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Tarun K. Mukherjee
University of New Orleans

Joseph Farhat
Social Security Investment Commission, Amman, Jordan

Carmen Cotei
University of Hartford

FACTORS EXPLAINING THE RESULTS OF JOB SEARCH BY THE 2002 FMA JOB APPLICANTS—A SURVEY

Tarun K. Mukherjee*

Professor of Finance and James Moffett Chair in Financial Economics
Department of Economics and Finance
University of New Orleans
New Orleans, LA 70148
tmukherj@uno.edu

Joseph Farhat

Investment Consultant
Social Security Investment Commission
Amman 11185 - Jordan
Joseph.F@ssiu.gov.jo

Carmen Cotei

Assistant Professor of Finance
Barney School of Business
University of Hartford
West Hartford, CT 06117
cscotei@uno.edu

*Address for correspondence

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We perform an online survey of candidates, who listed their resume on the 2002 FMA website, seeking finance faculty positions. The response rate is approximately 50 percent. Consistent with Bertin, Prather, and Zivney (1999), we find that the new hire market for finance professors continues to shrink and salary range continues to widen. The factors significantly affecting the success rate in the job market are: having Ph.D./DBA in Finance/Financial Economics, having dissertation defended, having worked as a GA, being a female, and being a US citizen/permanent resident. Being a female candidate or an appointment at an accredited college are associated with higher salaries. The number of FMA interviews and the number of campus visits too have positive relation with salaries. It appears that the market condition has changed since the Bertin, Prather, and Zivney (1999) study, as we find that US citizens and permanent residents have more success (than non-US citizens) in obtaining jobs and a female candidate has greater chances in securing a job with higher salary than her male counterpart.

FACTORS EXPLAINING THE OUTCOMES OF JOB SEARCH BY THE 2002 FMA JOB APPLICANTS—A SURVEY

Each year's FMA meeting is unquestionably the most important place for job applicants of that year to look for finance faculty positions. This is particularly true for the new hire market. To prepare for this market, a candidate has to spend years to build a suitable background (successfully completing coursework and the dissertation and gaining teaching and research experience) and go through the grueling search process (numerous job applications resulting in a few interviews at the FMA, leading to even fewer campus visits). The desired result---finding a suitable faculty position---is never guaranteed. Gone are the days of the 1970's and 1980's, when the number of positions usually exceeded the number of applicants. As the number of positions dwindled in comparison to the number of job seekers, several candidates were left without any offers or often had to accept positions with sub-standard salaries. This trend that started in mid-1990's continues.

What factors differentiate between the successful and the unsuccessful, or between those who receive high salaries and those who accept positions with low salaries? This is the central question that we attempt to answer in this study. By gathering information via an electronic survey of job candidates at the 2002 FMA meeting, we isolate factors that are associated with the success in obtaining a suitable job and the salary that comes with it.

Several studies have deliberated on this issue (Bertin, 1983; Taube and MacDonald, 1989; Bertin and Zivney, 1991; Cheng and Davidson III, 1995; Dyl and Hasselback, 1998, Bertin, Prather, and Zivney, 1999; and Eaton and Nofsinger, 2000, among others). To a large extent, we update and extend this body of work by reexamining its results in the aftermath of the

economic and political fallout of 9/11/2001. The paper proceeds along the following lines. Section I provides a survey of relevant literature. Section II discusses sample, data, and methodology. Section III presents survey results, while Section IV analyzes these results. Section V concludes the paper.

I. LITERATURE SURVEY

Although several studies have examined various issues pertaining to the academic job market in the finance area, we discuss below two studies that are comprehensive in nature, more directly related to our study, and use the FMA placement service as the primary survey target. These studies are Bertin and Zivney (1991), and Bertin, Prather, and Zivney, 1999.

Bertin and Zivney (1991) update and extend the Bertin study (1983) by surveying finance candidates included in the 1989 FMA Resume Book. They analyze market factors that affect the finance candidates' job selection and attempt to explain salary differences among these candidates. By performing the cross-sectional analysis with the number of interviews at association meetings as dependent variable, the authors find a negative relation between it and the candidate's age, a positive relation with early alphabets, and no significant relationship with sex, citizenship or race. When the salary package is used as the dependent variable, the authors report a positive relationship with the ranking of the graduating school and a negative relationship with the teaching load at the hiring institution and a candidate's age. Bertin and Zivney conclude that potential research productivity is the underlying factor explaining the difference in salary offers.

Bertin, Prather, and Zivney [BPZ] (1999) update earlier studies, especially the Bertin and Zivney (1991) study, based on a survey of candidates listed in the 1996 FMA Resume Book.

They perform cross-sectional regressions parallel to those of the Bertin and Zivney. When using the number of interviews at the FMA meeting as a dependent variable, BPZ report that although females continue to receive more interviews than males, the difference is not statistically significant. Also, consistent with the findings of Bertin and Zivney, BPZ note that the number of interviews is not related at a statistically significant level to citizenship or race. Unlike Bertin and Zivney (1991), however, BPZ report that the relation between the number of interviews on the one hand, and early alphabets (positive) and age (negative) on the other, is not statistically significant.

Using the salary package as a dependent variable, BPZ find that while single female may receive greater number of interviews, it is married males who receive higher salaries. Interestingly, they also report that candidates with completed degree receive less money on average than those in earlier stages of the doctoral program, and graduates of "Established Ph.D. Programs" receive, holding everything else constant, about $10000 less than candidates from frequently less prestigious schools. Consistent with Bertin and Zivney, BPZ also note that publications and paper presentations negatively affect a candidate's starting salary. Other results include: teaching at another school reduces a candidate's salary, "Established Research Schools" and AACSB accredited schools pay more in thousands of dollars, and visiting positions have become more common in the entry-level finance market. In addition, they document that new-hire finance market has shrunk in recent years, while the salary segmentation for new hires continues.

II. SAMPLE, DATA, AND METHODOLOGY

A. Questionnaire

We designed a questionnaire to elicit the information needed for our study. It contained questions regarding:

a. Demographic profile of candidates;

b. Academic background of candidates in preparation for the job market;

c. Intensity of the job search;

d. Outcome of the job search process; and

e. Characteristics of the accepted position.

In addition, we asked the applicants to answer 15 opinion-type questions, in the same vein as Eaton and Nofsinger (2000), regarding what they considered to be important in choosing a faculty position. These questions were to be answered in a scale from 1 to 5, with 1 being Not Important and 5 being Extremely Important.

We targeted candidates who filed their resumes for finance positions on the 2002 FMA placement Website and who did not receive terminal degrees prior to 2002.[1] We pre-tested the questionnaire and e-mailed the questionnaire along with a cover letter to 132 eligible candidates. We asked job candidates to fill out and submit the survey instrument online.[2] To increase the response rate, we assured the respondents of confidentiality.

[1] We exclude applicants who obtained terminal degrees before 2002 to focus on relatively new candidates in the job market.

[2] Answering survey questions on line is in keeping with the current FMA practice that has replaced old Resume Book with on-line resume.

B. Sample

We sent the initial e-mail in the third week of June in 2003, which elicited 42 responses. A follow-up e-mail sent in the third week of July yielded 20 additional responses. Our sample consists of these 62 complete responses. Forty seven (76 percent) of the respondents were successful in the job search, while 15 (24 percent) were unsuccessful.

A 47 percent response rate compares very favorably with that reported in the BPZ study.[3] In spite of the satisfactory response rate, we cannot entirely rule out a non-response bias. Potential sources of bias include: a) it is entirely possible that candidates who have been hired are more likely to respond; b) the respondents might have been unwilling to share some information, in spite of our promise of confidentiality (for example several candidates did not report the name of the school they were pursuing their degrees and even a larger number of candidates did not volunteer the names of the hiring schools); c) some candidates might have considered information, such as the salary at the hiring institution, private and therefore, opted not to participate; and d) the applicants who dropped out of the market prior to the meeting might find many of the questions inapplicable to them, and, therefore, decided not to respond.

C. Analytical Procedure

Since the primary purpose of our study is to identify the factors that explain the ultimate success of the job search, we perform both univariate and multivariate analyses. We perform univariate analysis through cross tabulations of selected factors with Job and No-Job. For multivariate analysis, we employ Logit regression, in which Job and No-Job take on values of 1

and 0 respectively. Independent variables include selected factors representing demographic profile, job preparation and the intensity of job search, FMA interviews and campus interviews.

We perform similar analyses, except Logit regression, to identify factors that explain salary differences of successful candidates. Data limitations do not permit us to effectively apply Logit regression at this stage of our analyses. We also test to see whether the opinions provided by all respondents on 15 factors are significant and whether responses differ (at a statistically significant level) based on the gender and citizenship status of the respondents.

III. SURVEY RESULTS

A. Demographic Profile

Exhibit 1 shows the demographic profile of the sample. Forty nine (79%) of the respondents are male and 13 (21%) are female. In terms of age, 12 (19%) are below 30, 42 (68%) are between 30 and 40, and 8 (13%) are 40 or above. Finally, U.S. citizens (or permanent residents) and non-citizens split the sample in half.

EXHIBIT 1 GOES HERE

B. Academic Profile

Exhibit 2 shows how the candidates prepared themselves for the job market. The applicants were predominantly focused on Finance: fifty four of the 62 respondents either already received or pursuing Ph.D. in Finance or Financial Economics or DBA in Finance.[4] More than half of the applicants chose corporate finance as their major field. Seventeen applicants finished their course work, 31 defended the proposal, and 14 defended dissertation (or were granted Ph.D.'s) by the time these applicants put their resumes on the FMA's Website. Slightly more than 60% of

[3] Four e-mails were returned undelivered.
[4] Only 1 was in the Ph.D. in Financial Economics program and 2 were in the DBA.

candidates were still at their respective doctoral institutions, while the rest of them were employed as visiting professors (16%) or were holding tenure-track positions (23%). Forty two candidates served in the capacity of both teaching and research assistants. Fifty two candidates (84%) had taught at least 4 finance courses by the time of application, and 46 of them (74%) had teaching experience in the corporate finance area. In terms of research, 22 (36%) had at least 1 publication and 46 (75%) had authored at least 3 working papers.

EXHIBIT 2 GOES HERE

C. The Search Process

Exhibit 3 shows that 37 candidates (60%) started the job search before the end of August 2002. Does applying early produce better results? Our evidence points to the contrary. Later in this paper, we report that a higher percentage of candidates (significant at the 10% level), who applied after August, received job offers.

Twenty four (39%) of these candidates made 40 or less applications, 29 (47%) made 41-80 applications and 9 (15%) made an astounding number of more than 80 applications. All 62 candidates applied for faculty positions, although 9 of them also applied for non-academic positions. An overwhelming 82% of these candidates were seeking institutions with a balanced mission of research and teaching. Does a greater number of applications leads to a higher number of FMA interviews and subsequently a larger number of campus visits? We find that there is no significant correlation between the number of applications on one hand and the number of FMA interviews and job offers on the other. Indeed, a higher percentage (although not statistically significant) of the group with more than 40 applications ends up with no job offers.

EXHIBIT 3 GOES HERE

D. Outcome of Job Search

Exhibit 4 presents the results of job search. More than half of the candidates received between 7 and 15 interviews at the 2002 FMA meeting, while 17 (27%) received more than 15 interviews.[5] Almost 50 percent of candidates (30) who received interviews at the FMA also obtained interviews at the AFA meeting. Our questionnaire did not ask if and how many of the schools interviewed at the AFA were different from those that listed their positions on the FMA. We suspect that, in majority of cases, AFA interviews amounted to a second interview with the same schools as the ones at the FMA meeting.

Seventeen candidates were not invited for campus visits. The correlation between the number of interviews at the FMA meeting and the number of campus visits is .54 (statistically significant at the 5% level). Of the 45 candidates who were invited for campus interviews, 26 received multiple offers. Twenty-five (54%) candidates with job offers accepted positions before December 15, 2002. It appears that two candidates received and accepted job offers without having a campus interview.[6]

EXHIBIT 4 GOES HERE

E. Position Description

Exhibit 5 provides details of accepted positions. Thirty six (78%) of these positions were tenure-track and 38 (83%) were at AACSB-accredited institutions. Twenty eight (60%) of the hiring schools placed a balanced emphasis on teaching and research, while almost one-fourth of these schools were pure research oriented. The primary teaching assignments at these schools

[5] Candidates who were in an advance stage in the doctoral program (e.g., dissertation defended as opposed to course-work finished) received larger number of interviews at the FMA meeting (correlation coefficient is .25—significant at the 10% level).

were in corporate finance/international finance (38 percent), investment (31 percent) followed by financial institutions (25 percent).

At almost 50 percent of the hiring institutions, teaching load is 4 or less per academic year. Market segment observed by Bertin, Prather, and Zivney (1999) is clearly evident in the salary distribution of the accepted position shown in Panel H of Exhibit 5. Twelve (26 percent) schools offer $70,000 or less as starting salary for 9 months, 25 (54%) offer between $70,000 and $100,000, while 9 (20%) offer more than $100,000. Below are the salary ranges reported in previous studies:

Bertin (1983)	$27,000-$33,000
Bertin and Zivney (1991)	$36,000-$71,400
Tomkins, Hermanson, and Hermanson (1996)	$42,500-$82,500
Bertin, Prather and Zivney (1999)	$$39,000-$100,000
The Current Study	Less than $40,000 to More than $100,000

An inescapable conclusion is that the gap in the salaries is widening instead of declining over the years. In terms of distribution of work between teaching, research, and service, 40 percent to 60 percent weight is most common in teaching and research, while 10 percent to 30 is most common in service.

EXHIBIT 5 GOES HERE

Exhibit 6 presents candidates' opinion on the importance of various factors on choosing a faculty position. Candidates consider starting salary base, academic year teaching load, criteria

[6] Forty five candidates received campus interviews but 47 candidates received and accepted job offers. It is likely that the job offers came from abroad (e.g., New Zealand). These schools usually perform interviews at the FMA

used for promotion and tenure, and available research resources very important in choosing a job. The starting salary factor is statistically significant at the 10 percent level, while the other three factors are significant at the 5 percent level. On the other hand, future salary growth, summer teaching, amount of service responsibilities, class size, and academic prestige of the business school or department are considered less important. All five factors are significant at the 5 percent level.

When all responses are segmented by gender and visa status, the results are somewhat different and more interesting. Male candidates consider starting salary (at the 10 percent level) as well as cost of living (at the 5 percent level) more important than female candidates. Female candidates, however, consider the prestige of the hiring institution is significantly more important (at the 10 percent level) than their male counterparts. While US citizens/permanent residents put more emphasis on the retirement system and healthcare program, non-US citizens emphasize summer research funding, funds to attend conferences, and amount of service responsibilities.[7]

EXHIBIT 6 GOES HERE

IV. CROSS-SECTIONAL ANALYSES OF SURVEY RESULTS

D. Factors Influencing Successful Outcome

In performing cross-sectional analyses, we also want to see if the academic status of a candidate's graduating institution has an impact on his/her success in the job market. We use the ranking scheme used by Borokhovich, Bricker, Brunarski and Simkins (BBBS) (1995). In their paper, BBBS rank institutions by the total impact of finance research articles published by

meeting but make offers based on subsequent telephone interviews, thus avoiding expensive campus visits.
[7] Our educated guess is that non-residents prefer lesser service responsibilities.

faculty members of these institutions. Total impact is measured by the sum of the total articles weighted by the impact factors (based on Social Sciences Citation Index) of the journals in which they appear.

For each university represented by responding candidates, we identify the total impact reported by BBBS. Then, we rank these institutions in descending order of the total impact and classify them in four tiers, with first being the highest and fourth being the lowest. Since 13 respondents did not specify their affiliated institutions, we report our ranking-based results for 49 candidates.[8]

EXHIBIT 7 GOES HERE

Exhibit 7 shows that while 71 percent of male candidates were able to find jobs, 92 percent of female applicants were successful. Thirty-one out of 42 in the 30-39 age group found jobs, while all candidates in the below-30 group were successful. Almost an equal number of US citizens and non-citizens accepted job offers. More than 80 percent of the candidates who succeeded in job search were at the ABD stage. All 10 candidates who were hired as visiting professors were subsequently able to secure tenure-track jobs. No clear relation seems to exist between obtaining a position on the one hand and the number of courses taught, number of articles or working papers published, and timing of the application, on the other. Also, increasing the number of applications appears to have little bearing on the rate of success in the job hunt.

EXHIBIT 8 GOES HERE

Exhibit 8 reports the impact of selected factors on search outcomes (job versus no-job). Where there are more than two classifications for a given factor, we force them to converge into

[8] University of Cambridge and University of London are not included in the BBBS ranking. We rank them in Tier 1.

two broad classifications to ensure, for the purpose of statistical analysis, adequate number of observations in each category. Exhibit 8 shows that younger candidates (below 30) have a greater success rate (at the 1 percent significance level) than the 30-or-more age group. A female candidate and one who applies after August or who graduates from two top-tier schools also are more successful (at the 10 percent level). As to be expected, increased number of campus visits enhances the chances of receiving job offers.

EXHIBIT 9 GOES HERE

Logit regression results are presented in Exhibit 9. The factors which significantly affect the success rate in the job market are: a) having Ph.D./DBA in Finance/Financial Economics, b) having dissertation defended at the time of application, c) having worked as a GA, d) being a female, e) being a US citizen/permanent resident, and f) studying in top-ranked schools. Number of courses taught, number of working papers/publications, and number of interviews at the FMA do not seem to have noticeable impact on the success rate.

B. Factors Influencing the Salary

Exhibit 10 reports the impact of various factors on the level of salary ---below- or above-median--- received by 47 successful candidates. The median salary for the entire sample is $82,500. While only 13 of 35 (37 percent) male candidates received above-median salary, 9 of 12 (75 percent) female candidates did the same. The median salary for female candidates is $97,500 compared to $82,500 for male candidates.

Eight of 12 candidates in the below-30 group receive higher-than-median salary compared to the 30-or-above group. US citizens/permanent residents receive disproportionately higher salary than the non-residents/citizens. The median salary for US

citizens is $87,500, for permanent residents is $82,500, and $75,000 for international students. While defending the proposal by the time of application gives a slight edge for a candidate's receiving a job offer (see Exhibit 7-Panel B), the same does not hold true in terms of salary received.

EXHIBIT 10 GOES HERE

Those who are doctoral students at the time of application appear to command a higher salary than those who held a visiting position or a tenure-track Assistant/ Associate professor. Institutions seem to be willing to pay a higher salary to new candidates than the candidates who were in the market in the preceding year(s). It also appears that a candidate with a teaching record of 4 to 7 courses has an edge over those who taught 3-or-less or more-than-7 courses. Publication of one or more articles helps and so does three to four working papers. Again, a higher number of applications does not translate into a higher salary. Graduates from top two-tier universities command higher salaries than those graduating from the third and fourth tier institutions.

Although not included in this Exhibit, pure research schools and schools that are AACSB accredited pay substantially higher salaries than pure teaching and non-accredited schools. The median salaries paid by pure research schools, schools with mixed teaching and research focus, and pure teaching schools are respectively $97,500, $85,000, and $72,500. While the median salary at accredited school is $90,000, the same at non-accredited schools is $62,500.

EXHIBIT 11 GOES HERE

Exhibit 11 is prepared in the same manner as Exhibit 8, except here we are interested in examining the power of selected factors in explaining the salary differences. It confirms the results we observe in Exhibit 10. Female candidates and graduates of top tier universities receive

higher salaries (significant at the 5 percent level) than their male and bottom tiers counterparts. Younger (below 30 candidates) and candidates with 1 or more published articles outperform the older (over 30) and zero-publications candidates.[9] The higher the number of campus visits, the greater the chance that a candidate will receive a higher salary.

V. CONCLUDING REMARKS

Caution must be exercised when interpreting our results. Survey-based research has some inherent limitations, with the most noteworthy limitation being potential non-response bias. Although we have tried our best to avoid (or at least reduce) the pitfalls (e.g., to increase the response rate we have kept the length of the survey to a possible minimum, on-line response, assurance of confidentiality, etc.), we cannot completely rule out the possibility of non-response bias. However, we are confident that our response rate compares well with that of previous researchers. Also, we cannot say with complete certainty that 2002 FMA market is not an aberration but correctly represents the current job market. Finally, although the FMA market is the biggest job market for new candidates, other avenues for job search do exist (such as regional finance conferences and the Chronicle of Higher Education). These limitations aside, we believe that the following observations are appropriate.

In summarizing the findings and analyses of such, we are able to offer the following comments:

1. Some trends observed by previous researchers continue to hold.
    - The new job market for Finance professors continues to shrink.
    - The salary range offered to new hires continues to widen.

[9] Unfortunately, our questionnaire does not allow us to comment on the quality of journals in which the articles are published.

- AACSB-accredited schools continue to offer higher (statistically significant) salaries than those offered by non-accredited schools.
- Pure research schools pay substantially more than pure teaching schools.
- Visiting positions continue to be an important vehicle in the job market.

2. Some results reported by previous researchers, especially Bertin, Prather, and Zivney (1999), cease to hold.

- Female candidates have a better chance of being hired with higher salaries than their male counterparts. It appears that the employing institutions have taken notice of the concern expressed by Dyl and Hasselback (1998) about under-representation of female candidates in the finance job market.
- Although not statistically significant, our results show that US citizens and permanent residents have a better chance of securing a job and receiving higher salaries than their non-resident counterparts. This message hits close to home as at least two candidates (both non-residents) from our doctoral programs were asked over telephone by three smaller schools of their visa status. They were told that they would be called later for a longer and more formal telephone interviews or invited for campus interviews. Needless to say, they were never re-contacted. It is possible that September 11 episode has taken a little toll on non-residents.
- Publications might not necessarily help in securing a job, but they are rewarded with higher salaries for successful candidates.
- Graduates of higher ranked schools command a substantially higher salary.

3. The gender and often the visa status are beyond a candidate's control. Fortunately, certain things are still possible to control in order to increase the chance of being hired. It will pay for a candidate to:
    - get into a Ph.D. program offered by top two-tier schools;
    - complete the program by the age of 30;
    - have teaching experience, especially in corporate finance, while working on the program;
    - avoid applying too early (i.e., before August);
    - defend dissertation (or at least defend proposal with a realistic target dissertation defense date); and
    - seek employment with a AACSB-accredited school.
4. A larger number of applications do not translate into a larger number of FMA interviews, campus visits, or job offers. It pays to set a realistic target of fewer schools that match a candidate's academic background, thereby limiting the number of applications. It also avoids putting unnecessary pressure on professors to write a huge number of recommendation letters.

The comments in item 3 and 4 are by no means original. Our findings simply confirm them.

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Exhibit 1: Profile of Respondents

	#	%
A. Gender:		
Male	49	79
Female	13	21
	62	100
B. Age:		
20-29	12	19
30-39	42	68
>39	8	13
	62	100
C. Visa Status:		
U.S. Citizen/ Permanent Resident	31	50
Non-U.S. Citizen	31	50
	62	100

Exhibit 2: Job Preparation

I. ACADEMIC STATUS		
A. Degree Pursued/ Received	**#**	**%**
PhD Finance/ Financial Economics and DBA in Finance	54	87
PhD Economics	5	8
Other	3	5
	62	100
B. Major Field		
Corporate Finance	36	58
Investments	9	15
Financial Institutions	4	6
Other	13	21
	62	100
C. Degree Status at the Time of Application		
Finished my Course Work	17	27
Defended my Proposal	31	50
Defended my Dissertation/ Granted Ph.D.	14	23
	62	100
D. Job Title at the Time of Application		
Doctoral Student	38	61
Visiting Professor	10	16
Tenure/ Tenure Track Assistant/ Assoc. Professor	14	23
	62	100
E. Graduate Assistantship		
Teaching Assistant	9	15
Research Assistant	3	5
Both	42	68
Neither	8	13
	62	100
II. TEACHING EXPERIENCE:		
F. Number of Times Finance Courses Taught		
0	2	3
1-3	8	13
4-7	23	37
>7	29	47
	62	100
G. Primary Area of Finance Taught		
Corporate Finance	46	74
Investments	8	13
Financial Institutions	3	5
International Finance/Other	5	8
	62	100

Exhibit 2 continued

III. RESEARCH EXPERIENCE:

H. Number of Articles Published	#	%
None	39	64
One	10	16
Two or more	12	20
	61	100
I. Number of Working Papers		
1-2	16	26
3-4	32	52
5 or more	14	23
	62	100

Exhibit 3: Job Search Process

A. Start of the Search	#	%
Before August 2002	37	60
After August 2002	25	40
	62	100
B. Number of Applications		
0-40	24	39
41-80	29	47
over 80	9	15
	62	100
C. Types of Job Applications		
Academic	53	85
Non-Academic	0	0
Both	9	15
	62	100
D. Type of Academic Institution Desired		
Pure Research	10	16
Pure Teaching	1	2
Both Research and Teaching	51	82
	62	100

Exhibit 4: Job Search Results

A. Number of Interviews at FMA	#	%
1-6	11	18
7-15	34	55
>15	17	27
	62	100
B. Number of Campus Interviews Resulting from FMA Meeting		
0	17	27
1-3	30	48
>3	15	24
	62	100
C. Number of Interviews at AFA		
1-6	20	67
7-15	9	30
>15	1	3
	30	100
D. Number of Campus Visits Resulting from AFA Meeting		
0	14	47
1-3	13	43
>3	3	10
	30	100
E. Number of Offers Received:		
0	17	27
1	19	31
2	13	21
>2	13	21
	62	100
F. The Offer was Made and Accepted:		
before 12/15/2002	25	54
12/16/2002-3/15/2003	12	26
after 3/15/2003	10	20
	47	100

Exhibit 5: Description of Accepted Positions

A. The Track	**#**	**%**
Tenure	36	78
Non-Tenure	10	22
	46	100
B. Accreditation Status		
AACSB Accredited	38	83
Non-AACSB Accredited	8	17
	46	100
C. The Emphasis on Research at the Accepted School		
Pure Research	11	23
Pure Teaching	8	17
A Mixture Between Research and Teaching	28	60
	47	100
D. The Highest Finance Degree Offered by the Accepted School		
Undergraduate	12	26
Master	28	60
Doctoral	7	15
	47	100
E. Primary Teaching Area at the Accepted School		
Corporate Finance	6	19
Investments	10	31
Financial Institutions	8	25
International Finance	6	19
Economics	2	6
	32	100
F. The Teaching Load/Year is:		
4 or less	21	48
5	6	14
6 or above	17	39
	44	100
G. Number of Teaching Preparations/Academic Year		
Two	24	57
Three	9	21
Four	6	14
Five	3	7
	42	100
H. Salary Ranges of Accepted Positions:		
Less than $45,000	2	4
$45,000 up to $55,000	2	4
$55,000 up to $65,000	4	9
$65,000 up to $70,000	4	9
$70,000 up to $75,000	3	7

Exhibit 5 continued	#	%
$75,000 up to $80,000	4	9
$80,000 up to $85,000	5	11
$85,000 up to $90,000	2	4
$90,000 up to $95,000	7	15
$95,000 up to 100,000	4	9
More than $100,000	9	20
	46	100

I. Summer Research Grant

0% of the Base Salary	15	34
less than 10%	14	32
10% to 15%	8	18
16% to 20%	4	9
21% to 25%	3	7
	44	100

J. The Distribution of Work between Teaching, Research and Service

	Teaching	Research	Service
0%	0	2	8
10-30%	5	11	34
40-60%	35	28	0
>60%	5	3	0
	45	44	42

Exhibit 6: Opinion of Job Candidates on the Importance of Several Factors in Choosing a Faculty Position

	All						Gender			Citizenship Status		
							Female	Male	Differ-ence	U.S. Citizen/ Perma-nent Resident	Non U.S. Citi-zen	Differ-ence
	NI	SI	I	VI	EI	Mean	Mean	Mean	Mean	Mean	Mean	Mean
Starting annual base salary	1.6%	24.2%	37.1%	19.4%	17.7%	3.3*	2.8	3.4	-0.5*	3.2	3.4	-0.2
Future salary growth for faculty at the school (e.g., annual raise)	8.1%	35.5%	43.5%	4.8%	8.1%	2.7**	2.5	2.7	-0.2	2.7	2.7	0.0
Availability of supplemental funds for summer teaching	22.6%	24.2%	35.5%	12.9%	4.8%	2.5**	2.2	2.6	-0.5	2.5	2.5	0.0
Educational retirement system and Healthcare program	16.1%	27.4%	32.3%	16.1%	8.1%	2.7	2.5	2.8	-0.3	3.0	2.4	0.6*
Availability of supplemental funds to support research projects	3.2%	25.8%	29.0%	24.2%	17.7%	3.3	3.7	3.2	0.5	2.9	3.6	-0.7**
Availability of supplemental funds to attend conferences	0.0%	29.0%	33.9%	24.2%	12.9%	3.2	3.5	3.1	0.3	3.0	3.5	-0.5*
Teaching load during the academic year	8.1%	4.8%	32.3%	33.9%	21.0%	3.5**	3.7	3.5	0.2	3.6	3.5	0.1
Criteria used for promotion and tenure decision	1.6%	22.6%	37.1%	22.6%	16.1%	3.3**	3.2	3.3	-0.1	3.5	3.0	0.5
Amount of service responsibilities	12.9%	30.6%	38.7%	14.5%	3.2%	2.6**	2.4	2.7	-0.3	2.4	2.9	-0.5**
Typical class size	27.4%	24.2%	27.4%	14.5%	6.5%	2.5**	2.2	2.6	-0.3	2.3	2.7	-0.4
Opportunity to teach desired courses	14.5%	30.6%	30.6%	16.1%	8.1%	2.7	2.5	2.8	-0.3	2.5	2.9	-0.4
Cost of living in the area where the school is located	17.7%	19.4%	38.7%	14.5%	9.7%	2.8	1.8	3.0	-1.2**	2.9	2.6	0.3
Geographic location of the school	17.7%	16.1%	32.3%	19.4%	14.5%	3.0	2.8	3.0	-0.2	3.2	2.7	0.5
Availability of research facilities (e.g., financial data)	6.5%	8.1%	29.0%	30.6%	25.8%	3.6**	4.0	3.5	0.5	3.4	3.8	-0.4
Academic prestige of the business school or department	21.0%	19.4%	40.3%	11.3%	8.1%	2.7**	3.4	2.5	0.9*	2.4	2.9	-0.5

1=Not Important (NI), 2=Slightly Important (SI), 3=Important (I), 4=Very Important (VI), 5=Extremely Important (EI)
** and * denote the significance at the 5% and 10 % level

Exhibit 7: Influence of Various Factors on Success

Panel A: Profile vs. Success	**Total**	**Job**	**No Job**
Gender			
Male	49	35	14
Female	13	12	1
Age			
20-29	12	12	0
30-39	42	31	11
>39	8	4	4
Visa Status			
U.S. Citizen/Permanent Residents	31	26	5
Non-U.S. Citizen	31	21	10
Panel B: Job Preparation and Success			
Degree Status			
Finished my Course Work	17	13	4
Defended my Proposal	31	25	6
Defended my Dissertation/ Granted Ph.D.	14	9	5
Job Title at the Time of Application			
Doctoral Student	38	28	10
Visiting Professor	10	10	0
Tenure/ Tenure Track Assistant/ Assoc. Professor	14	9	5
Graduate Assistantship			
Teaching Assistant	9	6	3
Research Assistant	3	3	0
Both	42	34	8
Neither	8	4	4
Number of Times Finance Courses Taught			
<3	10	7	3
4-7	23	17	6
>7	29	23	6
Articles Published			
0	39	30	9
1	10	8	2
2 or more	12	8	4
Number of Working Papers			
1-2	16	10	6
3-4	32	25	7
5 or more	14	12	2

Exhibit 7 continued

	Total	Job	No Job
Panel C: Intensity of Job Search and Success			
Application Timing			
Before August	37	25	12
After August	25	22	3
Number of Application			
0-40	24	19	5
41-80	29	23	6
over 80	9	5	4
Number of Interviews at FMA			
1-12	32	23	9
>12	30	24	6
Number of Campus Visits			
0-2	37	24	13
>3	25	23	2
Panel D: University Rank (Tier) and Success			
N/A	13	6	7
1	11	11	0
2	9	8	1
3	16	12	4
4	13	10	3

Exhibit 8: Influence of Various Factors on Successful Outcome—Test of Differences in Proportions

	Total	Job (%)	No Job (%)	Difference (z-statistic)
Panel A: Profile vs. Success				
Gender				
Male	49	71.43	28.57	
Female	13	92.31	7.69	2.13**
Age				
<30	12	100.00	0.00	
>=30	50	70.00	30.00	-4.63***
Visa status				
US citizen/green card	31	83.87	16.13	
Non-US citizen	31	67.74	32.26	-1.51
Panel B: Job Preparation and Success				
Number of finance courses taught				
<7	33	72.73	27.27	
>=7	29	79.31	20.69	0.61
Number of articles published				
0	39	76.92	23.08	
>=1	22	72.73	27.27	-0.36
Number of working papers				
<4	48	72.92	27.08	
>=4	14	85.71	14.29	1.13
Panel C: Intensity of Job Search and Success				
Application timing				
Before August	37	67.57	32.43	
After August	25	88.00	12.00	2.03**
Number of Applications				
<40	24	79.17	20.83	
>=40	38	73.68	26.32	-0.50
Number of Interviews at FMA				
1-12	32	71.88	28.12	
>12	30	80.00	20.00	0.75
Number of Campus Visits				
0-2	37	64.86	35.14	
>2	25	92.00	8.00	2.84*
Panel D: University Rank				
Tier 1 & 2	20	95.00	5.00	
Tier 3 & 4	29	75.86	24.14	-2.05**

Exhibit 9: Logit Regression - Factors Affecting Successful Outcome

Dependent variable: Job=1, No Job=0

Independent Variables:	Coefficient
Constant	1.551*
Number of courses taught	0.043
Degree (1=Finance, 0=Non Finance)	0.710*
Student status when he/she applied (1=Defended my Dissertation, Granted my Ph.D. 0=Finished my Course Work, Defended my Proposal	1.016**
Number of working papers and publications	0.155
Worked as a GA (1=Yes, 0=No)	2.476**
Gender (1= Female, 0= Male)	0.803*
Citizenship status (1= US citizens and green card holder, 0= Other)	2.001*
The number of interviews at the 2002 FMA meeting	0.080
University Rank (1, 2, 3, 4 Tier)	-1.189**
R- Square=0.381	

** and * denote the significance level at the 5% and 10 % level

Exhibit 10: Influence of Different Factors on Salary

Panel A: Profile vs. Salary	**Below Median Salary**	**Above Median Salary**
Gender		
Male	22	13
Female	3	9
Age		
20-29	4	8
30-39	19	12
>39	1	3
Visa Status		
U.S. Citizen/Permanent Residents	12	14
Non-U.S. Citizen	13	8
Panel B: Job Preparation and Salary		
Degree Status		
Finished my Course Work	6	7
Defended my Proposal	13	12
Defended my Dissertation/ Granted Ph.D.	5	4
Job Title at the Time of Application		
Doctoral Student	12	16
Visiting Professor	6	4
Tenure/ Tenure Track Assistant/ Assoc. Professor	6	3
Graduate Assistantship		
Teaching Assistant	4	2
Research Assistant	0	3
Both	19	15
Neither	3	1
Number of Times Finance Courses Taught		
<3	3	1
4-7	7	10
>7	14	9
Articles Published		
0	18	12
1	2	6
2 or more	4	4
Number of Working Papers		
1-2	6	4
3-4	11	14
5 or more	8	4

Exhibit 10 continued

	Below Median Salary	Above Median Salary
Panel C: Intensity of Job Search and Salary		
Application Timing		
Before August	12	13
After August	12	10
Number of Application		
0-40	8	11
41-80	13	10
over 80	3	2
Number of Interviews at FMA		
1-12	14	9
>12	10	13
Number of Campus Visits		
0-2	16	7
>2	8	15
Panel D: University Rank		
N/A	4	2
1	4	7
2	3	5
3	8	4
4	7	3

Exhibit 11: Influence of Various Factors on Salary category—Tests of Differences in Proportions

	Total	Above Median Salary (%)	Below Median Salary (%)	Difference (z-statistic)
Panel A: Profile vs. Salary				
Gender				
Male	35	37.14	62.86	
Female	12	75.00	25.00	2.54**
Age				
<30	12	66.67	33.33	
>=30	35	42.86	57.14	-1.49*
Visa status				
US citizen/green card	26	53.85	46.15	
Non-US citizen	21	38.10	61.90	-1.09
Panel B: Job Preparation and Salary				
Number of finance courses taught				
<7	21	52.38	47.62	
>7	23	39.13	60.87	-0.89
Number of articles published				
0	30	40.00	60.00	
>1	16	62.50	37.50	1.50*
Number of working papers				
<4	35	51.43	48.57	
>4	12	33.33	66.67	-1.13
Panel C: Intensity of Job Search and Salary				
Application timing				
Before August	25	52.00	48.00	
After August	22	45.45	54.55	-0.45
Number of applications				
<40	19	57.89	42.11	
>40	28	42.86	57.14	-1.02
Number of Interviews at FMA				
1-12	23	39.13	60.87	
>12	23	56.52	43.48	1.20
Number of Campus Visits				
0-2	23	30.43	69.57	
>2	23	65.22	34.78	2.52***
Panel D: University rank				
Tier 1 & 2	19	63.16	36.84	
Tier 3 & 4	22	31.82	68.18	-2.11**