

Joint Editorial

Richard Green, Maureen O'Hara, and G. William Schwert
Editors, *Journal of Finance*, *Review of Financial Studies*, *Journal of Financial Economics*

Advice for Authors

We compete cheerfully and aggressively with each other to produce journals that will provide the highest possible value to our readers. We also occasionally discuss questions of policy and administration that have common effects on our journals. Recently we have observed behavior by some authors that we feel is counterproductive to the collegial process of producing high quality academic journals, so we thought it useful to communicate a few common thoughts to our readers and prospective authors.

The finance profession is producing a lot of papers that are submitted for review at our journals. The scarcest resource we have as a profession is the supply of time donated by referees to read, consider, and comment on their colleagues' work. The fees paid by journals to referees for delivering timely constructive criticism are trivial relative to the opportunity cost of time for these busy individuals. In general, the referee does not know who the author of the paper is and the author does not know the identity of the referee, so there is no mechanism for authors to directly reward referees for the helpful advice they receive. While this system has the benefit that referees can express honest opinions about the quality of the work without alienating the author, it also has counterproductive consequences in that it can lead authors to undervalue the services they receive. We are particularly troubled by two practices that seem to be on the increase.

First, some authors submit papers to journals at a relatively early stage of production in the hope that "the referee will help me figure out how to revise it to make it publishable." In effect, by paying a submission fee the author is buying very cheap consulting advice on how to write the paper. The real cost of this strategy, however, is that the referee and editor are much more likely to simply reject the paper as being too far away from being publishable and prohibit future revision and resubmission. Any editor at a journal with high rates of submission is constantly pondering the costs and benefits of giving authors another chance. The costs are high. The perception that an author is intellectually disorganized, or has not put an appropriate level of care into preparing the manuscript, raises the perceived costs further. In effect, by submitting a paper that is not polished and well written, an author often cuts off a potentially valuable publication outlet.

A second, related problem occurs when authors, after receiving a rejection decision, immediately send the same paper to another journal in the hope of "having better luck" without revising the paper to reflect the feedback they have received. We fully understand that authors disagree with referees and editors who reject their papers. We also want to emphasize that each of us is willing to publish papers that have been rejected by the journals we compete with. Our judgments about the importance of the contributions of papers we review are made independently. However, outcomes are not completely uncorrelated. We use the same pool of referees to help us evaluate papers and quite frequently discover that we have chosen someone to review a paper who has handled it for another journal. In most cases, the potential referee will advise us of the history, and say, "I already reviewed this paper for ___ and it looks like the author (has/has not) revised the paper to take my comments into account." Each editor has his or her own policies for dealing with such situations, and generally authors get a new draw on the referee.

It never helps the author's case, however, if he or she has not made any effort to use constructive feedback. And we are observing too many instances where this appears to be the case: basic problems like typos and omitted references are not corrected, let alone more substantive concerns. In such situations, it might appear that the author is simply hoping that the second journal and referee will make a mistake and miss problems identified by the first referee and journal. This behavior sends a strong signal to referees and editors that the author views the review process as just a screening process subject to random mistakes, rather than a means of receiving constructive criticism that will help the author improve the paper. Given the quid pro quo nature of the review process, where referees are contributing their scarce time with little compensation, the willingness of referees and editors to work with authors to improve their papers is reduced when they perceive that a particular author does not value their suggestions.

So how should authors maximize the value of the journal review process? They should circulate their papers and give seminars to colleagues to receive constructive criticism before submitting to a journal. They should revise and polish the paper until they believe it is of suitable quality to have a good chance of acceptance at the journal. After receiving a referee's report and editor's letter, authors should carefully consider how to improve the paper so that the issues and questions raised by the referee and editor are addressed as best they can be.

We hope these comments are taken in the spirit in which they are given. The opportunity to serve as an editor is a privilege. It provides each of us with the chance to observe the inner workings of a community of scholarship. It imparts a deep appreciation for the importance of the peer review process, and of the generosity of the hundreds of individuals who help us, and help their colleagues, by sharing their time, their expertise, and their creativity in serving as referees. We encourage authors to value these shared resources as well.