

Case Study: Rochester Institute of Technology



The Compustat databases and Research Insight fit well with Rochester Institute of Technology's core values of innovation and technology.

Customer Profile

Founded in 1829, Rochester Institute of Technology is an internationally recognized leader in professional and career-oriented education enrolling 16,000 students in eight colleges. Rochester Institute of Technology is located in Rochester, NY. The business college is the E. Phillips Saunders College of Business. *U.S. News & World Report* has ranked Saunders College as one of the top U.S. business schools. The university's goal is to prepare its students for career success in the 21st century by emphasizing experiential learning.

Dr. Khonkdar Karim, CPA is a faculty member in Rochester Institute of Technology's Saunders College of Business. Dr. Karim requires robust and accurate tools to properly complete his research, as well as requires this same level of depth, integrity and utility in the tools he uses for the courses he teaches. He has over 40 published articles to his credit, in such journals as Accounting Organizations and Society (AOS), Behavioral Research in Accounting (BRIA), Review of Quantitative Finance and Accounting, Applied Financial Economics, Advances in Accounting Behavioral Research, International Journal of Finance, Advances in Quantitative Analysis of Finance and Accounting, Research in Finance, and The Mid-Atlantic Journal of Business. He has received awards for his writing, teaching and research. Dr. Karim teaches Financial, Cost, and Management Accounting.

Background

The Rochester Institute of Technology's mission statement focuses on innovation and technology. The tools used by faculty and students need to support this direction.



Dr. Karim, at Rochester Institute of Technology's Saunders College, focuses his research on market-based financial accounting. He also uses fundamental and market data in his graduate courses, to help educate students on the complexities of the quantitative models.



Summary

Customer Profile: Rochester Institute of Technology is an internationally recognized leader in professional and career-oriented education enrolling 16,000 students in eight colleges.

Dr. Khonkdar Karim, CPA is a faculty member in Rochester Institute of Technology's Saunders College of Business. He has over 40 published articles to his credit and has received several awards for his writing, teaching and research.

Background: Dr. Karim requires robust and accurate tools to properly complete his research, as well as requires this same level of depth, integrity and utility in the tools he uses for the courses he teaches.

Challenge: Business school faculty need financial data that provides an extensive number of data items and deep history of data, as well as company coverage via an accessible interface for both faculty and students.

Dr. Karim focuses his research on market-based financial accounting. He uses fundamental and market data in his graduate courses, which help educate students on the complexities of the quantitative models. He requires archival data and the variables that are captured and analyzed within this data for his research. As a professor, it is also important to have tools that provide flexibility to easily manipulate and process data as a tool for the classroom.

Solution: With fundamental and market data on over 56,000 active and inactive companies, covering over 98% of the world's market cap, Dr. Karim found that Standard & Poor's Compustat provides an extensive source of fundamental and market data variables. Paired with the Research Insight platform, the manipulation can be done on the fly, while retrieving the data. This is a huge time-saver for Dr. Karim.

Results: Unlike other databases, Compustat data and platforms have flexibility to retrieve data at face value, but also allow manipulation of the data to create variables within the database and Research Insight platform. Its consistency, high quality, comprehensiveness and flexibility, made Compustat data the primary tool of choice for Dr. Karim.



Challenge

For business education programs, clean, consistent and deep financial market information is important to attract and retain faculty and students, as well as being used as a benchmark to measure the academic programs offered.

Business school faculty are continually researching new financial theories and models. They are also challenged with providing an academically rigorous curriculum for students. To keep up with the demands both inside and outside of the classroom, high quality data and tools are imperative. For Saunders College, financial data that provides an extensive number of data items and deep history of those data items, as well as company coverage via an accessible interface is essential for both faculty and students.

Dr. Karim requires archival data and the variables that are captured and analyzed within this data for his research. As a professor, it is also important to have tools that provide flexibility to easily manipulate and process data as a tool for the classroom.

Solution

With fundamental and market data on over 56,000 active and inactive companies, covering over 98% of the world's market cap, Dr. Karim found that Standard & Poor's Compustat provides an extensive source of fundamental and market data variables. Its quantity, quality and variety of data enable the database to lend itself to creating new variables that can be tested in financial models. The unmatched data standardization and analysts notes provide critical information for re-creating historical scenarios and avoiding survivorship bias in academic studies. At face value, the data is clean and consistent; the depth and breadth the data offers enables it to be manipulated into creating additional variables. Paired with the Research Insight platform, the manipulation is done on the fly, while retrieving the data. This is a huge time-saver for Dr. Karim. Competitor databases have a more laborious process of creating or analyzing the variables because that would need to be done manually, or require additional steps in the process. The flexibility and functionality of Research Insight makes it easy to use and evaluate theories and models.

All functional areas of the business program use the Compustat databases and Research Insight, and since Research Insight interfaces with the school system, Dr. Karim and his colleagues can access it remotely.

Additionally, Dr. Karim appreciates the customer support and training provided by Compustat. An Application Consultant is available for technical questions, and the Client Services staff is also helpful and knowledgeable regarding the data. Thus, Subject Matter Experts are only a phone call or email away. Training and online courses are available through the Compustat Resources website (www.compustatresources.com) also.

“My primary research is market-based financial accounting. I use Compustat data for doing my research and I also use the data for my graduate courses. This is an excellent data source for doing research in financial accounting. Additionally, the Compustat support staff is extremely helpful, knowledgeable and they are always there to assist us.”

Dr. Khondkar E. Karim, CPA.

Contact Us

Standard & Poor's Compustat

800-357-0769

Website URL:

www.compustatresources.com

Results

Although other databases might provide financial data, that data is only retrievable in a static format or presentation. In other words, what you see is what you get. Unlike other databases, Compustat data and platforms have flexibility to retrieve data at face value, but also allow manipulation of the data to create variables within the database and Research Insight platform.

Its consistency, high quality, comprehensiveness and flexibility, made Compustat data the primary tool of choice for Dr. Karim. He estimated using Compustat data for approximately 70% of the basis for his dissertation and 75% of the research he continues to do in financial accounting.