WHAT IS FINANCE CASE RESEARCH?
AN EDITORIAL VIEW

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Journal of Finance Case Research

INTRODUCTION

Since the inception of the Journal of Finance Case Research (JFCR) about three years ago, hundreds of cases have been submitted and reviewed. These cases covered a broad range of topics and varied greatly in quality. Since the journal prefers to publish a particular class of cases, we thought it appropriate to communicate this objective more precisely to the readership. We understand that the definition of a case can be quite broad, as is the definition of research itself, so the following description is only intended to give general direction when considering JFCR as an appropriate outlet for your case research.

A CASE PROBLEM DEFINED

A definition of a case can run the spectrum from a few sentences to seventy pages or more. Regardless of its size, the goal of any case should be clear: to teach students to analyze and provide recommendations for a solution to a business problem or issue. The scope of the four terms: "business problem", "analyze", "recommend", and "solution", is where we believe the quality case takes form.

For example, can an end-of-chapter problem using NPV be considered a case? In some environments, it may very well be called a case. There is a solution to the problem and the students can recommend a go - no go decision, but there is no analysis and no business problem. If we examined the scenario more generally, how might a business problem be developed? In most instances when utilizing NPV for a solution to a problem, there is a capital budgeting decision being considered. It is likely that considerable analysis has been done prior to the point where the NPV calculation is completed. Projected sales and costs, sunk costs, opportunity costs, project interactions, and computation of a discount rate (or rates) are a few of the areas that may have been considered prior to the rote computation of the NPV.

Many of these factors distinguish a case from an end-of-chapter problem. A case does not simply require a computation or application of a formula. To solve a case, the student must be required to think, to make choices, to support analysis, to solve a real business problem with at least some of the complexities faced by a real business.

The scope of a case is thus much broader in nature than a simple end-of-chapter problem. Similarly, the demands on a student's intellect are much broader than for a simple end-of-chapter problem.

CASE QUALITY

Beyond the scope of the problem, we consider many other factors when considering a case for publication. We prefer cases that spawn from a problem faced by a real business, not simply the imagination of the author. Real life decisions are more interesting and more valuable to students than fabrication. We prefer cases with a worthwhile learning objective, which needs to be relevant to finance and pertinent in today's environment. We prefer cases that are usable in the classroom. To determine usability, we look at *six primary areas:*

1. ***The case should be interesting to students and professors.*** Although the definition of 'interesting' can be somewhat personal, authors are responsible (in the same way they are responsible when submitting other types of empirical research) to convince editors and reviewers of the timeliness and importance of the topic.

2. ***The case objective should be attainable in the specified class time.*** This expectation implies that the complexity of a case taught in a 75-minute class period, will differ from a case taught in 50 minutes or 150 minutes. We understand that more experienced case teachers are better able to manage time constraints, but quality cases are designed to fit appropriately in the specified time frame.

3. ***Students must learn to analyze and solve a business problem or issue.*** This stems from the discussion above on the scope of the case and the difference we see between cases and end-of-chapter problems.

4. ***The level of case difficulty should match the chosen audience.*** If an author suggests a case is usable at the MBA level, the language and technical level of the case needs to be at an MBA level.

5. ***The case must be well organized.*** It must be clear when reading the case why authors have chosen a particular organizational structure. Each section should transition smoothly from one to the next.

6. ***The case must be well written.*** Beyond the basic spelling and grammar, authors should choose words carefully and write in a clear and concise manner. Case manuscripts should follow JFCR's published guidelines. Tables and figures should be well designed (for presentation of informational content) and labeled. Simplifications or complexities in the case should be well thought out and match the case objective and chosen audience. The necessary information to provide a thoughtful analysis of the problem or issue must be in the case. The case should make the students think, consider alternatives, and apply knowledge garnered in current and/or previous classes.

Cases often need to be disguised, so that no inference can be drawn about the subject company, or about characters within the case. If not disguised, authors should have permission to use company-provided information. If all of the information in the case was acquired from publicly available sources, those sources should be referenced within the case and professionally

cited at the end of the case. Acknowledgment that the case is the author(s) original work is required for publication.

TEACHING NOTE QUALITY

In addition to the quality of the case, reviewers and editors examine the quality of the accompanying teaching note. We believe the primary objective of the teaching note is to reduce the case teacher's preparation time. As such, a quality teaching note must be complete from analytical, computational, and classroom-pedagogical standpoints. A professor should be able to utilize the teaching note to direct the case discussion thoroughly and with a minimal number of surprises. Authors should not assume the case teacher will have a similar understanding of the material, and in some instances, the professor using the case may have limited background in the area.

Similar to the case, the teaching note must have an appropriate organizational structure and be well written. It is preferable that the teaching note also contain the author's experience when teaching the case, particularly when it may provide insight for professors using the case for the first time. Where a case is not disguised, it is also useful for the teaching note to contain an epilogue with information about what actually happened.

We often receive cases with "instructional" sections included as part of the case. Since professors (and textbook authors) have strong preferences in terms of methods of presenting certain topics, we ask authors to place instructional sections in the teaching note labeled as a 'suggested approach' to coverage of the topic. To some degree, 'questions' are often used instructionally to provide students with direction. Again, to provide professors with a pedagogical choice, we ask authors to place questions in the teaching note. Questions should be thought provoking rather than mechanical (i.e. rather than "Do a ratio analysis" consider "Show how your ratio analysis will help support your decision").

CONCLUSION

In summary, the desirable JFCR case provides students with the opportunity to analyze and consider alternatives and possible solutions to an interesting, real business problem - it requires students to think. The desirable JFCR teaching note provides the case teacher with the needed information for developing a quality learning environment while minimizing preparation time.

Readers should understand that the above description is not all-encompassing. The description is only intended to provide direction on the preferred type of case research at JFCR. Authors submitting research following these guidelines will certainly increase their probability of publication.

[Format and style requirements for manuscripts may be found at our website, www.jfcr.org]