

Hankamer School of Business

Department of Finance, Insurance, and Real Estate

Faculty Guidelines

Revisions Approved by the Office of the Provost, November 11, 2021—James Bennighof

1 Introduction

The Department of Finance, Insurance, and Real Estate (hereafter, the Department) is guided by a Christian worldview. Therefore, we believe that all things are entrusted to humans by God for a time and that this blessing of dominion ought to be characterized by joyful and thoughtful care. This department's particular role in relation to this understanding of life concerns knowledge about, and the corresponding proper use of, financial markets and their associated instruments. Thus, our goal is to discover and promote the knowledge of the wise stewardship of financial resources.

With this goal in mind, the rest of the document provides guidelines for faculty members with respect to expectations about teaching, research, and interactions with others in the immediate and broader community. Moreover, the document specifically serves as a guide for assessing the candidacy of a faculty member applying for promotion or tenure. In brief, the expectations for faculty¹ are as follow:

1. Teach finance-related knowledge in a way that seeks to educate for wisdom as opposed to the simple transference of information.
2. Seek knowledge about the world of finance through research of the highest quality and impact.
3. Exhibit charity and courtesy towards students, department and university colleagues, and the broader finance profession, e.g., through acts of service on university, college, and departmental committees; refereeing for academic journals; advising student organizations; etc.
4. Be actively involved in the ministry of a local church community.

We elaborate on the expectations with respect to items 1 and 2 more fully in the remainder of this document. Our expectation is that items three and four are self-evident and that any fellow faculty member would be readily aware of examples of charity towards others and at least cognizant of the participation of their colleagues within the local church.

¹ Clinical faculty expectations can be found in College and University policies. This document does not supersede those documents but merely elaborates more fully on the research component for clinical faculty members with time reassigned for research.

2 Teaching

As discussed in point 1 above, we seek to educate our students by teaching finance in a holistic way. Our goal is for students to develop a solid understanding of the time value of money, risk and return, etc., while also understanding the unique role that finance plays in society. God has given us the tools of modern finance to help people throughout the world flourish in their communities, and our teaching aims to convey this important truth to students. Teaching excellence across these concepts is expected of *all* faculty in the Department and is requisite for promotion and tenure. Excellence in teaching can be established in various ways including but not necessarily limited to the evidence contained in: peer critiques of classroom performance, student evaluations, student testimonials, teaching awards, active participation in academic and professional education committees, and efforts to improve and enhance teaching effectiveness, e.g., by attending teaching seminars and workshops that are designed to improve a faculty member's pedagogy. Innovative teaching methods, case study development, integration of new technology, student mentoring, ongoing improvements of course structure, and formal and informal instruction outside of the classroom represent further examples of a faculty member's commitment to excellence in teaching.

Consultation with the Department's senior faculty or chair is helpful for establishing specific feedback on how to improve teaching and to establish more concrete steps to being characterized as providing teaching excellence.

3 Research

As part of its stated mission, Baylor University aspires to academic excellence, and the Hankamer School of Business includes "impactful scholarship" as a key component of its mission. Moreover, an expectation of faculty in the Department is to "seek knowledge about the world of finance through research of the highest quality and impact." To achieve this goal, the Department will support faculty scholarship by providing appropriate release time, graduate assistants, databases, and research technology to faculty actively engaging in high-quality research. The intent of such scholarly productivity is twofold: 1) to expand our understanding of the discipline and 2) to provide an outlet for a faculty member's intellectual inquiry, thereby facilitating continued development of the faculty member.

Each faculty member should have a clear understanding with the Department Chair regarding the relative allocation of his or her efforts among teaching, research, and any administrative

responsibilities. Faculty members (especially assistant professors) should not be put in a position in which their teaching loads prohibit them from being able to demonstrate their ability to pursue high quality scholarship. As a general guideline, untenured assistant professors will be expected to teach no more than four courses per year. Teaching loads for tenured faculty may vary based on research productivity. Tenured faculty meeting a standard of reasonable research productivity will teach no more than four courses per year, while faculty not meeting this standard will have their teaching loads adjusted upward.

The definition of “reasonable research productivity” is partly dependent upon the judgment of the Department Chair. However, an available standard by which reasonableness can be judged is that of the college’s faculty qualification policy.³ According to the policy, a scholarly academic is one who publishes at least two peer-reviewed journal articles and makes at least one other intellectual contribution in the most recent five-year period.⁴

Research in the Department can be categorized as being in one of the following three areas: 1) basic or discovery research, 2) contributions to practice, and 3) learning and pedagogical research. Given the research aspirations of the University, publishing basic or discovery research will receive the largest proportion of the Department’s resources with respect to allocation of both time and research dollars. Each of these areas is described more fully below.

3.1 Basic or Discovery Research

Any tenure-track or tenured faculty member desiring tenure or promotion should actively work to publish basic or discovery research in high-quality, peer-reviewed finance, risk management, insurance, real estate, or related journals. We rely primarily upon the *Academic Journal Guide* for 2018 to arrive at the list of such journals.

⁴ See Page 4, Table 2 of the college’s faculty qualification policy (linked under the “Faculty Sufficiency and Qualifications” section at <https://www.baylor.edu/business/index.php?id=870102>).

The following is the Department's target journal list. It is comprised of 36 journals, which represent a subset of the 109 journal titles appearing in the *Academic Journal Guide* (AJG) for 2018 under the "Finance" category. The 2018 AJG uses the mean *Journal Citation Reports* (JCR) impact factor based on the average of the five-year impact factors for the years 2011 to 2015 in order to rank journals. In order to appear on the target journal list, journals must be 3-rated, 4-rated, or 4*-rated.²

Target Journal List

Group 1 (4*-rated)

Journal of Finance
Journal of Financial Economics
Review of Financial Studies

Group 2 (4-rated)

Journal of Corporate Finance
Journal of Financial and Quantitative Analysis
Journal of Financial Intermediation
Journal of Money, Credit and Banking
Review of Finance

Group 3 (3-rated)

Annual Review of Financial Economics
Corporate Governance: An International Review
European Financial Management
European Journal of Finance
Finance and Stochastics
Financial Analysts Journal
Financial Management
Financial Markets, Institutions and Instruments
Financial Review
Insurance, Mathematics and Economics
International Journal of Finance and Economics
International Review of Financial Analysis
Journal of Banking and Finance
Journal of Empirical Finance
Journal of Financial Econometrics
Journal of Financial Markets
Journal of Financial Research
Journal of Financial Services Research
Journal of Financial Stability
Journal of Futures Markets
Journal of International Financial Markets, Institutions and Money
Journal of International Money and Finance
Journal of Real Estate Finance and Economics

² See Appendix 2 for the Academic Journal Guide 2018 definitions of journal ratings.

Journal of Risk and Insurance
Mathematical Finance
Quantitative Finance
Review of Asset Pricing Studies
Review of Corporate Finance Studies
Review of Quantitative Finance and Accounting

For the sake of brevity, the list does not include other possible research outlets that publish high-quality and appropriate research. For example, well-regarded journals in related disciplines such as economics, actuarial science, and accounting are suitable outlets for basic or discovery research.³ Finally, since neither the existence nor the quality of journals is static this list can be supplemented by updated lists from *AJG* or by the corresponding, annually-updated *JCR* impact factors.

3.2 Contributions to Practice

Contributions to practice are encouraged, particularly when they complement a faculty member's discipline-based scholarship and would be of interest to the business community. However, such contributions should generally be of a quality that can be published in widely read and respected publications such as the *Journal of Applied Corporate Finance* and *Harvard Business Review*. Also, writing for, or having one's research cited in, leading business publications such as the *Wall Street Journal* and *Financial Times* indicates that a faculty member's work is making a significant contribution. In addition, books and monographs that have a wide readership are other effective means for publishing contributions to practice. Finally, research dealing with ethical issues in finance and grant activity that contributes to the Department's academic reputation are also valued.

3.3 Learning and Pedagogical Research

Learning and pedagogical research represents the third area of intellectual contribution for a teacher-scholar. Relevant and appropriate publications in this area include textbooks, peer-reviewed cases published in such journals as *Annual Advances in Business Cases*, and articles in journals recognized for their contribution to improving pedagogy such as the *Journal of Economics and Finance Education*, the *Journal of Financial Education*, and the *Journal of Real*

³ Well-regarded journals generally have high citation impact factors and correspondingly high *AJG* ratings. Faculty considering submissions to such journals outside of the finance discipline should discuss this with the chair and other tenured faculty on an ongoing basis.

Estate Practice and Education. Also, given our teaching mission and technological innovations related to Fintech, we encourage and support innovations in teaching that are of interest to others beyond Baylor and that are referenced in the academic or business press.

4 Tenure and Promotion to Associate Professor

With respect to research expectations, to be considered a candidate for tenure an assistant professor should:

- a. Spend the preponderance of his or her time on discipline-based scholarship, as opposed to contributions to practice or learning and pedagogical research.
- b. Publish at least five publications in journals from the target journal list in Section 3.1 of this document or their equivalents in related fields. Additionally, for every publication from Group 1, the minimum number of publications to be considered necessary (but not sufficient) for tenure shall be reduced by one. For example, if a candidate publishes two articles in *Journal of Finance*, then the minimum number of refereed publications to be considered for tenure is reduced to three. For every two publications from Group 2, the minimum number of publications to be considered for tenure shall be reduced by one. For example, a tenure candidate who has two publications in the *Journal of Financial and Quantitative Analysis* would also need *at least* two publications from Group 3 of the Department's target journal list. These quantitative requirements represent the minimum standard for obtaining tenure, but do not guarantee that tenure will be granted.
- c. Provide evidence at the time of tenure review that the candidate is currently pursuing and will continue to pursue a stream of research after tenure is granted.
- d. Be an active participant in his or her academic professional associations, routinely presenting research papers at association meetings.
- e. Contribute to a Department culture that encourages scholarship by being actively involved in departmental research seminars and "brown bag" luncheons and by being part of informal "chats" about one another's scholarship and teaching activities.

In addition to meeting the above research standards, a faculty member seeking tenure and promotion to Associate Professor should have a clear understanding that a commitment to excellence in teaching is also necessary for tenure and promotion. Unacceptable teaching performance, even in the presence of stellar research, will not result in tenure, as is also true for stellar teaching and unacceptable research.

Finally, a tenure candidate's tenure/promotion packet will be submitted to a group of outside reviewers for evaluation of the candidate's research accomplishments. (The process for selecting the reviewers is outlined in Appendix 1.)

4.1 Annual Performance Reviews for Tenure-track Candidates

Each annual performance review will include careful and specific feedback to the candidate about his or her research, teaching, and service performance. This will include analysis of the quality and quantity of publications, as well as an evaluation of work in progress. In addition, it will include an analysis of the candidate's teaching evaluations and written feedback from an in-class observation by either a fellow faculty member or a staff member from the Academy for Teaching and Learning. While these reviews are not formally part of the tenure track review process, they will provide valuable information to the candidate on an annual basis.

4.2 Years 2 and 4 Tenure-Track Review

Departmental tenure-track reviews will be held in the second and fourth years. In both of these reviews, scholarly performance is to be evaluated based on the candidate's performance to date and potential contributions. By the fourth-year review, a candidate should have at least three high-quality manuscripts (as judged by Departmental review) submitted to the Department's target journals, or their equivalent, and measurable progress on several other manuscripts. The candidate should also be presenting at national meetings. If the candidate's research, teaching, or service is considered inadequate at the time of any review, the candidate may be given a terminal contract.

5 Promotion to Professor

The designation of "Professor" within academia is a matter of great importance. Thus, a person's qualifications for this rank should be assessed largely in terms of contributions to the field and reputation within the broader academic profession^{(OEB)⁴}, and the rank should be granted only in those cases in which a faculty member has clearly demonstrated outstanding performance as a teacher-scholar.

An individual promoted to the rank of Professor should have established a distinguished record of excellence in teaching and mentorship, and should also have produced a body of research and/or creative work that is recognized as excellent by authorities in the field who are in highly esteemed programs at notable institutions. The faculty member should have compiled an appropriate record of

activity in pertinent professional organizations and service to the university and community.⁵ Furthermore, as a threshold requirement, the Business School “Standards” document stipulates that promotion to Professor “should be restricted to Associate Professors who have continued to distinguish themselves as teacher-scholars and can be expected to progress even further in the future.” The “Standards” document indicates that a candidate should have demonstrated significant leadership, either by example or by oversight responsibility, in furthering the mission of the Business School. However, no amount of leadership, University/professional/community service, or professional collegiality will outweigh substandard teaching or scholarly performance in any promotion decision.

Based on the foregoing guidelines, the rank of Professor is intended, first and foremost, to provide recognition of a person’s contributions to his or her academic discipline. Thus, an individual seeking promotion to Professor in the Department must have continued to be productive in discipline-based scholarship and contributions to practice, publishing in the Department’s target journal list, or their equivalent, that contribute meaningfully to the Department’s reputation at the national level. In addition, a candidate for Professor may be recognized for scholarly contributions in the area of learning and pedagogical research.⁶

With respect to leadership, a candidate for Professor will be evaluated by the current Professors in the Department on his or her academic leadership within the Department. While administrative leadership is clearly important to the functioning of the University, such service *per se* will not be sufficient to warrant promotion to Professor. Thus, in the event that an Associate Professor is asked to serve as Department Chair, Associate Dean, or in some other major administrative capacity, he or she should be provided a sufficient reduction in teaching load (beyond that necessary to carry out his or her administrative duties) to permit time for continued research and other scholarly activities necessary to earn the rank of Professor.

Evidence of academic leadership may include the following activities, divided into two groups according to their relative importance for enhancing the academic reputation of the Department:

Primary Importance:

- Generating an outstanding record of scholarly output, including receiving awards or

⁵ This language is taken from Baylor University’s Promotion Policy Document (2007, BU-PP 702).

⁶ However, such contributions are not as highly valued and do not replace the importance of peer-reviewed academic publications and reputation within the academic profession.

other recognition for notable research.

- Focusing on a particular area or “niche” of scholarly activity, where the intent is to develop a “center of excellence” that will contribute to the Department’s reputation.
- Procuring significant external funding grants to support scholarly activity.
- Serving as an editor or editorial board member of an academic or professional journal.
- Serving in a leadership position in a national/regional academic or professional organization.
- Mentoring junior faculty in scholarly activities.

Secondary Importance:

- Receiving awards or other recognition for outstanding teaching.
- Procuring significant external funding grants to support pedagogical activities, including integrating technology in the classroom and developing curriculum.
- Initiating and overseeing a specific academic program.
- Chairing University, School, or Department committees or task forces concerned with curricular or other academic matters.
- Serving as a manuscript reviewer for an academic or professional journal.
- Coordinating a seminar series.

Clearly, the activities of primary importance focus predominantly on scholarship. However, in judging a person’s scholarly accomplishments, attention should always be given to the amount of reassigned (release) time provided to an individual for such activity.

Finally, consistent with the policy for reviewing candidates for tenure and promotion to the rank of Associate Professor, the review of a candidate for promotion to the rank of Professor will involve submitting the candidate’s packet to a group of outside reviewers for evaluation of the candidate’s research accomplishments since being promoted to the rank of Associate Professor. (See Appendix 1.)

Appendix 1

External Reviews in Support of Tenure and/or Promotion

Finance, Insurance, and Real Estate

As noted in the Department's document on Faculty Scholarship Expectations, supporting material for 1) tenure and promotion to Associate Professor and 2) promotion to Professor must include letters from external reviewers who have been asked to evaluate the candidate's tenure/promotion packet. Such reviews should focus on the candidate's research accomplishments though comments on other performance dimensions may be provided if the outside reviewer has specific knowledge of them.

A.1.1 Reviewer Selection

It is the responsibility of the Department Chair, or a Professor appointed by the Department Chair, to ensure that external review letters are obtained from appropriate and respected scholars. A preponderance of outside letters should be from faculty at peer or aspirant institutions. When the stature of a particular institution or program is not obvious, the Chair or appointed Professor should provide an explanation of why it is appropriate to solicit a letter from one of its faculty members. In cases in which it is appropriate to request letters from persons outside the academy, there should still be at least two letters from faculty at peer institutions (or better).

As part of the process of selecting reviewers, the candidate will provide the Department Chair with the names of three proposed external reviewers at qualifying institutions. In addition, the Department's Tenure and Promotion Committee (appointed by the Department Chair) will provide names of five additional potential reviewers. The candidate will be allowed to view the complete list to allow feedback concerning bias or other unsuitability that is unknown to the Committee. The Department Chair will then select two names from each list to be contacted. All letters received from the four selected reviewers will be included in the candidate's supporting materials, but at least three such letters must be included (in the event that some of the proposed reviewers choose not to provide an evaluation), including at least one letter from a reviewer chosen by the Department Committee. In the unlikely case that fewer than three letters are received, or that no letters are received from the reviewers chosen by the Department Committee, the Department Chair will request letters from among the remaining potential reviewers who were not originally contacted. Throughout this process, the candidate will not be informed of the identity of the reviewers and will not be allowed to access the letters or have any knowledge of

the content of the letters.

Care should be taken in selecting external reviewers to ensure that:

- They are leading scholars in their disciplines and especially knowledgeable about the candidate's research areas of expertise.
- They are persons whose objectivity is not open to challenge; thus, letters should not be requested from co-authors, longtime personal friends, former students (except as supportive documents for the teaching evaluation), or former mentors.
- They hold at least the academic rank for which the candidate is being considered.

A.1.2 The Solicitation Letter

The Department Chair's letter soliciting an evaluation from a reviewer should provide the reviewer a copy of the Department's standards for promotion and tenure outlined in this document. In addition, the Department Chair should note the teaching load of the candidate, in the event the candidate's teaching load differs from that of tenure-track faculty at the reviewer's school. The Department Chair should also request that the reviewer provide specific examples of the significance of the candidate's scholarship. Finally, the Chair should request a short (one page or less) biographical sketch from the reviewer.

The reviewers should be advised that their letters will be kept confidential to the extent allowed by Texas law. However, under Texas law the candidate may obtain a copy of the document under certain circumstances. Thus, the solicitation letter should include the following statement:

Your letter will be kept confidential to the extent allowed by Texas law. However, under Texas law the person made the subject of your letter may obtain a copy of the document upon request if the tenure decision is negative and a lawsuit is brought by the candidate.

A.1.3 Reviewers' Evaluation Letters and Evaluation Qualifications

Review letters are to be sent to the Department Chair, who will place them in the candidate's tenure/promotion packet. Each letter will be followed by the reviewer's biographical sketch, outlining his or her qualifications.

Appendix 2

Academic Journal Guide 2018 Definitions of Journal Ratings

4* Journals of Distinction: Within the business and management field, including economics, there are a small number of grade 4 journals that are recognized world-wide as exemplars of excellence. As the world leading journals in the field, they would be ranked among the highest in terms of impact factor. The initial paper selection and review process would be rigorous and demanding. Accepted papers would typically not only bring to bear large-scale data and/or rigor in theory, but also be extremely finely crafted and provide major advances to their field.

4: All journals rated 4, whether included in the Journal of Distinction category or not, publish the most original and best-executed research. As top journals in their field, these journals typically have high submission and low acceptance rates. Papers are heavily refereed. These top journals generally have among the highest citation impact factors within their field.

3: 3-rated journals publish original and well-executed research papers and are highly regarded. These journals typically have good submission rates and are very selective in what they publish. Papers are heavily refereed. These highly regarded journals generally have good to excellent journal metrics relative to others in their field, although at present not all journals in this category carry a citation impact factor.

2: Journals in this category publish original research of an acceptable standard. For these well-regarded journals in their field, papers are fully refereed according to accepted standards and conventions. Citation impact factors are somewhat more modest in certain cases. Many excellent practitioner-oriented articles are published in 2-rated journals.

1: These journals, in general, publish research of a recognized, but more modest standard in their field. A 1 rating is a useful indicator in that it indicates the journal meets normal scholarly standards, including a general expectation of peer review. Papers are in many instances refereed relatively lightly according to accepted conventions. Few journals in this category carry a citation impact factor.