

Evaluating Research Impact¹

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In these brief remarks, let us take it as a given that innovation plays an important role in promoting welfare of society. At least during the past 150 years, and most likely for longer, U.S. universities have played an important role in innovation—both by disseminating knowledge through education as well as through engaging directly in research. Today a great deal of economic prosperity and dynamism of US (and some other parts of the world) can be traced to university innovation. This applies to agriculture, animal husbandry, public health, medicine, and engineering as well as to basic sciences of mathematics, physics, chemistry, biology, etc.

It is this broader success of university education and research, and its consequences that brings the AACSB and us on this panel to ask questions about the role of research in accounting and business education. In the few minutes available, I shall touch on five issues—measurement, time lag, reflexivity, fads, and the objectives of innovation in accounting and business education.

Measurement. It is understandable that we would prefer to have hard measures of research accomplishments of individuals and institutions, and its impact. We are motivated to seek hard measures to avoid opportunism and favoritism in organizations when recognition and other rewards are linked to measured research. We try to minimize the role of personal judgment and seek more objective measures such as publication and citation counts for this reason. Unfortunately, all such measures are susceptible to manipulation and abuse themselves, just as accounting numbers are when large amounts of executive compensation are made contingent on performance measures controlled by the executives themselves.

Time Lag. It is difficult to assess the quality of research within short term. Assessment of its impact (sought by the AACSB Report) necessarily takes even longer. Research enterprise consists of many trial balloons released to see which of the ideas that appear to be good will actually fly. All research goes through a lengthy filtration process not only before it is published but especially afterwards. Only a few ideas survive this process and the test of time. With its emphasis on innovation, generation of new ideas is the key contribution whose usefulness can only be established over time. Rushing to adopt research from academic journals into practice is like drinking unfiltered water and carries considerable hazard to one's financial health. For this reasons, pushing for rapid impact, and assessment of impact, especially in time for meeting the tenure track of university faculty, is likely to do more harm than good. Awareness, discussion, and inclusion of

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research in assessment of individuals and faculty is a good idea. Its formalization is more problematic because of its uncertain benefits and potential for harm.

Reflexivity. Most of our enthusiasm for research and innovation in universities has roots in sciences and applied fields such as engineering and medicine. Our colleagues in these fields seek laws of nature which are immune to their discovery. Spectrum of light did not change after Newton discovered it. In contrast, the object of study in our field of management (and in social sciences more generally) are our own conscious selves who respond to discovery and knowledge by changing the patterns of our behavior. This reflexivity between human behavior and our knowledge of that behavior makes it more difficult to identify laws which are not transient functions of the current state of our knowledge. How do we know if we have discovered a new law or principle of management, or have simply coined a new phrase or started a new fad which fades away as its novelty wears off. Given the susceptibility of our discipline to fads and fashions (and large financial rewards often reaped by their progenitors), it is quite possible that the effect of pursuing the recommendation of the AACSB Task Force may be just the opposite of the good intentions that lie behind it.

Objective. A good part of management research seeks a better understanding of how and why things are the way they are. This is often labeled “positive” research in contradistinction to prescriptive research which seeks to find better ways of doing things. Both these dimensions of research present difficult problems in assessment of research impact. In positive research, effort to improve our understanding is fraught with the danger of promoting misunderstanding through theories and conclusions which are later refuted by logic and evidence. How many social science and management theories survive the test of time? Should we reward a researcher for having an impact even if that impact turns out to be either wrong or harmful to society? “Better” as applied to prescriptive research necessarily calls for fixing on the party whose interests are sought to be served. What is better for one could be worse for another in its consequences. What if better marketing of clever subprime mortgages and their derivatives makes investment bankers rich and brings the economic system to the brink of collapse? It would be hard to deny that the academics or bankers who devise these brilliant schemes had major impact through their research and innovation. Should they also be rewarded for this impact? Inevitably, evaluation of the impact of prescriptive research calls some broad agreement of the relevant social welfare function—an issue the AACSB Task Force does not pursue.

These problems of measurement, time lag, reflexivity, and objectives do not mean that we should not value and encourage research and innovation in our universities. To perform our educational mission well, we need to attract individuals who have an active, inquisitive, interested and interesting attitude to the subject matter they teach. Research can serve as a proxy measure of these individual characteristics of the teachers. Instead of taking research as the principal in itself, I wonder if we might do better in both teaching and research by using research as a proxy. We could benefit from vigorous pursuit of research. However, creativity and love being difficult to measure, putting mechanical processes in place to measure them may have unintended impact.