

# Journal of Financial Reporting

## GUIDANCE FOR AUTHORS & REVIEWERS

This document provides guidance that will help authors submit suitable manuscripts and help reviewers evaluate them. Please read the entire document before submitting a manuscript or review, so that you can understand the other party's role as well as your own.

### ***MANUSCRIPTS***

#### CONGRUITY WITH *JFR*'S MISSION

Our mission is as follows:

*The Journal of Financial Reporting (JFR) is open to research on a broad spectrum of financial reporting issues related to the production, dissemination, and analysis of information produced by financial accounting and reporting systems. JFR welcomes research that employs empirical archival, analytical, and experimental methods, and especially encourages less traditional approaches such as field studies, small sample studies, and analysis of survey data. JFR also especially encourages "innovative" research, defined as research that examines a novel question or develops new theory or evidence that challenges current paradigms, or research that reconciles, confirms, or refutes currently mixed or questionable results.*

Before submitting, authors should ensure that their manuscript is as consistent as it can be with *JFR*'s mission.

- a) The scope of financial reporting topics in *JFR*'s mission statement is intentionally broad. Naturally, we are open to traditionally popular topics in financial reporting, such as accounting standard setting, the production and dissemination of accounting information, the relation between financial information and firm policies such as compensation and corporate governance, the role of financial intermediaries, and analysis by decision-makers such as equity investors, creditors, and analysts. But we also recognize that financial accounting and reporting systems influence phenomena in many domains other than for-profit organizations and capital markets, and are influenced by many factors not traditionally associated with financial reporting, such as technology, media, politics, non-financial regulation, and culture.
- b) *JFR*'s target audience is financial reporting researchers, not practicing accountants or policy makers. Findings that provide useful insights for practice and policy are highly valued, but manuscripts are accepted and rejected on the basis of their scholarly contribution.

- c) *JFR* welcomes research that employs empirical archival, analytical, and experimental methods, and **especially encourages** less traditional approaches such as field studies, small sample studies, and analysis of survey data.
- d) *JFR* **especially encourages** *innovative research*, defined as research that examines a novel question or develops new theory or evidence that challenges current paradigms, as well as *reinvestigation* that reconciles, confirms, or refutes currently mixed or questionable results that have already appeared in the literature.

Authors will be asked to include a statement that explains how their study fits *JFR*'s mission (max = 100 words) with the first-round submission of a manuscript.

## SUBSTANCE, COMMENTARY AND FOCUS

*JFR* seeks to attract innovative manuscripts, and give them an efficient path to a publication authors can be proud of. To do so, we encourage authors to write short substantive papers describing a focused study, with speculative claims marked clearly as commentary.

1. *We ask authors to separate substance from commentary.* The substance of a paper describes what the authors did, found and concluded; everything else is commentary.
  - a. For a typical empirical paper, what the authors did includes how they gathered manipulated, processed and analyzed their data, what they found includes the results of statistical and economic significance tests or how they interpreted qualitative data, and what they conclude is a narrow interpretation of which associations are reliable, whether causation can be attributed to particular factors, or whether particular claims in previously published work are confirmed or overturned. For a typical analytical paper, what the authors did includes assumptions about the setting, agent preferences and technologies, and equilibrium conditions, what they found includes equilibrium predictions, and what they conclude is a narrow interpretation of which features of the setting are most important in driving the predictions.
  - b. Commentary includes all discussion of the study's motivation, the implications its narrow conclusions, and for most empirical papers, the theoretical background and interpretation of the results. Commentary typically includes summaries of the state of practice or policy; reviews of the literature; most derivations of hypotheses; speculations about how the findings might affect future research, practice, and policy; and claims about how the methods used compare favorably or unfavorably to other approaches.
2. *Editors will base publication decisions on substance, not commentary.* We accept manuscripts that do or find something new, or that make a strong case for new conclusions when doing and finding the same things as published work. We encourage authors to make the case that they have done so, and done so well, but our decisions are based on whether the case is justifiable, not whether it is sufficiently well justified through commentary. We believe that most authors can make their case far more briefly than we see in other journals.
3. *We allow authors and discussants to engage in public debate through published commentary.* We believe that the best way to encourage innovative work is to allow reasonable disagreement to be litigated through public commentary, not through the review process. Too many papers are held hostage by reviewers and editors who worry that they are held responsible for any feature of the paper that can reasonably be viewed as a shortcoming. By allowing public commentary, we allow authors to publish controversial work, while also providing a "post-

publication review” process that allows reviewers and others to argue reasonable points of disagreement in public, so that readers can benefit.

4. *We recognize that no single paper can accomplish the goals of an entire literature.* It is rare for a single study to establish both causality *and* generality; to be innovative *and* replicate or overturn previously claimed results; to establish the causal impact of institutionally important events *and* the mechanism by which that impact occurs; or to both advance *and* test theory. We believe that the financial reporting literature benefits most when each individual study articulates a narrow goal, focuses all efforts on achieving it, and is reported with clarity and honesty about the goals it does and does not pursue and achieve.

## WRITING AND PRESENTATION

- *JFR*’s target audience is financial reporting researchers, not practicing accountants. Papers should contain sufficient discussion of the study’s methods to be useful to researchers who want to evaluate and even replicate the analysis.
- Rigorous research can still be readable. A good source for grammar and word choice is Strunk and White, *The Elements of Style*. Joseph Williams’ *Style* provides excellent advice on how to structure sentences and paragraphs so they are clear and coherent.
- *JFR* is committed to providing an outlet for shorter articles; we encourage authors to be brief and to-the-point, and resist the urge to “bloat” a paper, given the associated negative consequences of doing so as discussed in Basu (2012).
- We also encourage authors to consider graphical representations of data, especially those that help readers understand the confidence, uncertainty, variability or other nuances, and to think carefully about what details of method and presentation are more appropriate for *JFR*’s supplementary electronic content, rather than the main article.

# *EVALUATION*

## EVALUATION OF SUBSTANCE

Reviewers should evaluate the substance of the paper—what the authors did, found and concluded—separate from commentary. Editors will use this evaluation to determine whether the paper is publishable. In particular, we ask authors to address the following questions about the paper’s substance:

- Are the authors’ methods of modeling, data gathering, analysis and drawing conclusions appropriate to their question?
- Are the manuscripts’ substantive conclusion supported by what they did and found?
- Does the manuscript describe what was done, found and concluded in sufficient detail?
- Do the authors clearly indicate the strengths and limitations of the work?
- What particular choices by the authors require more justification?

For papers that are ultimately rejected, a clear explanation of the limitations is essential so that authors can understand the basis for the decision. For papers judged as “revise and resubmit,” a good review will explain how the authors can overcome the limitations and strengthen the paper to the point that it is acceptable for publication.

## EVALUATION OF COMMENTARY.

Our goal is to publish manuscripts with strong substance and reasonable commentary. If reviewers believe the commentary is reasonable but arguably wrong, we allow them to write their own commentary (or suggest others to do so). We therefore ask reviewers to evaluate the commentary included in a manuscript by addressing the following questions:

- Is commentary separated clearly from substance?
- Are any of the claims in the manuscript’s commentary unreasonable (as opposed to reasonable but arguably wrong)?
- How might you or others respond to commentary in the manuscript that is reasonable but arguably wrong?

We expect a Commentary on the manuscript to be short (1–2 pages).

## COMMUNICATION WITH THE EDITOR

We expect more direct communication between reviewers and co-editors, especially during *JFR*’s start-up phase, as the journal works toward instilling a new reviewing culture.

- Co-editors may ask reviewers for further advice, especially when multiple reviewers disagree. Co-editors can also bring in additional reviewers to resolve disputes, particularly if there is a technical point that requires or could benefit from additional

advice.

- Co-editors will attempt to avoid conflicts of interest in making reviewer assignments, but if selected, reviewers are asked to inform co-editors of a conflict. Reviewers should avoid reviewing manuscripts by: authors at the reviewer's institution; authors who were graduate student advisors or advisees of the reviewer; authors who are recent co-authors of the reviewer; or authors who have close professional or personal relationships with the reviewer.
- Reviewers should also notify the editor if they have previously reviewed the paper for another journal. The editor and reviewer will determine if past involvement with the paper presents a conflict. The editor may continue to seek the reviewer's advice, may add additional reviewers, or may rescind the request to the reviewer.

## TIMELINENESS

*JFR* is committed to rapid editorial decisions and publication. Timeliness is essential for innovative research that is meant to encourage scholarly dialogue.

We ask reviewers to be timely in returning their reviews. Authors should be respectful of the commitment to timely publication that the editors and reviewers are making and be prompt in their responses.

We ask authors to be brief in responding to reviews. To the extent possible, response memos should quote the relevant portions of the revised manuscript where the issue is addressed (whether in substance or commentary), rather than arguing the case in the review memo itself.

For more information, please view our Editorial Policy and Manuscript Preparation Guide found under "How to Submit a Manuscript" located on our homepage:

<http://aaahq.org/Research/Journals/Section-Journal-Home-Pages/Journal-of-Financial-Reporting>