}\sqrt{n}}$) and expresses the ME as a percent of the variable's mean value ($Z_{\alpha/2}$ is the standard normal critical value defining the two-sided $(1 - \alpha)\%$ confidence interval). For a desired targeted RME, the corresponding sample size is given by $n = \left(\frac{Z_{\alpha/2}\sigma}{RME\bar{X}}\right)^2$.

3.2. Survey questionnaire and data collection

The on-line survey remained open for 14 days, May 12–26, 2009. Three emails were sent to the respondents, one initial contact and two follow-up reminders. Of the 962 email address, 96 email contacts were undeliverable, on sabbatical, self-deselected (feeling unqualified) or otherwise non-useable, leaving an effective sample size of 866. The average time to complete the questionnaire was six minutes. The first week of the survey recorded a 19% response rate and by the close of the second week, the response rate was 45%.

The initial email explained the purpose of the study, how the sample is selected and requests their participation. Once respondents agree to participate they are directed to the on-line questionnaire. The questionnaire itself consists of ten questions related to each journal's quality and awareness, level of respondent involvement with journals and career and demographic information. The questionnaire was previously pilot tested at two universities in North America.

Upon agreeing to participate in the study, respondents are asked to rate journals of which they had sufficient knowledge. A Likert scale is used as the quality rating system: 5 (highest quality) to 1 (lowest quality). This rating task repeats 83 times to include all journals, which are listed in random order. The randomization is done to control for interest and fatigue bias that comes with familiarity when the most recognizable journals are listed first. Respondents are then asked to indicate those journals they currently have

an association as a reviewer, member of editorial board, or previous author. The third major section of the questionnaire elicits academic descriptive information: academic rank, highest degree completed and areas of expertise.

Respondent characteristics (academic rank, education, academic experience and number of refereed publications) for these survey respondents are reported in Table 1. For academic rank, we find that full, associate and assistant Professors constitute 84% of the respondents (34%, 28% and 22%, respectively) and that approximately 97% of the respondents have a Ph.D. The average number of years of academic experience for the respondents is 12.97 (median 10 years) and the average number of refereed publications is 22.59 (median 12). Sixty seven percent of respondents have been in academia for less than 15 years while 4.62% of respondents have been in the profession for more than 30 years. Similarly, 67% of survey respondents have less than 30 refereed publications while 33% had more than 50 refereed publications.

Lastly, note that the maximal theoretical sample size for the current Active Scholar Assessment study is 996 (12×83) since twelve active scholars are selected from the most recent issues for each of the 83 finance journals in the study. These active scholars are then asked to provide quality ratings for all 83 journals in the on-line questionnaire. The effective sample size is certain to be less than 996 and is influenced by factors such as the response rate and number of problematic emails (as discussed above, 96 emails were unusable in the study, leading to a net sample size of 866 of whom 45% completed the on-line survey). Therefore,

Table 1
Respondent characteristics.

		Responses	Percent	Cumulative	Cumulative (%)
Academic rank	Administration	4	1.03	4	1.03
	Full Professor	132	33.85	136	34.87
	Associate Professor	109	27.95	245	62.82
	Assistant Professor	87	22.31	332	85.13
	Instructor	0			
	Adjunct Professor	4	1.03	336	86.15
	Post-doctoral Fellow	4	1.03	336	87.18
	Graduate Student	7	1.79	347	88.97
	Undergraduate Student	0			
	Industry	43	11.03	390	100
Education	Bachelors Degree	1	0.26	1	0.26
	Masters Degree	25	6.51	26	6.77
	Ed.D.	2	0.52	28	7.29
	Ph.D.	345	89.84	373	97.14
	Other	11	2.86	384	100
	Missing	6			
Academic experience	0–5 years	123	31.54	123	31.54
	6–10 years	93	23.85	216	55.38
	11–15 years	45	11.54	261	66.92
	16–20 years	48	12.31	309	79.23
	21–25 years	42	10.77	351	90
	26–30 years	21	5.38	372	95.38
	>30 years	18	4.62	390	100
Refereed publications	1–5 articles	30	7.69	30	7.69
	6–10 articles	69	17.69	99	25.38
	11–20 articles	76	19.49	175	44.87
	21–30 articles	47	12.05	222	56.92
	31–40 articles	24	6.15	246	63.08
	31–50 articles	17	4.36	263	67.44
	>49 articles	127	32.56	390	100
Continent of origin	Africa	1	0.3	1	0.3
	Asia	36	9.2	37	9.5
	Europe	114	29.2	151	38.7
	North America	206	52.8	357	91.5
	Oceania	30	7.7	387	99.2
	South America	3	0.8	390	100

The academic rank, educational attainment, academic experience, number of refereed publications, and continent of origin for the survey respondents are reported. The respondent means are averaged over survey respondents.

some care should be exercised in future implementations of the ASA methodology to ensure that the sample size is sufficient to provide quality estimates. A critical parameter that drives the sample size is the number of active scholars selected per journal. This was set at 12 in this study, however, if the response rate is expected to be low or if the error rate in emails is high, this should be appropriately raised. An initial pilot study can provide useful information on these sample design parameters.

4. Methodology and data

The methods used to rank journals by quality and importance to the field and tier them into four groups (A, B, C and D) are described in this section. Journals within each tier are further stratified into upper, middle and lower categories (e.g. A+, A, A–, B+, B, B–, etc.) using nested random-effects regression modeling.

While the ranking and tiering procedure requires construction of journal-level metrics from respondent data, the regression analysis uses respondent-level data. In addition to stratifying journals within tiers, the regression modeling also estimates the impact of respondent characteristics (e.g. academic experience, publications, journal involvement) on respondent scores.

4.1. Analysis variables: definitions

The data variables used to rank and tier the journals and carry out the regression analysis is described below:

1. *Quality*: respondent's perceived quality of journal based on the 1–5 scale. Higher values represent higher quality.
2. *Aware*: awareness of the journal by the respondent. $Aware_{ij} \in \{0, 1\}$ represents the awareness of journal j by respondent i . The response is 1 if the respondent is aware of the journal and 0 otherwise (the respondent submits a quality score only if she is aware of the journal). The on-line questionnaire allows respondents to decide for themselves whether they are familiar enough with each journal to be able to assign a quality score. Hence, a respondent may have some knowledge of a journal but may not feel qualified to assign it a quality score (this would result in a response of 0 for "awareness"). Let N represent the number of survey respondents, then $n_j = \sum_{i=1}^N Aware_{ij}$ represents the number of respondents who are aware of journal j . The quantity $\frac{n_j}{N}$ represents the percent of active scholars in the survey who are aware of journal j .
3. *Score*: the journal's relative importance score. It is based on the average relative quality score for the journal scaled by its awareness. The average quality of journal j is defined as:

$$Quality_j = \frac{1}{n_j} \sum_{i=1}^{n_j} Quality_{ij} \quad (1)$$

where n_j is the number of survey respondents who ranked the quality of journal j (respondents aware of the journal). The awareness-adjusted quality importance score for journal j is then computed as (McKercher et al., 2006):

$$Score_j = \frac{Quality_j}{Quality_{Max}} \times \frac{n_j}{N} \times 100 \quad (2)$$

where $Quality_{Max} = 5$ is the maximum quality rating possible for any journal. Note that the highest possible importance score a journal can achieve is 100. This occurs if all respondents are aware of the journal ($Aware_{ij} = 1$) and the journal receives a quality rating of 5 from all respondents.

The importance score metric also has a simple utility-based interpretation. One may think of scholars publishing in academic journals as deriving utility from the journal's perceived relative

quality $\left(\frac{Quality_j}{Quality_{Max}}\right)$ as well as its reach or awareness $\left(\frac{n_j}{N}\right)$ within the field. The latter benefits the author by increasing the potential for greater citations for their published research. Utility isoquants over these two attributes in the importance metric reflects the tradeoff that can arise between quality and awareness.

4. *Rscore*: the respondent's importance score for the journal. It is the product of respondent i 's quality score times the awareness of journal j :

$$Rscore_{ij} = \frac{Quality_{ij}}{Quality_{Max}} \times \frac{n_j}{N} \times 100 \quad (3)$$

Note that *Rscore* scales the respondent-level quality responses by journal awareness while *Score* scales the average journal quality by journal awareness. In importance rankings, *Score* is used rank the journals (and tier them into four groups) while *Rscore* is the respondent-level variable used in regression analysis to study the impact of tier-levels and respondent characteristics (see below).

5. *Years*: respondent's years in academia.
6. *Refereed*: total number of refereed journals published by the respondent.
7. *Involved*: the respondent's total number of involvements in the journals in the survey. Involvement can be in the form of serving as referee, member of editorial board or previous journal author.

4.2. Journal-level analysis

The rank and tier-level of the journal is determined by sorting journals by the metric of interest. The study reports rankings of the 83 finance journals using three variables: importance, quality and awareness. The journals are tiered by first sorting the journals by the ranking variable. The journals are then separated into four tiers using the approach employed by the ABS Academic Journal Quality Guide, Version 2 (Harvey et al., 2008):

- (a) the top 10 percentile group of journals are defined as tier A and may be regarded as the top journals in the field;
- (b) the next 25 percentile group forms tier B and is considered to be widely known and of high quality;
- (c) the next 40 percentile group forms tier C and is considered to be well regarded in the field; and
- (d) the remaining 25 percentile of the ranked journals constitute tier D.

4.3. Respondent-level regression analysis

The homogeneity of journals within each tier and the relation between journal quality and importance scores and respondent characteristics is investigated using nested regression modeling with random journal-within-tier effects. The independent variables include the tier-level of the journal, the respondent's years in academia (*Years*), the total number of refereed journals published by the respondent (*Refereed*) and the respondent's total number of involvements across journals as reviewer, member of editorial board, or author (*Involved*). The nested journal-within-tier specification captures the restriction on the randomization of journals in the construction of tiers (e.g. each journal can fall in one tier only). Meanwhile, the random journal-within-tier effect reflects the random nature of responses by active scholars to each journal in different samples.

The regression modeling produces estimates of the difference between the mean of respondent scores for each journal and the overall tier mean. Journals which have a significant positive

journal-within-tier effect are denoted '+' (e.g. A+, B+, C+) while journals with a negative significant within-tier effect are denoted '-' (e.g. A-, B-, C-). Finally, journals with non-significant journal-within-tier effects are classified as A, B, C and D.

4.4. Descriptive statistics

Descriptive statistics for select study variables are reported across all respondents and by tier-level in Table 2. These statistics capture broad features of survey responses regarding journal perceptions. The average quality response across all journals is 3.15. Average quality decreases from 4.29 in tier A, to 3.36 in tier B, to 2.70 in tier C and 2.09 in tier D. The overall distribution of Quality responses shows a slight negative skew (-0.18). This suggests that a larger number of journals are perceived by active scholar respondents to be of lower quality.

The average response for importance to field (Rscore) is 27.63. Average journal importance decreases from 59.28 in tier A, to 29.46 in tier B, to 15.50 in tier C and 7.13 in tier D. The skew in the distribution of Rscore is also negative which diminishes over tier B and C and then becomes significantly positive in tier D.

Averages across all respondents for years in academia (Years), number of refereed publications (Refereed) and involvement in the journals (Involved) are 12.97 years, 22.59 articles and 11.03 interactions, respectively. Years, Refereed and Involved exhibit large positive skews (0.80, 3.31 and 2.15, respectively) and the response distribution for number of refereed publications also exhibits very thick tails (excess kurtosis of 16.07). These features of the data suggest that a large number of survey respondents are quite experienced and have significant publication records and journal involvement experience. While the journals in this study are limited to English language finance journals, survey respondents represent six continents. Respondents from North America represent the largest portion, just over 50%, of the sample. Europe is second with just under 30% of the sample and the remaining 20% of respondents are from Africa, Asia, Oceania and South America (Table 1).

It may appear somewhat odd that 30.3% of the respondents reported not being familiar enough with the Review of Financial Studies (RFS) to provide a quality score; the same for Journal of Financial Economics (JFE) is 26.7%. While there is no definitive explanation for this survey outcome, some conjectures that may partially account for this are discussed below. Initially, we sus-

pected that a geographical factor may be at play here since 47.2% of the sample is from countries outside of North America (NA). Difference in awareness rates for RFS and JFE between NA and other respondents are, however, not large enough to explain this. For instance, 72.4% of NA respondents and 74.3% of outside NA respondents were "aware" of JFE. Similarly, the awareness-level for RFS is 70.0% and 72.7%, respectively, for NA and outside NA. JF has the highest awareness rates of 81.8% and 80.8% among NA and outside NA respondents, respectively.

A more probable reason for why awareness rates fall short of 100% for top journals is that some respondents, while being "aware" of RFS and JFE at a superficial level, felt that they were not familiar enough to evaluate their quality. This could apply to respondents who have not been regularly exposed to the premier journals in recent years and, consequently, do not feel qualified to rate their quality (for example, this is likely to happen among respondents who have not published in these journals for several years). This is indeed a positive feature of the ASA study as respondents who do not feel sufficiently familiar with a journal refrain from providing a quality rating on the journal.

Another probable factor may be related to differences in promotion and tenure requirements between research-intensive and other schools. Many scholars at the latter may not have the same incentives and resources to publish in "premier" journal outlets and their institutions may view a decent peer-reviewed journal publication as having the same count or weight as publishing in a "top three journal". In this regard, the large submission fees that apply each round for JFE and RFS (\$500 and \$175, respectively) may contribute to pricing active scholars with lesser resources out of this segment of the "journal market". Interestingly, the Journal of Finance (JF) has a lower submission fee (\$70) and commands a higher awareness rating of 81.3% (it is 73.3% and 69.7% for RFS and JFE, respectively). This suggests that JFE and RFS may potentially expand their awareness to a wider set of active scholars by lowering their submission costs to scholars.

5. Results and discussion

The results from applying the journal assessment methodology in Section 3 are reported and discussed in this section. Journal rankings and tiers from the ASA study are also compared with the same from Thomson Reuters Journal Citation Reports (ISI)

Table 2
Descriptive statistics.

	Tier	Obs.	Mean	Median	Std	Min	Max	Kurtosis	Skew
Rscore	All	10,679	27.63	22.97	20.13	2.82	81.28	0.40	1.06
Quality	All	10,679	3.15	3.00	1.24	1.00	5.00	-0.95	-0.18
Years		390	12.97	10.00	9.74	0	49.00	-0.001	0.80
Refereed		390	22.59	12.00	29.57	0	250.00	16.07	3.31
Involved		390	11.03	6.00	13.11	0	83.00	5.69	2.15
Rscore	A	2097	59.28	61.74	16.63	10.46	81.28	-0.52	-0.52
	B	3533	29.46	30.15	9.45	6.51	53.08	-0.23	-0.14
	C	3664	15.50	15.08	7.00	3.74	38.72	-0.52	0.30
	D	1385	7.13	6.56	3.90	2.82	19.23	-0.05	0.83
Quality	A	2097	4.29	5.00	0.92	1.00	5.00	1.20	-1.27
	B	3533	3.36	3.00	0.99	1.00	5.00	-0.21	-0.43
	C	3664	2.70	3.00	1.10	1.00	5.00	-0.78	0.10
	D	1385	2.09	2.00	1.09	1.00	5.00	-0.11	0.81

Summary statistics for analysis variables are reported across respondents and responses over all journals (and by the tier-level of journal). Rscore is the importance to the field score (respondent relative quality score times journal awareness); Quality represents journal quality on a scale of 1–5; Years is the respondent's years in academia; Refereed is the total number of refereed journals published by the respondent; Involved is the respondent's number of total involvements across the 83 journals as a referee, editor or author. The tier-level of the journal is determined by first sorting journals by their average importance. The top 10 percentile of journals are then defined as tier A, the next 25 percentile group forms tier B, the next 40 percentile group forms tier C; and the lowest 25 percentile group constitutes tier D. "Std" is the standard deviation of the variable, "Skew" is the skewness of the respondent distribution in excess of the normal distribution, and "Kurtosis" is the excess kurtosis over the normal distribution (kurtosis of 3).

Table 3
Journal rankings and stratified tiers.

Journal	Mean Quality	Awareness (%)	Mean importance to field score	ASA importance rank 2009	ASA quality rank 2009	ASA quality stratified tier 2009	ASA importance stratified tier 2009	ABS quality tier 2009	ISI impact factor 2009	ISI rank order of impact factors 2009
Journal of Finance	4.839	81.282	78.667	1	1	A+	A+	4	3.764	2
Review of Financial Studies	4.743	69.744	66.154	3	2	A+	A+	4	3.551	3
Journal of Financial Economics	4.731	73.333	69.385	2	3	A+	A+	4	4.020	1
Journal of Financial and Quantitative Analysis	4.512	64.615	58.308	5	4	A+	A	4	1.603	6
Journal of Money, Credit and Banking	4.027	57.949	46.667	6	5	A-	A	3	1.194	11
Journal of Banking and Finance	3.917	77.179	60.462	4	6	A-	A-	3	1.908	4
Mathematical Finance	3.733	42.308	31.590	15	7	A-	A-	3	1.214	10
Journal of Financial Intermediation	3.733	41.282	30.821	16	7	A-	A-	3	1.364	7
Journal of Corporate Finance	3.659	42.051	32.821	14	9	B+	A-	3	1.628	5
Financial Management (US)	3.657	44.872	30.769	17	10	B+	B+	3	0.727	15
Journal of Empirical Finance	3.652	52.308	38.205	8	11	B+	B+	3		
Journal of International Money and Finance	3.601	48.205	34.718	11	12	B+	B+	3	0.923	12
Journal of Financial Markets	3.556	48.462	34.462	12	13	B+	B+	3	1.281	8
Financial Analysts Journal	3.515	61.282	43.077	7	14	B	B+	3	0.514	21
Review of Finance	3.508	51.026	35.795	9	15	B	B	3		
Journal of Risk and Insurance	3.488	32.564	22.718	27	16	B	B	1	0.612	19
Quantitative Finance	3.440	43.077	29.641	19	17	B	B	2	0.621	18
Journal of Financial Research	3.346	39.231	26.256	22	18	B	B	3		
Journal of Portfolio Management	3.338	53.077	35.436	10	19	B	B	2	0.455	23
Journal of Business Finance and Accounting	3.309	49.744	32.923	13	20	B	B	3	0.832	14
Journal of Futures Markets	3.302	45.897	30.308	18	21	B	B	3	0.567	20
Financial Review	3.256	44.103	28.718	20	22	B	B-	3		
Finance and Stochastics	3.236	27.179	17.590	37	23	B	B-	3	1.240	9
Journal of Derivatives	3.201	38.205	24.462	24	24	B-	B-	2		
Journal of International Financial Markets, Institutions and Money	3.180	32.821	20.872	30	25	B	B-	1		
National Tax Journal	3.176	26.154	16.615	39	26	B-	B-	3	0.465	22
European Financial Management	3.129	37.692	23.590	25	27	B-	B-	3	0.892	13
Journal of Real Estate Finance and Economics	3.107	31.026	19.282	33	28	B-	B-	2	0.659	16
Pacific Basin Finance Journal	3.079	46.154	28.410	21	29	C+	C+	2		
Geneva Papers on Risk and Insurance Theory	3.078	25.897	15.949	40	29	C+	C+	1		
Review of Quantitative Finance and Accounting	3.035	36.410	22.103	28	31	C+	C+	3		
European Journal of Finance	3.000	35.641	21.385	29	32	C+	C+	3		
Journal of Fixed Income	2.993	38.718	23.180	26	33	C+	C+	2		
Financial Management (UK)	2.964	35.128	20.821	31	34	C+	C+	2		
Journal of Applied Corporate Finance	2.921	42.051	24.564	23	35	C+	C+	2		
Financial Markets, Institutions and Instruments	2.873	30.256	17.385	38	36	C+	C+	3		
Journal of Financial Services Research	2.844	31.282	17.795	36	37	C+	C+	2		
Applied Mathematical Finance	2.809	22.821	12.821	55	38	C+	C+	2		
Review of Futures Markets	2.801	34.872	19.539	32	39	C	C	2		
International Review of Finance	2.745	25.128	13.795	47	40	C	C	1		
Journal of Multinational Financial Management	2.723	28.718	15.641	42	41	C	C	2		
Geneva Papers on Risk and Insurance Issues and Practice	2.681	29.744	15.949	40	42	C	C	2	0.330	24
Review of Derivatives Research	2.646	25.385	13.436	51	43	C	C	2		
Annals of Finance	2.644	25.897	13.692	49	44	C	C	2		
International Review of Financial Analysis	2.642	24.359	12.872	53	45	C	C	3		
Journal of Asset Management	2.627	28.205	14.821	46	46	C	C	2		
International Journal of Finance and Economics	2.615	24.615	13.385	51	47	C	C	2	0.627	17

(Continued on next page)

Table 3 (continued)

Journal	Mean Quality	Awareness (%)	Mean importance to field score	ASA importance rank 2009	ASA quality rank 2009	ASA quality stratified tier 2009	ASA importance stratified tier 2009	ABS quality tier 2009	ISI impact factor 2009	ISI rank impact factors 2009	order of factors 2009
Public Finance Review	2.610	25.641	12.872	53	48	C	C	3			
International Journal of Theoretical and Applied Finance	2.598	26.154	13.590	50	49	C	C	2			
Applied Financial Economics	2.585	36.410	18.821	34	50	C	C	2			
International Finance	2.558	24.359	12.462	56	51	C	C	2			
Journal of Investing	2.483	30.256	15.026	44	52	C	C	1			
Journal of International Financial Management and Accounting	2.466	18.718	9.231	60	53	C	C	2			
Financial Accountability and Management	2.450	20.513	10.051	58	54	C	C	1			
Multinational Finance Journal	2.439	31.538	15.385	43	55	C	C	2			
Global Finance Journal	2.420	38.718	18.718	35	56	C–	C–	2			
Journal of Risk Finance	2.417	20.769	10.051	58	57	C–	C–	3			
International Journal of Managerial Finance	2.411	18.718	9.026	62	58	C–	C–	1			
Managerial Finance	2.402	28.718	13.795	47	59	C–	C–	1			
Journal of Alternative Investments	2.365	21.795	10.308	57	60	C–	C–	1			
Journal of Emerging Market Finance	2.347	31.795	14.923	45	61	C–	C–	2			
Journal of Corporate Accounting and Finance	2.333	16.154	7.539	70	62	C–	C–	1			
International Tax and Public Finance	2.319	17.692	8.205	65	63	C–	D	2			
Financial Markets and Portfolio Management	2.266	20.256	9.180	60	64	D	D	3			
Corporate Finance Review	2.262	16.667	7.539	70	65	D	D	1			
British Tax Review	2.238	16.154	7.231	73	66	D	D	2			
Journal of Pension Economics and Finance	2.206	17.436	7.692	68	67	D	D	1			
Journal of Wealth Management	2.173	19.231	8.359	63	68	D	D	2			
Research in International Business and Finance	2.173	19.231	8.359	63	68	D	D	1			
Advances in Taxation	2.159	17.692	7.641	69	70	D	D	1			
Investment Management and Financial Innovations	2.139	18.462	7.897	66	71	D	D	1			
Journal of Financial Regulation and Compliance	2.129	15.897	6.769	74	72	D	D	1			
Public Budgeting and Finance	2.118	17.436	7.385	72	73	D	D	2			
Journal of Trading	2.095	18.974	7.949	66	74	D	D	2			
Cost Management	2.067	15.385	6.359	79	75	D	D	1			
Derivatives Use, Trading and Regulation	2.016	16.154	6.513	78	76	D	D	1			
Journal of Finance and Management in Public Services	2.000	16.410	6.564	76	77	D	D	1			
Journal of Private Equity	1.969	16.667	6.564	76	78	D	D	1			
Intelligent Systems in Accounting, Finance and Management	1.914	14.872	5.692	82	79	D	D	2			
Australian Tax Forum	1.903	15.897	6.051	81	80	D	D	1			
Finance and Development	1.886	17.949	6.769	74	81	D	D	1			
Journal of Structured Finance	1.877	16.667	6.256	80	82	D	D	1			
Asia Pacific Journal of Taxation	1.782	14.103	5.026	83	83	D	D	1			

Journal rankings and tiers are determined by sorting each journal's average quality (Quality) and forming percentile groups. After sorting journals by their average Quality, the top 10 percentile of journals are defined as tier A, the next 25 percentile group forms tier B, the next 40 percentile group constitutes tier C; and the lowest 25 percentile group forms tier D. The tiers are further stratified by an estimation of a nested regression with random journal-within-tier effects (see Table 5 for full description). Journals with a significant positive journal-within-tier effect are denoted + (e.g. A+, B+, C+) while journals with a significant negative within-tier effect are denoted (e.g. A–, B–, C–); journals with non-significant journal-within-tier effects are labeled A, B, C and D. For comparison purposes, the right panel reports (i) tier-levels from the ABS Academic Journal Quality Guide (2009) and (ii) ISI impact factor and rank from Thomson Reuters Journal Citation Reports for 2009.

and ABS Academic Journal Quality Guide. The homogeneity of journals within each tier is also investigated using a nested regression specification with random journal-within-tier effects. This analysis provides insights into the relative position of journals within each tier and allows us to conclude if, for example, a specific journal in tier A is viewed as A+, A or A– by active scholars.

5.1. Journal rankings and tiers

Journal ranks and tiers by journal quality and importance to the field are provided in Table 3. The first column indicates the average perception of quality for each journal (increasing 1–5 quality scale). The second column reports the percent awareness of the journal among active scholars. The third column provides the importance to the field score of the journal (average quality score times journal awareness). Recall that the highest possible value for aggregate importance (score) is 100. This occurs if all respondents are aware of the particular journal and all respondents assign it the highest quality score (5).

The right panel of Table 3 permits comparisons of finance journal tiers and rankings from this paper's Active Scholar Assessment study with similar results provided by Thomson Reuters Journal Citation Reports (ISI) and ABS Academic Journal Quality Guide. ABS uses a four-point tiering system (tier-levels: 4, 3, 2, 1) but does not rank the 83 finance journals. The ASA study ranks the 83 finance journals by both quality and importance metrics. It also tiers the journals into four tier groups (A, B, C and D) in the manner of ABS and further stratifies the journals within each tier into upper, middle and lower categories (e.g. A+, A and A–) using nested random-effects regression estimation. Details of the estimation are provided in the sub-section below.

ISI ranks journals by impact factor but does not tier them into ordinal categories. Since 24 of the 48 journals in the ISI rankings are non-finance journals (and do not appear in the ASA and ABS lists), these need to be dropped to make any comparison possible. Therefore, the 24 finance journals from the ISI rankings are retained and re-ordered from 1 to 24. For comparison purposes, the 2009 ISI-JCR impact factors are reported in order to keep the reference periods for ASA and ISI metrics as similar as possible. The other option was to report average ISI impact factors over 3-year or 5-year period. This would have, however, created a non-overlap and misalignment between the reference period of the ISI metrics and the period over which active scholars were sampled in the ASA study (2008–2009). Therefore, since both ISI impact factors and ASA quality scores are subject to change over time, the 2009 annual citation factor is the most comparable and is reported in Table 3.

It is widely accepted in the finance profession that the Journal of Finance, Journal of Financial Economics and Review of Financial Studies constitute the top three journals in the field. Study results are consistent with this perception and stylized fact with mean quality (importance) ratings of 4.84 (78.7%), 4.74 (66.2%) and 4.73 (69.4%) for JF, RFS and JFE, respectively.

Furthermore, the mean quality and importance scores provide a sense of “relative distance” between the journals which is further analysed below using a nested random-effects regression. The importance metric exhibits a greater spread between journals. For example, JF is above RFS by 12.5 points on the importance scale and above JFE by 9.3 points. This difference is largely explained by the higher awareness-level of JF amongst active scholars as the average quality of the three journals is perceived to be very close. The awareness-levels of JF, JFE and RFS are 81.3%, 73.3% and 69.7%, respectively.

Moving beyond the top three finance journals yields some additional insights on journal perceptions by active scholars. Many academics consider the Journal of Financial and Quantitative Analysis (JFQA) to be very close to the other top three finance journals

(for example, it is included among the four finance journals in the Financial Times' list of top 40 business journals). According to the quality metric, JFQA has rank 4 and is followed by Journal of Banking and Finance (JBF) and the Journal of Money, Credit and Banking (JMCB) (mean quality ratings of 4.51, 4.03 and 3.92, respectively). Rankings by importance to the field, however, lead to JBF occupying 4th place, followed by JFQA and JMCB (importance scores of 60.5, 58.3 and 46.7, respectively). The proximity of JFQA and JBF in terms of importance to the field metrics is explained again by the greater awareness of JBF among active scholars (77.2% vs. 64.6%) even though JFQA has a higher average quality rating (4.51 vs. 3.92). This suggests that JFQA and JBF are in close proximity in the sense that their utility isoquants (over journal quality and awareness) are relatively close. These results on JBF's growing influence from the Active Scholar Assessment study (conducted in May 2009) are also consistent with a recent citation-based study of Borokhovich et al. (2010) which analyses JBF cites among 12 leading finance journals.⁴

The Association of Business Schools tiering system defines 10% of the top journals in the field as being in tier A (Harvey et al., 2008). This demarcation leads to the placement of eight finance journals in the A group. Quality-rankings lead to a tie in 7th place between Mathematical Finance (MF) and the Journal of Financial Intermediation (JFI) – both have mean quality ratings of 3.73. Meanwhile, ranking by importance to the field leads to the Financial Analyst Journal (FAJ) and the Journal of Empirical Finance (JEF) occupying positions 7 and 8 (importance scores 43.1 and 38.2, respectively). FAJ is considered to be an applied practitioner-oriented journal but it is also perceived as being of good quality (3.51) and has wider awareness (52.3%) due to its affiliation with the Financial Analysts Society. A similar explanation leads to an importance rank of 10 for the Journal of Portfolio Management.

The metrics for journal quality, importance and awareness estimated for all 83 journals in the ASA study have a number of uses and applications relevant to libraries, tenure and promotion committees, potential authors and editorial boards. First, journal rankings from ASA studies may be used by libraries to more effectively allocate journal resources by identifying journals that are considered by active scholars to be of the highest quality and importance to the field. Second, the stratification of all 83 finance journals (A+, A, A, B+, B, B–, etc.) can be very useful to tenure and promotion committees tasked with assessing the research achievement of candidates. Here, it is useful to note that, while ISI Journal Citation Reports covers 24 journals, the ASA survey covers a much larger list of 83 finance journals as constructed by ABS. Further, the ASA methodology uses nested random-effects regression estimation to further stratify journal tiers (A, B, C and D) into upper, middle and lower categories (e.g. A+, A, A–, B+, B, B–, etc.). The mapping of 83 finance journals into these categories by quality and importance can aid in the assessment of research contribution by such committees.

Third, the metrics for journal quality, importance and awareness convey useful information to authors in making journal submission decisions and can help authors evaluate the strategic aspects of placing their research in journals following the top 2–3 journals. Authors of technically-oriented papers, for example, may wish to assess the benefit of submitting their research to a journal that is perceived as being highly quantitative (e.g. high

⁴ Borokhovich et al. (2010) report that with an average of 3457 cites over the 2008–2009 period, JBF ranks fourth behind only JF, JFE and RFS, and significantly ahead of the fifth journal, JFQA, which has 2254 average cites (the 2009 SSCI impact factor for JBF is 1.908). The study also finds that the average impact factors for the leading five journals, including JBF, follow a similar rising pattern over the most recent 2-, 3-, 4-, 5-, and 6-year periods and that the journal's average immediacy index (0.439) ranks fifth (this means that recently published articles are cited on average about 0.439 times within a year of publication).

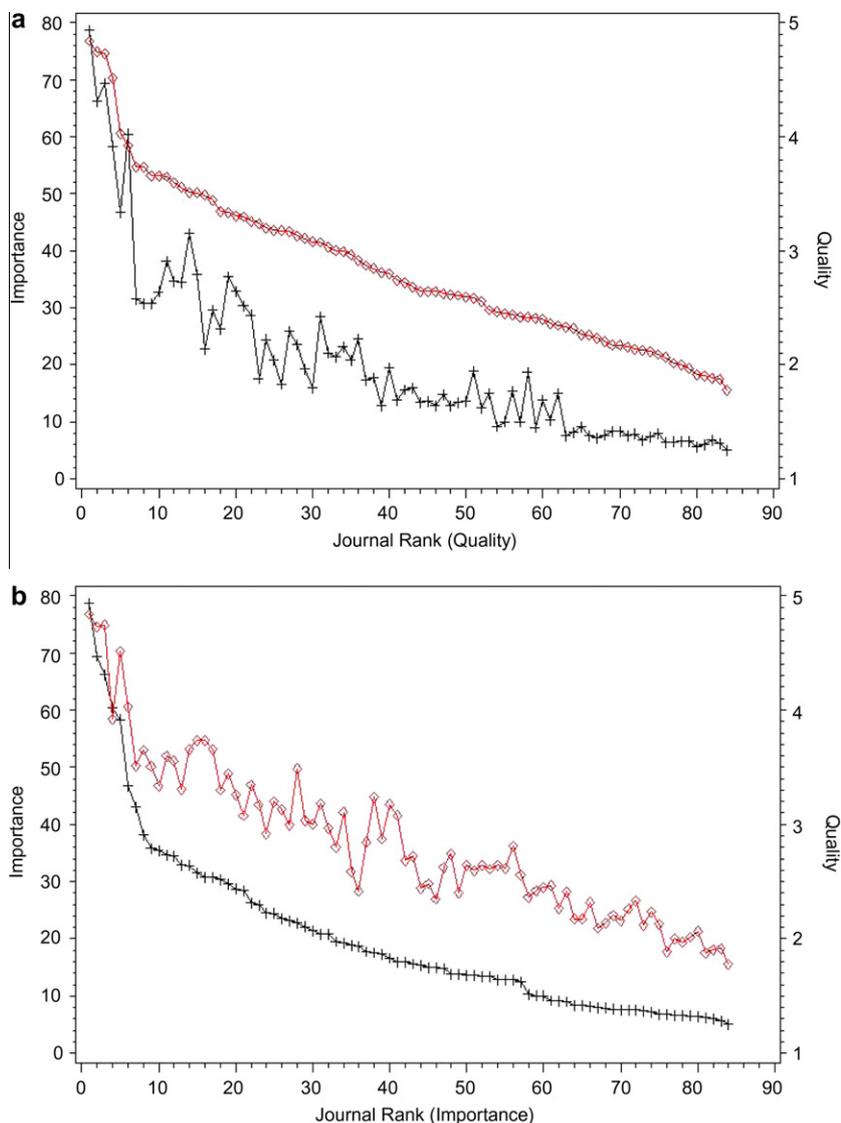


Fig. 1. Journal importance to the field and quality by rank. (a) Average importance to the field and quality of journals is plotted against the journal's quality rank. The top line represents journal quality (1–5) and the bottom line represents importance (0–100). (b) Average importance to the field and quality of journals is plotted against the journal's importance rank.

technical rigor) but with a narrower readership against a broader journal with larger awareness. Note that for journals following the top six ranked journals, some differences in the relative position of quality- and importance-based rankings can emerge (see positions 7–20 in Table 3 for journals such as MF, JFI, FM, JCF, JEF, JFM, FAJ and RF). The active scholar quality ratings for these journals are relatively close (clustered in the range 3.31–3.73), however, their importance to the field ratings are more dispersed (falling in the range 30.8–43.1). Hence, the quality and importance metrics and rankings from the ASA study can provide potential authors useful and comprehensive information on 83 finance journals in considering such tradeoffs and their strategic implications in making submission decisions. Similarly, comparison of quality, importance and awareness metrics from the ASA study across journals can provide useful guidance to editorial boards for enhancing their journal standings.

5.2. Comparisons: ASA, ISI and ABS

Some observations on the results from the ASA study, the Thomson Reuters Journal Citation Reports (ISI) and ABS's Academic

Journal Quality Guide are given below. First, note that ABS only tiers the 83 journals using a four-point tiering system (tier-levels: 4, 3, 2, 1; four represents the highest tier) and does not rank the journals using any metric. On the other hand, ISI provides a ranking of 24 finance journals based on their impact factor (the other 24 fall in other business disciplines). The ASA study ranks and tiers the 83 ABS finance journals by both quality and importance and further stratifies them within each tier into upper, middle and lower categories (e.g. A+, A and A–) using nested random-effects regression estimation.

Second, while the same journals (JF, RFS, JFE) appear in the top three positions in both the ASA and ISI journal rankings, a larger spread exists among them based on their ISI citation factors. ISI impact factors for JF, RFS and JFE are 3.76, 3.55 and 4.02, respectively, while their corresponding ASA quality (importance) scores are closer at 4.84 (78.7), 4.74 (66.2) and 4.73 (69.4), respectively. There are similar fluctuations in ASA and ISI journal ranks beyond the top three journals. For example, JBF is ranked 4th by ISI and takes 6th position by ASA quality and 4th by importance. Similarly, JFQA ranks 4th and 5th by ASA quality and importance while occupying position 6 by ISI impact factor.

Table 4
Regression results – quality.

	Regressions					Tier mean differences	
	I	II	III	IV	V	Tier–Tier	Estimate
Intercept (Tier D)	2.2113 (66.11)*	2.1147 (63.48)*	2.1417 (72.54) [†]	2.3076 (79.53)*	2.0888 (75.57)*	A–B	0.9027 (31.28)*
Tier A	2.2037 (60.43)*	2.2237 (60.24)*	2.1822 (60.74) [†]	2.1557 (61.66)*	2.1973 (61.69)*	A–C	1.5804 (54.97)*
Tier B	1.3009 (39.01)*	1.3018 (38.5) [†]	1.2573 (38.3) [†]	1.2550 (39.26)*	1.2732 (39.04)*	A–D	2.2037 (60.43)*
Tier C	0.6233 (18.81)*	0.6245 (18.55)*	0.5955 (18.29) [†]	0.5983 (18.81)*	0.6099 (39.04)*	B–C	0.6777 (27.42)*
Years	0.002747 (1.99)**	–0.004264 (–3.83)**				B–D	1.3009 (39.01)*
Refereed	0.0004899 –1.15		–0.00174 (–6.32)**			C–D	0.6233 (18.81)*
Involved	–0.01288 (–18.57)*			–0.01279 (–21.03)*			
Adj. R ²	0.347	0.321	0.320	0.341	0.314		

The table reports the regression of respondent-level quality scores (Quality). The independent variables include the tier-level of the journal, the respondent's years in academia (Years), the total number of refereed journals published by the respondent (Refereed) and the respondent's total number of involvements across the journals as a referee, member of the editorial board, or author (Involved). The right panel reports estimates for differences in tier means and their significance. The number in parentheses reports the *t*-value for the coefficient.

* Represents statistical significance at the 0.0001 probability level.

** Represents significance at the 0.05 level.

Another noteworthy aspect of results from the ASA survey is that both importance and quality metrics exhibit a smoother and less polarized relation with respect to journal rank in comparison to ISI citation factors. This is evident from Fig. 1(a) and (b) which plot the importance to the field and quality metrics by journal rank. ISI citation impact factors decay rapidly after the top three finance journals and remain very low and flat over the majority of journals. In contrast, the decline in the ASA average journal quality and importance scores after the top three finance journals is less steep. For example, impact factors for the 1st, 5th and 10th ranked journals are 4.02, 1.63 and 1.21 while the same for ASA quality (importance) are 4.84 (78.7), 4.03 (46.7) and 3.66 (30.08), respectively. A number of researchers including Chung et al. (2001) discuss the possibility of a self-citation bias in the premier journals because researchers publishing in these top journals tend to cite only research published in the premier set of journals. This behaviour would be consistent with the sharp drop-off observed in journal rankings based on citation metrics. The more steady decay in quality and importance ratings in the ASA study suggests that the endogenous determination of journal rankings based on a survey of active scholars may be less amenable to this type of potential group citation bias. This also suggests that perception of journal quality by active finance scholars for outlets following the premier journals is higher than implied by citation-based metrics.

Alternatively, it has been pointed out by a reviewer that the more gradual decline in quality across journal ranks may be due to respondent subjectivity and bias. For example, it is argued that survey respondents may be biased in favor of journals in which they publish and this may lead to higher ratings for middle journals after they acknowledge the standing of the top three or so journals (hence, the smoother decline in scores over journal rank). It is difficult to confirm or rule out such potential “strategic gaming” by respondents, however, we believe that the ASA survey design minimizes the effect of such potential bias and that, indeed, the premise of the argument needs to be carefully examined. First of all, this scenario is predicated on the assumption that those publishing in the “top” journals are free of the same bias that purportedly exists among other authors. For example, one could also conjecture that authors of “elite” journals will assign very high rating to their outlets while overly discounting the quality of other

journals (a sort of “look down” bias). Such a bias will negatively affect the average quality score of most journals in the study. Hence, there is no reason to assume that a potential respondent bias is confined solely to a specific segment of respondents in the active scholar survey.

Secondly, the fact that journals generally considered to be the top 10 journals in the profession largely remain in these positions in the active scholar survey is a strong confirmation that the respondents are generally telling the truth – as they see it. Conversely, these top ranked journals cannot occupy these positions in the ASA study if the overwhelming number of respondents from the other 73 journals did not place them there. Lastly, the survey design ensures that this type of bias – if it is present – will tend to “wash out” in a relative sense in average journal quality scores. Note that active scholars from each journal have equal representation in the survey sample (12 from each of the 83 journals). This means that average journal quality scores would tend to be uniformly impacted by such potential bias and, therefore, its affect in a relative sense across journals becomes less relevant.

5.3. Regression analysis: tier effects, stratification and respondent characteristics

We next analyse the homogeneity of journals within tiers and the relation between journal importance scores and respondent characteristics (e.g. academic experience, publications and degree of journal involvement). As discussed earlier in Section 4.3, this involves regressing respondent-level importance and quality scores on tier groups and respondent variables using a nested journal-within-tier random-effects regression. This design is useful for analysing differences among journals positioned in the same tier group and allows journals to be stratified into upper and lower positions within the tier group (e.g. A+, A and A–).

The independent variables include the tier-level of the journal, the respondent's years in academic (Years), the total number of refereed journals published by the respondent (Refereed) and the respondent's total number of involvements across the journals as reviewer, member of editorial board, or author (Involved). Table 4 reports results from the nested regression specification with random journal-within-tier effects.

Table 5
Quality – regression with nested random journal-within-tier effects.

Parameter				Estimate	Std	t-Value	Prob.	
Intercept				2.082	0.056	37.37	<.0001	
Tier A				2.204	0.100	22.10	<.0001	
Tier B				1.293	0.076	16.97	<.0001	
Tier C				0.588	0.070	8.43	<.0001	
<i>Tier</i>	<i>Journal</i>	<i>Sig</i>	<i>Sign</i>	<i>Estimated quality</i>				
A+	Journal of Finance	*	+	4.808	0.522	0.095	5.51	<.0001
A+	Review of Financial Studies	*	+	4.713	0.427	0.096	4.42	<.0001
A+	Journal of Financial Economics	*	+	4.703	0.417	0.096	4.35	<.0001
A+	Journal of Financial and Quantitative Analysis	*	+	4.496	0.210	0.097	2.16	0.0311
A–	Journal of Money, Credit and Banking	*	–	4.047	–0.239	0.099	–2.42	0.0156
A–	Journal of Banking and Finance	*	–	3.939	–0.347	0.095	–3.64	0.0003
A–	Mathematical Finance	*	–	3.792	–0.494	0.104	–4.74	<.0001
A–	Journal of Financial Intermediation	*	–	3.791	–0.495	0.104	–4.77	<.0001
B+	Journal of Corporate Finance	*	+	3.629	0.254	0.085	2.99	0.0028
B+	Financial Management (USA)	*	+	3.629	0.254	0.086	2.93	0.0034
B+	Journal of Empirical Finance	*	+	3.628	0.253	0.081	3.11	0.0019
B+	Journal of International Money and Finance	*	+	3.580	0.205	0.083	2.46	0.0138
B+	Journal of Financial Markets	*	+	3.539	0.164	0.083	1.97	0.0488
B	Financial Analysts Journal		+	3.504	0.129	0.078	1.65	0.0981
B	Review of Finance		+	3.496	0.121	0.082	1.47	0.1407
B	Journal of Risk and Insurance		+	3.473	0.098	0.093	1.05	0.2928
B	Quantitative Finance		+	3.434	0.059	0.086	0.68	0.4955
B	Journal of Financial Research		–	3.350	–0.026	0.088	–0.29	0.7711
B	Journal of Futures Markets		–	3.341	–0.034	0.081	–0.42	0.675
B	Journal of Portfolio Management		–	3.315	–0.060	0.082	–0.73	0.4663
B	Journal of Business Finance and Accounting		–	3.309	–0.067	0.084	–0.79	0.4305
B	Finance and Stochastics		–	3.268	–0.107	0.085	–1.26	0.2076
B	Financial Review		–	3.257	–0.118	0.099	–1.20	0.2308
B	Journal of Derivatives		–	3.221	–0.154	0.089	–1.73	0.083
B	Journal of Int. Financial Markets, Institutions and Money		–	3.208	–0.167	0.100	–1.68	0.0933
B	Journal of Real Estate Finance and Economics		–	3.205	–0.170	0.093	–1.83	0.0674
B–	National Tax Journal	*	–	3.192	–0.183	0.087	–2.10	0.0356
B–	European Finance Review	*	–	3.158	–0.218	0.089	–2.44	0.0148
B–	European Financial Management	*	–	3.144	–0.231	0.095	–2.44	0.0146
C+	Pacific Basin Finance Journal	*	+	3.038	0.369	0.079	4.64	<.0001
C+	Review of Quantitative Finance and Accounting	*	+	3.014	0.344	0.097	3.56	0.0004
C+	Geneva Papers on Risk and Insurance Theory	*	+	2.992	0.322	0.086	3.74	0.0002
C+	Financial Management (UK)	*	+	2.960	0.290	0.087	3.35	0.0008
C+	Journal of Fixed Income	*	+	2.957	0.287	0.084	3.41	0.0007
C+	European Journal of Finance	*	+	2.927	0.258	0.087	2.96	0.0031
C+	Journal of Applied Corporate Finance	*	+	2.894	0.225	0.082	2.74	0.0061
C+	Journal of Financial Services Research	*	+	2.844	0.175	0.092	1.91	0.0564
C	Financial Markets, Institutions and Instruments		+	2.821	0.151	0.091	1.67	0.0957
C	Review of Futures Markets		+	2.785	0.116	0.087	1.32	0.1857
C	Journal of Multinational Financial Management		+	2.784	0.115	0.101	1.14	0.256
C	Applied Mathematical Finance		+	2.733	0.063	0.098	0.64	0.5193
C	International Review of Finance		+	2.715	0.046	0.093	0.49	0.624
C	Geneva Papers on Risk and Insurance: Issues and Practice		+	2.679	0.010	0.092	0.11	0.9158
C	Review of Derivatives Research		–	2.650	–0.019	0.097	–0.20	0.8416
C	Annals of Finance		–	2.648	–0.022	0.097	–0.23	0.8203
C	International Review of Financial Analysis		–	2.647	–0.023	0.099	–0.23	0.8162
C	International Journal of Finance and Economics		–	2.634	–0.036	0.094	–0.38	0.7003
C	Public Finance Review		–	2.624	–0.046	0.098	–0.47	0.6405
C	Int. Journal of Theoretical and Applied Finance		–	2.620	–0.050	0.097	–0.52	0.6055
C	Journal of Asset Management		–	2.609	–0.060	0.096	–0.63	0.5312
C	International Finance		–	2.595	–0.075	0.086	–0.87	0.383
C	Applied Financial Economics		–	2.577	–0.093	0.099	–0.94	0.3459
C	Journal of Investing		–	2.509	–0.161	0.092	–1.75	0.0797
C	Multinational Finance Journal		–	2.508	–0.161	0.108	–1.50	0.1347
C	Journal of Int. Financial Management and Accounting		–	2.493	–0.177	0.105	–1.69	0.0904
C–	Global Finance Journal	*	–	2.470	–0.199	0.090	–2.21	0.0271
C–	International Journal of Managerial Finance	*	–	2.468	–0.202	0.104	–1.94	0.0525
C–	Financial Accountability and Management	*	–	2.465	–0.205	0.108	–1.90	0.0578
C–	Journal of Risk Finance	*	–	2.446	–0.224	0.084	–2.66	0.0078
C–	Journal of Corporate Accounting and Finance	*	–	2.441	–0.229	0.093	–2.45	0.0142
C–	Managerial Finance	*	–	2.421	–0.249	0.102	–2.43	0.0152
C–	Journal of Alternative Investments	*	–	2.412	–0.258	0.113	–2.27	0.0231
C–	Journal of Emerging Market Finance	*	–	2.390	–0.280	0.090	–3.11	0.0019
D	International Tax and Public Finance		+	2.267	0.185	0.114	1.63	0.1035
D	Financial Markets and Portfolio Management		+	2.230	0.148	0.109	1.35	0.1759
D	British Tax Review		+	2.221	0.138	0.116	1.20	0.2317
D	Corporate Finance Review		+	2.202	0.120	0.117	1.02	0.3065
D	Journal of Pension Economics and Finance		+	2.179	0.096	0.114	0.84	0.3983

Table 5 (continued)

Parameter			Estimate	Std	t-Value	Prob.	
D	Advances in Taxation	+	2.155	0.073	0.111	0.65	0.5127
D	Research in International Business and Finance	+	2.155	0.073	0.111	0.65	0.5127
D	Journal of Wealth Management	+	2.143	0.060	0.114	0.53	0.595
D	Journal of Financial Regulation and Compliance	+	2.127	0.045	0.112	0.40	0.6899
D	Public Budgeting and Finance	+	2.118	0.036	0.117	0.30	0.7605
D	Investment Management and Financial Innovations	–	2.110	0.028	0.114	0.24	0.8085
D	Journal of Trading	–	2.092	0.010	0.111	0.09	0.9293
D	Derivatives Use, Trading and Regulation	–	2.070	–0.012	0.119	–0.10	0.9212
D	Cost Management	–	2.031	–0.051	0.117	–0.43	0.6638
D	Journal of Private Equity	–	2.019	–0.063	0.116	–0.54	0.5869
D	Journal of Finance and Management in Public Services	–	1.995	–0.087	0.116	–0.75	0.4515
D	Intelligent Systems in Accounting, Finance and Management	–	1.956	–0.126	0.120	–1.06	0.2911
D	Australian Tax Forum	–	1.946	–0.137	0.117	–1.16	0.2447
D	Journal of Structured Finance	–	1.928	–0.154	0.113	–1.36	0.1734
D	Finance and Development	–	1.924	–0.158	0.116	–1.37	0.1712
D	Asia Pacific Journal of Taxation	–	1.860	–0.223	0.122	–1.83	0.0675

The estimation of a nested regression with random journal-within-tier effects is reported. The dependent variable is the respondent-level quality score (Quality, 1–5 scale). The tier estimate gives the incremental difference in the mean quality score for the tier over the baseline tier D (intercept). Similarly, the journal-within-tier effect is the incremental effect of each journal relative to the tier mean (for example, the mean quality score for Journal of Finance is 0.5038 points higher than the tier A mean of 4.4220 (2.2053 + 2.2167)). The Sign column indicates whether the journal's mean importance is above (+) or below (–) the tier mean in which the journal is nested. The Sig column indicates whether the journal-within-tier effect is statistically significant at the minimum 0.05 significance level (denoted *; actual p-values are given in the last column). Journals which have a significant positive journal-within-tier effect are denoted "+" (e.g. A+, B+, C+) while journals with a negative significant within-tier effect are denoted "–" (e.g. A–, B–, C–). Finally, journals with non-significant journal-within-tier effects are labeled A, B, C and D.

The first column (I) reports the complete regression while the next three columns (II–IV) report regressions where Years, Refereed and Involved are introduced separately. The last column (V) is the regression where the only independent variables are the tier-level of the journal. Note that each tier-level coefficient gives the incremental impact on the journal's importance score relative to the intercept (lowest tier D). For example, in regression I, the adjusted mean quality score for tier A is $2.211 + 2.204 = 4.415$.

Some interesting insights follow from the regressions in Table 4. First, journal quality mean differences across the four tier-levels are highly significant. Not only are the quality tier means increasing in tier-level, but all combinations of tier mean differences are significantly different from zero (at the 0.0001 significance level). Second, the regression results are robust to other respondent characteristics (Years, Refereed and Involved) as all tier effect coefficients remain relatively stable and significant across the five regressions I–V.

Third, respondents with more publications and journal involvement provide lower ratings on average. Regression coefficients for number of refereed articles published by the respondent (Refereed) and degree of journal involvement (Involved) are significantly negative. Although these variables are found to exert a significant negative impact on quality scores assigned by active scholars, the magnitude of their effect is small in comparison to tier effects. For example, a respondent with the median number of refereed publications (12) has an average journal quality score that is lower by -0.1546 points (-0.01288×12) on average.

Lastly, homogeneity in journal quality within tiers is analysed in Table 5. Estimates of nested journal means (within tier) are reported below the parameters for tier effects and respondent characteristics (Years, Refereed and Involved). The regression produces 83 journal effects which give the difference between the journal mean and the journal's tier mean. For example, the mean quality score for Journal of Finance is 0.522 points higher than the tier A mean of 4.286 (2.082 + 2.204). The estimated quality column reports the aggregate mean quality score for each journal (4.808 for JF). The "Sign" column indicates whether the journal's nested effect is above (+) or below (–) the tier mean. The "Sig" column indicates whether the journal-within-tier effect is statistically significant at the 0.05 significance level (denoted *). Journals which have a significant positive journal-within-tier effect are denoted "+" (e.g. A+, B+, C+) while journals with a negative significant with-

in-tier effect are denoted "–" (e.g. A–, B–, C–). Finally, journals with non-significant journal-within-tier effects are labeled A, B, C and D.

Among tier A journals, JF, JFE, RFS and JFQA emerge in the A+ group based on estimation of the nested random-effects regression while the Journal of Money Credit and Banking, Journal of Banking and Finance, Mathematical Finance and Journal of Financial Intermediation fall in the A– category (there is no middle A category as all journal-within-tier effects are significantly negative or positive in tier A). Journals in the B+ category consist of Journal of Corporate Finance, Financial Management, Journal of Empirical Finance, Journal of International Money and Finance and Journal of Financial Markets.

Category B includes journals such as Financial Analysts Journal, Review of Finance, Quantitative Finance, Journal of Financial Research, Journal of Futures Markets, Journal of Portfolio Management, Financial Review, Journal of Derivatives and others. In tier D, none of the journal means are significantly different from their tier mean, implying that there is no stratification between + and – categories.

6. Conclusion

This study carries out a web-based peer assessment of active finance scholars and uses respondent data to rank and tier 83 finance journals. Within each tier, journals are further stratified into upper, middle and lower categories (e.g. A+, A and A–) using a nested random-effects regression. In addition to rankings by journal quality (1–5 scale), the study also provides rankings by journal importance to the field (defined as the product of average journal relative quality and awareness) which may be interpreted as scholar utility over journal quality and awareness.

The response rate for the on-line survey is 45%, with 390 responses from active scholars in 37 countries. The proposed Active Scholar Assessment (ASA) methodology differs from other journal assessment studies in some noteworthy respects and the results have a number of uses and applications. First, the survey sample is made up of active scholars who can be reasonably inferred as being more aware and current in their knowledge of journal quality. Second, the study imposes a low cognitive and memory burden on respondents as it endogenously determines journal rankings

and stratification using responses on quality and awareness for each journal (e.g. active scholars are not asked to sequentially rank journals as in other assessment studies).

Third, in comparison to citation-based rankings, average journal quality scores from the ASA survey exhibit a more monotone and less steep descent following the top ranked journals. This suggests that perception of journal quality by active finance scholars following the premier outlets is higher than reflected by purely citation-based measures. Lastly, the comprehensive and endogenous ranking of finance journals based on the ASA methodology can help authors evaluate the strategic aspects of placing their research; facilitate assessment of research achievement by tenure and promotion committees; and assist university libraries in better managing their journal resources.

References

- Alexander, J.C., Mabry, R.H., 1994. Relative significance of journals, authors, and articles cited in financial research. *Journal of Finance* 49, 697–712.
- Arnold, T., Butler, A.W., Crack, T.F., Altintig, A., 2003. Impact: what influences finance research. *The Journal of Business* 76, 343–361.
- Borde, S.F., Cheney, J.M., Madura, J., 1999. A note on perceptions of finance journal quality. *Review of Quantitative Finance and Accounting* 12, 89–96.
- Borokhovich, K.A., Bricker, R.J., Brunarski, K.R., Simkins, B.J., 1995. Finance research productivity and influence. *Journal of Finance* 50, 1691–1717.
- Borokhovich, K.A., Bricker, R.J., Simkins, B.J., 2000. Analysis of finance journal impact factors. *Journal of Finance* 55, 1457–1469.
- Borokhovich, K.A., Lee, A.A., Simkins, B.J., 2010. A framework for journal assessment: the case of the *Journal of Banking and Finance*. *Journal of Banking and Finance*, forthcoming.
- Brown, L.D., 2003. Ranking journals using social science research network downloads. *Review of Quantitative Finance and Accounting* 20, 291–307.
- Chan, K.C., Chen, C.R., Steiner, T.L., 2002. Production in the finance literature, institutional reputation and labor mobility in academia: a global perspective. *Financial Management* 31, 131–156.
- Chan, K.C., Fok, R.C.W., Pan, M., 2000. Citation-based finance journal rankings: an update. *Financial Practice and Education* 10, 132–141.
- Chung, K.H., Cox, R.A.K., 1990. Patterns of productivity in the finance literature: a study of bibliometric distributions. *Journal of Finance* 45, 301–309.
- Chung, K.H., Cox, R.A.K., Mitchell, J.B., 2001. Citation patterns in the finance literature. *Financial Management* 30, 99–118.
- Cox, R.A.K., Chung, K.H., 1991. Patterns of research output and author concentration in the economics literature. *The Review of Economics and Statistics* 73, 740–747.
- Coe, R.K., Weinstock, I., 1983. Evaluating the finance journals: the department chairperson's perspective. *Journal of Financial Research* 6, 345–349.
- Harvey, C., Morris, H., 2005. *Academic Journal Quality Guide: Version 1*. The Association of Business Schools. <<http://www.the-ABS.org.uk>>.
- Harvey, C., Morris, H., Kelly, A., 2008. *Academic Journal Quality Guide: Version 2*. The Association of Business Schools. <<http://www.the-ABS.org.uk>>.
- Heck, J.L., Cooley, P.L., Hubbard, C.M., 1986. Contributing authors and institutions to the *Journal of Finance*: 1946–1985. *Journal of Finance* 41, 1129–1140.
- Heck, J.L., Cooley, P.L., 1988. Most frequent contributors in the finance literature. *Financial Management* 17, 100–108.
- Klemkosky, R.C., Tuttle, D.L., 1977a. The institutional source and concentration of financial research. *Journal of Finance* 32, 901–907.
- Klemkosky, R.C., Tuttle, D.L., 1977b. A ranking of doctoral programs by financial research contributions of graduates. *Journal of Financial and Quantitative Analysis* 12, 491–497.
- Krishnan, C.N.V., Bricker, R., 2004. Top finance journals: do they add value. *Journal of Economics and Finance* 28, 361–378.
- Law, R., van der Veen, R., 2008. The popularity of prestigious hospitality journals: a Google scholar approach. *International Journal of Contemporary Hospitality Management* 20, 113–125.
- McKercher, B., Law, R., Lam, T., 2006. Rating tourism and hospitality journals. *Tourism Management* 27, 1235–1252.
- Niemi Jr., A.W., 1987. Institutional contributions to the leading Finance Journals, 1975 through 1986: a note. *Journal of Finance* 42, 1389–1397.
- Oltheten, E., Theoharakis, V., Travlos, N., 2005. Faculty perceptions and readership patterns of finance journals: a global view. *Journal of Financial and Quantitative Analysis* 40, 223–239.
- Özbilgin, M.F., 2009. Journal rankings to making sense of the world. *Academy of Management Learning & Education* 8, 113–121.
- Schweser, C., 1977. The doctoral origins of contributors to the *Journal of Finance* from 1964 through 1975. *Journal of Finance* 32, 908–910.
- Smith, S.D., 2004. Is an article in a top journal a top article. *Financial Management* 33, 133–149.
- Zivney, T.L., Bertin, W.J., 1992. Publish or perish: what the competition is really doing. *Journal of Finance* 47, 295–329.