

# REPORT ON EVALUATION OF SCIENTIFIC ACTIVITIES OF DEPARTMENT OF FINANCE AND ACCOUNTING IN THE PERIOD 2017 – 2021

**Department:** Department of Finance and Accounting

## EVALUATION COMMITTEE

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## SCOPE OF THE EVALUATION

The evaluation applies to: (1) the department's overall results in research activities covering period 2017 till 2021 and its conception of research activity in general and (2) the individual department's members which depend for the most part on funding from.

## GOAL OF THE EVALUTATION

The committee was asked to provide: (1) an overall assessment of the department's research activities and its conception, including specific recommendations towards conceptual or organizational changes for its further development and (2) assessment of the individual members of the department from the point of view of their contribution towards the excellence of the research activities of the department – publication productivity and quality, level of international collaboration, or their overall perspective for further development of the research activity of the department.

The envisaged outcome in part (2) was a ranking of the evaluated department members into several categories according to their performance, from the best to the worst. In order to grade systematically the scientific quality of their research, faculty adopted the following scale for ranking the individuals:

**Grade A (excellent)** – researcher provides science activities at a high international level of international interest with broad impact within its field and with substantial ratio of high-quality publications also in internationally leading journals. The researcher is internationally known as one of leading experts at least in a subfield of his/her interest. The researcher publishes with appropriate frequency. It is expected that the high quality and the frequency of outputs will be preserved in next years.

**Grade B (very good)** – researcher provides science activities at an international level with impact within its field and with a reasonable ratio of high quality publications in internationally well-known journals. The researcher has an international reputation within the field. The researcher publishes with good frequency. It is expected that the quality and the frequency of outputs will be preserved in the next years.

**Grade C (good)** – researcher provides outputs that are of good standard and impact and at least partially published in well-known journals. An adequate scientific contribution is required. There is a hope for improving the situation in near future.

**Grade D (acceptable)** – researcher provides infrequent research outputs of good standard during a longer period of time, the research activities contributes to effort of the department only to a limited extent.

**Grade E (insufficient)** – researcher provides very low number of publications during observed period. The research activities contributes to the effort of the department in the field of science only to a negligible extent.

**OVERALL ASSESSMENT OF THE DEPARTMENT**

<b>Scope of scientific activities of the department</b>
<i>Evaluate, whether the scope of scientific activities of the department is in accordance with modern trends in the field of finance and accounting; evaluate a research vision and concept of the department for the period 2022–2026.</i>
<p>The Department is organized into two separate areas, each with their strengths and weaknesses and each with a different approach towards research. The finance and banking researchers (formally, “Banking, Finance Industry, and Insurance”) tend towards the more “traditional” academics, with a greater emphasis on research and international exposure. On the other hand, the accounting and taxes faculty (“Finance and Accounting” and “Finance, Accounting, and Taxes”) are more professionally oriented and are focused more on contractual research (i.e., for companies) than pure research. This tension is apparent in many universities globally, but also provides an opportunity to acquire proprietary information via business projects which can then be utilized for publications. There was little sense that this was the case at present but should be kept in mind for the future.</p> <p>With regard to the overall scope of scientific activities, the strategy outlined by the Department in terms of pursuing research is a sound one. Research interests in the Department accord with international trends in finance and accounting, although the location of the Department and the School near two other international borders would probably suggest more cross-country type work than single country (i.e., Czechia) studies. Overall, the research vision is also interesting and ambitious, with staff under no illusions of the constraints that they operate under (especially in terms of geography and attractiveness vis a vis other university throughout Czechia).</p> <p>The Department and School are to be commended for their organization of international conferences as well, in particular the International Conference on Finance and Banking (ICFB). In the future, popularizing such events outside of Czechia – and perhaps organizing them in Prague again, for ease of travel for international attendees – would be necessary to further heighten the visibility of the Department internationally.</p> <p>A question remains regarding the staffing policies for the future and if current and future planned hiring can achieve these goals. It was noted on more than one occasion that not every staff member can be a world-class researcher, a problem seen also in universities across the world (and not actually a problem, as teaching and industry engagement are a huge part of a Department’s mission). But in order to move towards the research excellence that is envisioned, there will need to be choices made in terms of staffing, including in supporting “flagship” researchers to increase their output. Additionally, as we note below, the dearth of full professors is also depriving the many juniors in the Department the mentors they need to blossom into experienced researchers.</p>

## Quantity and quality of publication activities

*Evaluate quantity and quality of publication outputs, e.g. whether research results are published in international scientific journals listed in WoS or SCOPUS databases; evaluate proportion of papers published in journals with high influence in the relevant field of science (e.g. journals with a high AIS score)*

The emphasis on specific tiers of journals and their location (World of Science indexed, Scopus-included, and targeted at Q1 and Q2) has provided a target for department staff. Over and over the panel heard from staff and management about the goals in targeting WoS and Scopus journals, a very broad metric but one with which the Department has had some success – for example, the proportion of papers published in “other” journals has come down substantially since 2017, with only 30% of the total publications of the department being classified as “other” (as opposed to 37% in 2017 and 52% in 2015). Citations have been on the rise, but there are no staff with an h-index above 7 in WoS (Prof. Stavarek has a listed h-index of 18 on Google Scholar, the highest in the Department).

However, the lack of an emphasis on specific journals as being desirable for the strategy of the department – for example, mentioning specific internationally-known journals from presses such as Elsevier, Taylor and Francis, Wiley, or Springer – has led to an overall lack of quality in publications. Only one publication among all researchers was in an international press, and there needs to be an internal list developed in the Department by management, apart from broader tiers, which places priorities on certain journals or groups of journals. They need not be all at the top, it would be better to have them chosen for accessibility as well as readership and quality but having a strategic goal for certain journals can give staff a much more coherent goal to plan their own research around.

This lack of strategic targeting is reflected in the diversity of journals which the School have published in, with a lot of clustering of publications in certain regional journals of low international quality. With only a broad set of targets in terms of where to aim, it is perhaps understandable that School (especially those who might not be naturally research-inclined) would attempt to publish in the easiest attainable journal; *E+M Ekonomie a Management* stands out as such a journal, which many staff have published in, which has a decent impact factor and h-index, but which is entirely unknown outside of Czechia. The absence of publications in even top-ranked international journals in Czechia (i.e., *Czech Journal of Economics and Finance* or *Prague Economic Papers*, lower-ranked in Scimago but with a better reputation in finance and economics – Prof. Stavarek’s highest cited paper is published here) also shows the mismatch between the tiered system and where the Department should be going.

There also seems to be a lack of utilization of the excellent events that the Department puts on, especially the aforementioned ICFB. Partnering with international journals (*Economic Modelling* was a sponsor in the past) to produce special issues would be a crucial way to leverage the work done in the preparation of conferences, and the Department’s network can be used to place special issues in journals that otherwise might be a stretch for faculty. This strategy has been used effectively by Prague-based institutes in the past and should be explored much more fully in the future.

As a final point, there was a good emphasis in the Department on monographs, which are too often overlooked in business and economics. The panel was especially impressed by the fact that the Department both rewards for monographs but encourages only tenured professors to pursue this track, given that journal articles are more important for the professional development of assistant professors. This could be an inducement to bring higher-ranked School to the University in the future and to want to work with the Department.

## Correspondence between scientific activities and educational activities

*Evaluate whether the focus of the research activities of the department is in accordance with the educational activities of the department*

Many of the staff we interviewed talked about how they attempted to bring their research into the classroom and, given that our emphasis is on research rather than teaching, there was little reason to doubt them. The panel counsels that more important than necessarily bringing research into the classroom (difficult, depending on the subject) are the linkages between student advising and research, especially at the master's level. Students are a great repository of work for data collection and literature reviews, and staff should be able to help students improve their own research abilities while also accessing information that can help the faculty to publish. Moreover, working with students to generate publishable outputs ("co-creation") can also benefit students at the same time that it is helping to raise the output and quality of the Department's publications.

As a final point on the synergies between educational activities and research, it was noted that the University and the School were not chasing after international accreditation at the moment (i.e., AACSB, EQUIS, or AMBA). These milestones, while expensive, also require regular maintenance of research in addition to educational activities and could be a goal for the future of the School. In universities that panel members have been associated with, the objective of international accreditation gave School a tangible target in terms of research quality and output, while providing regular guidance on how to maintain the accreditation. This would help to establish more concrete guidelines for faculty on desirable publications and outputs outlets.

## Department staff and its development

*Evaluate composition of the team, e.g. whether there is appropriate number of professors, associate professors, assistant professors with Ph.D., assistants without Ph.D. and internal Ph.D. students; evaluate the personnel development of the department in the covering period*

In general, the staff make-up is very bottom heavy, with 9.2 assistant professor positions (10 staff but one with a 20% contract), 4 associate professors (there of 1 is leaving the Department this year), and only one professor. Management noted that they were generally happy with the 3 new associate professors, although the research profiles of these associates would be difficult to sell at the associate level elsewhere in Europe (including in Poland). The demographics of the Department also show some instability in the future, as three School members are close to retirement, clustered in the field of taxation; thus, more expertise will be needed here to keep this focus area going.

A difficulty was noted among management and staff that there is a large teaching load, approximately 12 hours per week, meaning that there is sometimes difficulty in achieving the associate professor position. However, counterbalancing this was a developed incentive scheme for research, with excellent financial remuneration for publications and (crucially) for PhD students. This scheme should be evaluated separately in terms of its effectiveness, and also linked to a new strategy for developing a list of desired publications but is on the right track in structuring incentives for the Department.

Overall, the quality of staff on average for research was low, with only a few quality researchers within the Department's ranks. The challenge for management will be to better separate out staff into different tracks, with those more oriented towards teaching taking on a heavier teaching load (and concurrently less research), while those tagged as potential researchers being given more time for research and correspondingly less teaching. By adhering to comparative advantage, the Department can then move forward more quickly.

In reality, there also needs to be more senior people with expertise in international journals who can act as mentors for the junior staff. The Dean was spoken of highly in this regard, but with such an active administrative role, it is very difficult to achieve consistent research success. It would be good if the Department plans, in its future hiring, to solicit applications from international scholars at the Associate/Professor level, with an attractive compensation package to bring them to Karvina.

Along these lines, Visiting Professorships should be explored, to act as a “force multiplier” for the Department (several smaller universities in Austria and Germany do this), and have external researchers bring their expertise and pipeline to the Department. This is an easy (but sometimes expensive) way in which international collaborations can be forged and mentors imported without necessarily creating additional positions within the School. For many international scholars, the location of the school for a two-to-four-week stay would likely also be an attraction.

### Scientific and publication activities of Ph.D. students

*Evaluate the involvement of Ph.D. students in scientific activities (e.g. students grants, publications)*

It was stressed that the Department research culture starts at the PhD level and that there was consistently a series of good PhD students coming up through the ranks. The presence of many PhD graduates from the University still in the Department attested to this reality. It appears that there are many opportunities for studying abroad for PhD students, and the financial compensation offered to PhDs in the Department are attractive, although the location of the School and relative lack of social opportunities was noted by more than one member of staff.

The number of PhD students has steadily decreased since 2016/2017, and it would be important – given how crucial PhD students are to the pipeline of Department staff – to ensure that this trend is reversed. As of the end of 2021, there was only one full-time doctoral student, expected to graduate in 2022, meaning the prospect of no PhD students in the coming year. This issue is connected with international projects (see next section) but is a longer-term problem for building up research capacity within the Department.

The current student has some low-level publications but appears to be research-oriented (see Table below); however, the student would be better served, once again, by having adequate mentors to help him's aim higher in ~~her~~ choice of journals. The PhD student was not involved in any scientific grants, in line with the overall trend in the Department, but there appears to be an endogeneity issue: more grants may mean more PhD students but admitting more PhD students will also allow for applying for more grants. In any event, the trend in the Department needs to be reversed, including more outreach and marketing to attract PhD students.

<i>PhD Student Output</i>	<i>#</i>
Papers (impact factor):	1
Papers (SCOPUS):	2
Papers (other):	6
Monographs:	0
Chapters in Book:	0
Conference proceedings:	4
H-index (WoS)	2
External projects	0
Internal projects	3

## Scientific projects

*Evaluate research projects, consider particularly results achieved, internalisation and the share of projects funded from external resources*

The funding of the Department and indeed for the School as a whole comes almost entirely from internal sources, with 80% of funding coming from government funding of the University, an additional 15% from internal sources and competitions, and the final 5% from projects or business contracts. This structure of funding means that there is little sense of urgency for pursuing grants or even business contracts, although in future such a focus should be expanded.

In terms of the success of the Department in acquiring outside funding, it was mentioned to the panel several times about the lack of success in scientific projects, with only one project from the Czech Science Foundation won in the Department during this period (from 2016 to 2018, won by Prof. Stavarek). Issues of competition, the Covid pandemic, and teaching responsibilities were all brought up as factors (including the relative lack of success of top competitors in Czechia), but these factors were also faced by other universities in the country. A read of the projects which have been won over the past decade show an emphasis on decision-making, uncertainty, and risk, and the Department should perhaps be looking to target these areas in future grant applications.

The larger problem seems to be the focus on grants from the Czech government, which is understandable but, in a difficult economic environment, also requires diversification. The Department needs to widen its net more in order to go after both smaller regional projects (Visegrad Fund, perhaps) and larger, pan-European activities (Horizon Europe, work with specific DGs with the European Commission). International cooperation is crucial here and requires both an entrepreneurial spirit, to make contacts and reach out when calls come out, and flexibility, in order to respond rapidly to these calls (which often have a much shorter lead time than standard science foundation grants). This also requires being proactive before projects come out, building networks with institutions and researchers abroad. This has been more difficult in the pandemic age, due to travel prohibitions, but with a re-opening of society and more in-person conferences, this should be classified as a priority.

With a greater emphasis on diversifying funding, there is also a better chance of attracting fully funded PhDs, who are often the emphasis of larger grant funding initiatives. Simply put, the investment in grant applications, while perhaps have a longer time frame to come to fruition, may enable the Department to restock its pool of PhD students and develop high quality publications.

## National and international cooperation

*Evaluate national and international co-operation of the department – e.g. whether department members are involved in international research teams; incoming and outgoing research mobilities*

The covid pandemic has made it very difficult to assess research mobility during this period, but it appears that there are good opportunities provided for staff for international mobility. The panel hopes that the re-normalization of academia post-pandemic will allow for staff to take advantage of these opportunities and to further develop their contacts both inside and outside of Czechia.

Unfortunately, even beyond the problems associated with covid, involvement in international research teams remains intimately connected with the issue of projects, in that staff have been much more regionally and nationally focused rather than internationally focused when it comes to building research collaborations.



The panel believes that there are two opportunities being missed within the Department to leverage its staff and increase international collaboration. The first is the existing ties to Queen Mary University in London (QMUL) – including the attendance of *Economic Modelling* co-editor Sushanta Mallick to the ICFB – which should be further exploited. As of this moment, Silesian University is not listed as a formal partner of QMUL in either business or economics, and there should be an effort made to formalize this relationship. This can benefit students but also open up a world of possibilities in funding (UK research grants) and research quality (QMUL have staff on the editorial boards of *Finance Research Letters*, *Mathematics and Financial Economics*, *Journal of Banking and Finance*, *Journal of Economic Surveys*, and the *British Journal of Management*, among others). Other, similarly nascent and/or dormant connections should be exploited for the benefit of the Department’s research plans.

The second opportunity which has been overlooked is collaborating with Polish universities, especially universities which have attained a measure of success in publishing in international journals. This means forging partnerships and research contacts not only with those across the border but especially in Warsaw, such as the Warsaw School of Economics (SGH), University of Warsaw, and Kozminski University (among others). These schools have developed finance, banking and accounting scholars who have published in renowned journals and would likely be willing to partner in exchange for access to local knowledge and/or data. While it was mentioned during the panel’s talks that there are not many contacts with these schools, this should be a priority for the strategic direction of the school, one that can be easily implemented.

### Social significance of scientific activities

*Evaluate scientific activities and their impact on society in the covering period 2022 – 2026 – e.g., whether there is a positive impact of the department's research activities on society*

The question of impact is always a difficult one to ascertain when it comes to scholarly research and, given the somewhat limited reach of the research done in the Department, we can surmise that the overall impact would be low. However, the topics considered by School members in the area of finance and banking, and the practical work being done in accounting, are of great importance for society in Czechia and beyond. The key for increasing the social significance of scientific activities will be in undertaking the other recommendations contained in this evaluation, especially related to publishing in higher quality journals, raising the visibility of the Department, and forging international and business collaborations. Research is like a tree falling in the forest, and if it does not get out to as many people as possible, it is unlikely to have an impact. Improvement in other spheres will thus aid in the increase in the social significance of the Department’s work.

### Cooperation of the department with the application sphere

*Evaluate the most significant interactions with the non-academic application/corporate sphere. Take into consideration how the evaluated department looks up for and cooperate with application partners.*

Again, we anticipate that cooperation with businesses and other actors would have also decreased as a result of the covid pandemic, we believe that the School’s historical mission as catering to business can be a large benefit for both students and the creation of research. Indeed, while the Department is meant to be business and practically focused, and while there have been some good strides made in reaching out to local business, it appears that there can be more work done in terms of reaching out to the business community. Increased use of student projects and theses linked to real company problems could help to both create sources of revenue for the School, provide students exposure to local firms, and – importantly – provide another source for data and co-creation in research.

## Overall assessment and recommendations

*Summarize here the key findings of your assessment in the context of the whole evaluation and suggest concrete recommendations for improvement and progress.*

The strategy of the Department to increase its research quality and has laid out a plan to achieve this. Some good strides have been made in classifying quality publications and structuring incentive schemes to achieve greater quality output. Lack of success in projects, missed opportunities in international cooperation, and somewhat of a mismatch in terms of personnel and strategic goals may make achieving the Department's ambitious strategy somewhat more difficult.

As noted in each portion of this evaluation, we have suggestions for the Department to improve its research quality and output, forge international networks, and align its personnel strategy with its research strategy. These recommendations are summarized here:

- 1) Create an internal department list of desirable publications and structure incentives in line with this list
- 2) Identify "tentpole" researchers within the Department to build on and leverage
- 3) Explore the idea of Visiting Professorships and bringing in external faculty for both research mentoring and increasing the visibility of the Department
- 4) Create a hiring strategy which looks to add senior-level staff with expertise in publishing in international journals
- 5) Discuss within the School the feasibility and timeline for moving towards international accreditation (such as AACSB)
- 6) Expand targeted funding sources beyond Czechia and focus on regional and pan-European competitions
- 7) Actively work to join international networks and partner with international researchers, including a focus on generating collaborations with Polish universities, both across the border and in Warsaw (e.g., SGH, University of Warsaw, or Kozminski University)
- 8) Also leveraging existing relationships with e.g., Queen Mary University
- 9) Improve marketing and outreach to attract new PhDs
- 10) Utilize business contacts and contracts to generate data and then, hopefully, publications
- 11) Organize workshops and seminars with different duration and content for research skill improvements (especially with internal staff with extensive research expertise but also involving external experts)
12. Define diversified KPIs for individuals and department in line with School strategy and overall research trends for future period.

The panel believes that these recommendations will help the Department to successfully implement its strategy and increase its impact over the coming years.



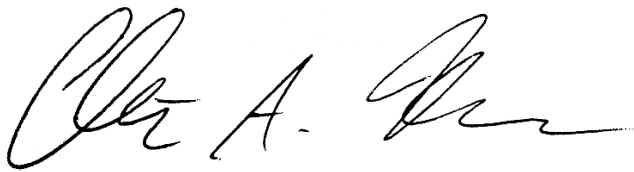
## ASSESSMENT OF THE INDIVIDUAL DEPARTMENT MEMBERS

The committee provided assessment of the individual members of the department from the point of view of their contribution towards the excellence of the research activities of the department and the ranking of the individual department member. For reasons of the personal data protection the individual assessment is not presented. The following table summarized the numbers of individual grades of all department members.

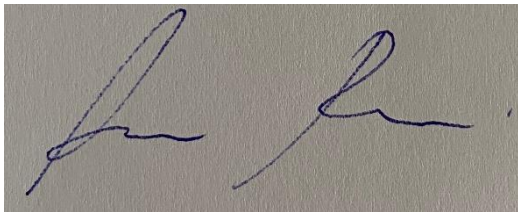
### Overview of the individual grades

A	B	C	D	E
0	4	5	6	0

Karviná, March 16, 2022

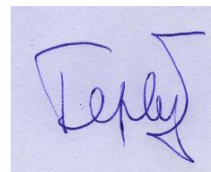


Christopher A. Hartwell  
(Chair of the committee)



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Anita Pavković



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Petr Teplý