

THE RELATION BETWEEN THE OWNERSHIP COMPANY, CORPORATE GOVERNANCE COMPANY AND IN TIME OF THE PROFIT IN THE COMPANY THAT ACCEPTED IN STOCK EXCHANGE OF TEHRAN

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ABSTRACT

The aim of the present research is checking the relation between the ownership company, corporate governance Company and in time of the profit in the company that accepted in stock exchange of Tehran. Statistical society of this research is collection of companies accepted in stock exchange in Tehran during the period of 6 years from 1387 to 1392. The research is practical from the aspect of the aim and the method of deduction data is descriptive name - solidarity. A scholar used the regression model of fixed effects panel for estimating the relation between the Independent determinants and dependent Data Processing using the eviews8. The results of research shows that the relation between the concentration of property and in time profit is a reverse U, also there is no meaningful relation between property management and institutional ownership and in time of profit, therefore there is a reverse relation and undeniably connecting between the company property and the in time of profit.

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KEY WORDS

In time of profit, corporate ownership, corporate governance ownership concentration.

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INTRODUCTION

One of the most fundamental extensions of each country is the economy and financial system of the country. The economy in the two levels of micro and macro has the ability to check and deliberation. Checking the financial system of a country without regard to the below the collection, is not possible. Read and check cases like the exchange, stock, shares companies and topics in the field of financial and economic, always ensure approach are positive. Especially profits and timelessness when it is always being attention of everyone including managers companies, shareholders, members of the board of directors and public and interested. Process of measuring the profits and the result of it, has significant role in the management of the company. Since the calculation of the benefit of the economic institution is influenced of the accounting methods and judge producers and providing the form of finance is the duty for management of the commercial unit, management may, according to the different reasons, precede profit management [1].

Wang (2010) showed that in the supply of the public stock, there is the lack of information symmetry between managers and investors. This subject with questioning the efficiency the capital markets led to lack of optimizes allocation sources. The profit information for being related must published immediately in the market and be available for everyone. In other words, information should be in time. In time of profit implies to the ability of the current interest in the transfer of information related to the current. In time of the benefit implies to this that the profit is able to transfer the information efficiently [2]. Therefore within items contains qualitative and helpful information for investors overseas and reduce the lack of information symmetry between managers and investors.

When the lack of symmetry information in relation to the shares of a company increases the value of the essential with the price in the capital market will be different. Therefore, lack of symmetry information in the capital market, will endanger the fund of ordinary people in this market, too. Also if the information related to the benefit is on time, led to reduce the lack of symmetry of information and as a result led to real expected efficiency for

investors. Wang (2010) showed that companies that profits more on time are due to the decrease of information symmetry between managers and investor's stock price they fall will be less.

Mechanisms of company sovereignty effects on quality of information revealed by companies, including information related to the predicted profit. Revealing transparent financial information problems and issues represented by decreasing the lack of information symmetry between the management and shareholders to at least. In return revealing financial information weakly, often mystifying shareholders and affects their wealth. Undesirable the result of previous research, those mechanisms of company sovereignty, like the features of the Directory, property structures logistic thorough knowledge, impressing the revealing financial information. Therefore it can be said that company sovereignty is a factor that can improve the quality of the information provided by management. If revealing predicted profit is considered by management as a tool for reducing the lack of information symmetry between management and potential investors, the credibility of this predicted are significantly important, because the accuracy of the predicted profit by management in the form of investors' confidence for this kind of revealing is a vital factor [3].

Whatever company sovereignty is more effective and reduce the problem of representation from the view as shareholder company function would be better and quality of benefit would be less. Anyway the identification of setup things that can increase the quality of profits and reduce conflicts of interest existing between beneficiaries is especially important. These objectives can fulfill by desirable company sovereignty.

According to the on time profit is affected other features, checking these features required for this research. Including this feature can name to the structure of ownership and Company sovereignty. Therefore the present investigation is effort in the direction on this issue that each of the ownership with the impact of company sovereignty what does effect on the time of profit?

Theoretical foundation and background research

Today because of the expansion of economics activities development of financial markets and investment in the capital markets particular exchange stock by actual and legal, the most important tool for adopting financial decisions, access to right information and accurate analyzing. The lack of symmetry information has undesired ramifications of anything like that increasing transaction costs, reducing liquidity. On the other hand, when public offered shares, for decisions about buying stock requires information to the time for decisions. In the case of the asymmetrical information presented at the stock group of men efficiency abnormal gaining and as a result the investors of ordinary people and those have less information are risk [4].

Profit as one of the most important features of accounting is always for various purposes such as sharing the value of the stock, function assessment manage companies and cases like that. A few recent years most research in the area affect the profits of the accounting price or efficiency stock has been the quality of the profit little attention. The crisis of financial aid in recent years is a reason of going to the finger toward accounting and financial reports and credit system financial reports to win the trust of all are tarnished [5].

One of the most important factors must follow their constituent's wishes to control and manage the company's combination of ownership and ownership concentration stock companies are in the hands of the major shareholders. Such shareholders who have the significant shares of the company that provides managing the company. In return micro shareholders do not tend to control and monitor the managers, because in this case they had to pay for the control themselves,

While have little share in the profits. When there is a high ownership concentration, there will be the possibility of better surveillance and control on the company management function [6].

Efficient corporate governance mechanisms for the proper functioning of capital markets and the economy, is a vital and necessary to attract and retain public trust. Suitable Corporate governance creates the confidence that your business assets are used effectively. In addition, it will ensure that the Company brings the benefits of a wide range of interest groups as well as the society in which the company operates, are considered and the board is accountable to the shareholders and the company. When the principles of corporate governance structure are weak, large and small investors also increased conflict. First studies on corporate governance in order to use it in certain companies, but this spread subject in many countries was drafted into law. Check the events related to the bankruptcy of large companies such as Enron, WorldCom, Adfy, Seiko, Lions Entertainments, Global crossing,

Sunbeam, Tyco, X VAX and 1997 Asian financial crisis that caused the loss of many investors and stakeholders show that the main source of these events was, poor corporate governance systems, manipulate earnings and profits report baseless and poor quality. Often, managers of these companies resorted to fraudulent methods such as planning and carrying out fictitious transactions with related parties for the purpose of earnings management, quality of financial reporting and the quality of earnings were reduced as much as possible to the lowest level. Due to the importance of the effect of the necessary mechanisms and achieve a high quality of earnings, most communities have done attempted to provide these mechanisms. One of these mechanisms, a system of proper corporate governance in companies and firms which are hired by most countries to strengthen and improve it [7].

Ownership structure is one of the internal mechanisms of governance (steering) company. Corporate governance is one of the major components of growth. The main issue in the discussions of ownership structure is represented as a conflict of interest between the directors and shareholders leads to costs represented. Dispersed ownership (decentralized) causes a problem because the company's representation in the ability and incentives of shareholders to control the management will be weak because their contribution is small. In addition, investors often invest in various companies to reduce risk through diversification. They are indeed the hope of future profits of their stock portfolio investment, not in the hope of a better future for a particular company. In addition, scattered shareholders don't have the ability to effectively control the management because they don't have enough information and necessary expertise to make the right decision. In contrast, centralized ownership (ownership concentration) considerably motivate the major shareholders and by increasing their share in the company, incentives for them to improve the company's operations and management control, will be more [8].

Composition of shareholders companies is different. Partial ownership of companies is available to minority shareholders and individuals. This group to monitor the performance of managers mainly relies on publicly available information such as financial statements are published.

Another part of the property held by major shareholders and professional, which, unlike the first group of valuable information about future prospects and business strategy and long-term investments through direct connection with the directors of the company they placed. The major shareholders would put more pressure on management and called for optimal performance reports. When financial reports showing weakness in the performance management, major shareholders are the major threat to management. They can never tolerate this situation and are more dissatisfied than minority shareholders. As a result, they may carry out activities that endanger interests of other beneficiaries [9]. The corporate governance system with a set of rules, regulations, institutions and procedures to suggest how it managed to strike the right balance between freedom of management, accountability and the interests of various stakeholders now be provided.

Namazi and Kermani (1387) studied entitled "The impact of ownership structure on the performance of companies listed in Tehran Stock Exchange". The aim of this study was to evaluate the effect of ownership structure on the performance of companies listed on the Tehran Stock Exchange. The main theory of this study is a significant relationship between ownership structure and function there. Particular theories based on the relationship between ownership structure and performance of companies. To test each hypothesis, four models based on dependent variables were defined. The sample consisted of 66 companies during the years 1382 and 1386. The statistical method used to test theories raised in this study is "combined data". The results show that significant negative relationship between the "institutional ownership" and company performance and a significant and positive "corporate ownership" and company performance are "property management" significantly and negatively affect performance and in the case of "foreign ownership" of information that the ownership of foreign investors samples companies is not observed. In this regard, the profitability index is calculated using performance evaluation. In "private property" also is better majority ownership being in the hand of the investors company. In general, there is significant relationship between ownership structure and performance [10].

Hasas Yeganeh et.al studied entitled "The relationship between corporate governance and performance of listed companies in Tehran Stock Exchange". The aim of this study was to rank companies in terms of corporate governance and its effect on the performance of the company. In this research sample companies using a comprehensive questionnaire with 25 criteria of corporate governance standards, is measured. These criteria derived from the provisions of the Corporate Governance Code of listed companies in Tehran Stock Exchange in the three categories of information transparency, board structure and its ownership structure. The information 1 year 90 companies were evaluated using regression analysis, research hypotheses were tested. The results showed that there is no significant relationship between corporate governance and firm performance [11].

A study entitled "The impact of organizational culture, ownership concentration and ownership structure affects the quality of financial information of listed companies in Tehran Stock Exchange" has done by Etemadi et.al in year (1388). The study was conducted on 105 Stock company suggests three factors: organizational culture, ownership concentration and ownership structure affect the quality of financial information. Among these factors, ownership structure, with direct effect on the quality of information, but the most important role, it is self-moderating effect on the relationship between organizational culture and quality of financial information and the relationship between ownership concentration and the quality of financial information. In a way that is more and more private ownership structure, ownership concentration to enhance the quality of financial information, while in companies with less private ownership, this relationship is reversed. Therefore, it is suggested to ensure that non-private companies / private little domain, only allowed having a maximum of 16% of stocks Exchange (directly or through subsidiaries with their interfaces)[12].

Esmaeilzadeh (1389) explores the impact of corporate governance on earnings quality in the Tehran Stock Exchange during the years 1383 to 1387 were examined. Corporate governance mechanisms examined in this study, the percentage of institutional ownership, number of blocks major shareholders, the percentage of outside directors on the board, the absence of Director as Chairman or Vice Chairman and independent auditor size. Using panel data and test hypotheses using data from 94 firms listed in the Tehran Stock Exchange during the years 1383 to 1387 through a combination of time series data and cross-sectional. The results show that a positive relationship between the percentage of institutional ownership, number of blocks major shareholders, the percentage of outside directors on the Board, the absence of the CEO as chairman or vice chairman and corporate auditor size and earnings quality there[13].

Nikoomaram and Mohammadzadeh salteh (1389) studied entitled "The relationship between corporate governance and earnings management". Test results showed that the difference between companies that have been adequate corporate governance with corporate governance whether they are strong or weak. This means that these companies have less discretionary accruals, earnings management occurs less often and companies with corporate governance are adequate, in the same levels of corporate governance also has the ability to lower discretionary accruals and firms with poor corporate governance to companies with strong corporate governance, not necessarily more discretionary accruals. Overall, the results indicate that the adequacy of corporate governance, corporate governance and earnings management in the ability of a significant relationship. The results indicate that the adequacy of corporate governance is one of the decisive factors affecting earnings management[14].

Aghayi and Chalaki (1389) were investigating "the relationship between the characteristics of corporate governance and earnings management in listed companies in Tehran Stock Exchange" in the period from 1380 to 1386. The results show that significant negative relationship between institutional ownership and management interest between board independence and earnings management there as well. In addition, there is no relationship between corporate governance (ownership concentration, penetration Director, duality Director, board size, reliance on debt and term of office of Director on the board) and profit management[15].

Mashayekh and Abdolahi (1390) have studied entitled "The relationship between concentration of ownership, performance and dividend policy in listed companies in Tehran Stock Exchange". This study sought to identify the relationship between ownership concentration, performance and dividend policy in listed companies on the Stock Exchange of Tehran. Hence, the numbers of 64 companies during the period 1380 to 1388 were studied. The selected approach for the integration of hypotheses using cross-sectional data and time. In this study, the method of least squares regression integration (data panel) is used. Concentration of ownership with Tobin's Q and ROE, ROA using the percentage of ownership of major shareholders above 5%, the performance was evaluated using three criteria. The results showed that the level (DPS / EPS) and dividend policy on using the ratio of dividends Tobin There is a significant relationship, the higher the Q and ROE 95% between ownership concentration and performance two criteria that ownership concentration is higher, more control applied to directors, company performance will improve. Also significant relationship between Tobin and the dividends were, in the sense that Q and ROA improved performance metrics can include dividend increases to be followed. At the same time, statistically wasn't observed significant relationship between ownership concentration and the ratio of dividends[16].

Khaleghi Moqadam and Ahmad khanbeygi (1390) did a study entitled "conservatism and timeliness net profit relationship with company size and the size audit institute". In this study, changes to the timeliness and conservatism as both net profit and evaluated the effects of company size and the size audit institute on these two properties is investigated. The sample studied consisted of 90 companies listed on the Tehran Stock Exchange

during the period 1386 to 1378. Results indicate that while the net profit companies generally conservative, but over the time dose not be more conservative and timeliness. Both firm size and audit Institute size were not effect on both net income determined in this study[17].

Khodadadi et.al (1391) have done a study titled "Investigation of Characteristics of corporate governance on financial performance and value of companies listed on the Tehran Stock Exchange" did. In an analysis were used the data from 80 firms listed in the Tehran Stock Exchange in the period from 1384 to 1387. The results showed that the concentration of ownership and state ownership has a positive and significant relationship with performance and corporate value. Major institutional investor has a positive relationship with the value of the company and with the company's performance negatively. Duality has a significant negative relationship with the value of the company and with firm performance relationship is not significant. Also corporate governance structure that contains all structural features surveyed in this study has a positive correlation with the value of the company and its performance[18].

Biyabani and Reza Kazemi (2013) found in a study entitled "ownership structure (shareholders and focus) and dividend policy of listed companies in Tehran Stock Exchange" that companies that have institutional ownership compared to corporate ownership, management and shareholders actual profit more between its shareholders are divided. Also centralized or dispersed ownership is not too different from the father dividend[19].

Alinejad Sarookalayi et al (2013) have done studied entitled "The impact of other corporate governance mechanisms on the relationship between institutional investors and inventory management". The aim of this study was to investigate the influence of other corporate governance mechanisms, including property management, board structure and board size on the relationship between institutional investors and listed companies on the Stock Exchange inventory management in Tehran. To analyze the data by using multivariate regression GMM is used. The sample consisted of 47 companies during the years 1385 to 1390 was a member of the Tehran Stock Exchange. The results showed that managerial ownership and board size on the relationship between institutional investors and inventory management has a significant impact. But in relation to the impact of board structure on the relationship between institutional investors and there was no significant effect of inventory management [20].

Khodadadi and Faramarz and Tabatabayi (2013) have done a study entitled "The impact of the information content of earnings timeliness and conservatism". The results showed that companies that are earning a high level of timeliness, have the information content of higher profits, while companies that benefit conservatism in terms of their high information content have lower profits[21].

Bayat and Ahmadi (2014) have done a study entitled "Delay audit and timeliness of financial reports". The results show that in the period between firm size, auditor's opinion, change management, and the percentage of institutional ownership is negative relationship with audit delay. Also between existences the internal audit, the number of shareholders and extraordinary items have a positive relationship with audit delay.

Vaeiz et.al reviewed relationship between concentrated ownership and board structure with working capital management performance. Research hypotheses based on data from 113 companies listed on Tehran Stock Exchange in the period from 1385 to 1391 and by using panel data model to evaluate the test. The results indicate that the level of ownership concentration has significant negative relationship with inventory conversion period and the cash conversion cycle, But no significant correlation with the period of collection of receivables and debt payment period. In other words, increasing the percentage of shares held by the five major shareholders because of The level of supervision of shareholders by reducing the inventory conversion period and the cash conversion cycle, can lead to increased efficiency of working capital management. However, the structure of the board, except for receivables collection period, has no significant correlation with other elements of working capital management. So, in general it can be said that due to lack of a significant relationship between board structure with cash conversion cycle as a result of a common and the illusion of three other indicators, the board does not have a significant impact on the efficiency of working capital management This could indicate that the weakness and inefficiency of the Board in monitoring and control of working capital policy of Iranian companies[22].

Mitton¹ (2004) on the review of corporate governance and dividend policy in emerging markets showed companies that have strong corporate governance, they pay higher dividends. In addition, in companies with stronger governance there is a negative relationship between dividend payments and growth opportunities[23].

Research of Deng and Wang² (2006) show that between the structure of ownership and risk of the financial health of Chinese companies is an inverse relationship. Companies that have the majority of shares in state-owned institutions, most likely to be the lack of financial health. In addition, nothing found between the property management (board of directors) and the financial health of companies. The reason may be the lack of (minority) managers compared to the company's shareholders[24].

Mueller and Spitz³ (2006) analyze the relationship between ownership management (which includes shares held by family members of the board), and the performance of medium private companies and small German with motivational thought experiment. They were divided in their study of a sample of 356 companies that trade-related services, the results of this study show that the performance of top management with ownership percentage of 40%, is improving[25].

Chin et.al⁴ (2006) found that firms with concentrated ownership in Taiwan, offer forecasting lower profits and further deviation. This evidence is consistent with the hypothesis that controlling shareholders in the management of the company's profit margins to conceal their opportunistic behavior and avoid the unintended consequences, such as disciplinary action in South Korea, India and China[26].

Ely et.al⁵ (2005) Suggest that the major shareholder pressure on management to perform their particular tasks or when company performance is reduced to a certain extent, are demanding the dismissal of managers. So, managers who are major shareholders in companies have high incentives to manage earnings, especially in companies that are faced with a reduction in performance[27].

Mashayekhi (2007) investigate relationship between the three characteristics of corporate governance (board size, CEO duality, representatives of institutional investors in the board of directors) and earnings management and the results indicate that the size of the Board of Directors dichotomy the task of managing director on the board of representatives of institutional investors have a significant correlation with earnings management[28].

Ding, Hua and Juanxi (2007) studied 273 Chinese companies with public and private property concluded that there is Non-linear (u-shaped) relationship between earnings management and ownership structure. So with property management companies, eager to maximize their earnings. On the other hand, the pursuit of self-interest by the owners (the majority), or the effect of ownership concentration on earnings management in companies with managerial ownership, is less than state-owned companies[29].

Tsaia and Gu (2007) were studied relationship between institutional ownership and firm performance in the casino industry for the years 1999 to 2003. Institutional ownership equal percentage of stock held by SOEs shares of the total capital and these companies include insurance companies, financial institutions, banks, SOEs and other parts of the State. They showed that institutional investors to invest in the casino can help the industry to reduce agency problems resulting from the separation of management and ownership.

Lang & Hurwitz (2009) investigate a study that shows the effect of some mechanisms of corporate governance on firm value, during 1997 and 1998 in Hong Kong's financial crisis. Their results showed that companies that focus more ownership there, the company have shown better performance in the capital market. The results also showed that equity ownership in companies with more outside directors, there is some decline in stock prices.

Lim et.al (2014) studied entitled "corporate ownership, corporate governance and timely correction of interest: A Case Study of Malaysia". This article presents evidence shows concentration of ownership and identity of the shareholders to the company's profits timeliness is important to stock prices and delayed reporting time scale is measured. Using panel data 1276 Malaysian company from 1996 to 2009, a non-linear relationship was observed between concentrated ownership is measured by the risk of the company's largest shareholder and delayed reporting timeliness not by price discovery. Although public companies as largest shareholder and political ties with reporting delays are shorter, previous companies on price discovery, act more timely. The family and overseas company as the largest shareholder in less price discovery act in time. While the delay in the reporting period following the integration of the Malaysian Corporate Governance (MCCG) to exchange rules, but its impact on the timeliness of price discovery has been negligible [30].

MATERIALS AND METHODS

This research is based on studies aim of applied research is classified. And also from the perspective of classification based on the method of research is correlation. Research will be conducted within the framework of deductive reasoning - inductive. Thus, theoretical research through Data mining, observation and library studies is comparative as well as financial information required to measure variables by using the audited financial statements. Tehran Stock Exchange companies and software-related data, including TADBIRPARDAZ info, RAHAVARD NOVIN and KADAL internet website and documents available within the company for confirmation and for inductive hypothesis are collected.

The population of this research includes all companies listed on the Stock Exchange that were used the systematic removal method using the following filter data from 89 companies as samples for analysis assumptions:

- 1) Companies that are the symbol for more than three consecutive months during a fiscal year have not been closed.
- 2) Companies must constantly be active during the years 1387 to 1392 in stock exchange.
- 3) The information required to calculate the variables in the case of companies, during the period of the study must be available.
- 4) Companies that have not been done trade on stock more than three months have been removed from the research.
- 5) Should not be part of the financial group companies include banks, investment companies, holding and leasing, because disclosure of financial information and decisions are different.

RESULTS

Descriptive statistics, analysis of data carried out by using measures of central tendency such as dispersion indices standard deviation and mean and median and to test the hypothesis of panel data regression model will be used.

Table 1. Descriptive statistics of variables after normalization

BRD SIZ E	BRD LND	DUAL	VOL	BM	BADNEW S	LEV	SIZE	MANOW N	CORO WN	INSOW N	OWNC ON	TIMELIN E
4.99 025 3	0.645 507	0.59844 1	0.28517 7	0.57426 1	0.064327	13.3722 2	5.861701	0.281375	68.1363 0	0.71862 5	0.01768 7	0.060126
5.00 000 0	0.600 000	1.00000 0	0.02346 0	0.55003 3	0.000000	1.56278 2	5.752406	0.207300	75.5300 0	0.79270 0	0.00106 0	0.085330
8.00 000 0	1.000 000	1.00000 0	6.39220 2	9.16042 2	1.000000	979.298 1	8.031089	0.991800	95.3500 0	0.99090 0	0.45792 7	2.492760
3.00 000 0	0.000 000	0.00000 0	- 0.88421 7	- 19.5308 3	0.000000	- 704.176 3	4.175599	0.009100	- 2.92000 0	0.00820 0	2.71E- 07	-4.074170
0.23 779 3	0.194 792	0.49069 2	0.84000 2	1.24888 0	0.245575	90.4181 1	0.638037	0.237665	23.7268 0	0.23766 5	0.05314 4	0.938188
2.01 332 1	- 0.635 872	- 0.40162 3	2.77523 9	- 8.48645 7	3.551648	3.28020 2	0.950002	1.449782	- 1.44438 6	- 1.44978 2	4.36728 5	-0.206113
69.4 812 1	3.616 129	1.16130 1	13.8693 1	140.997 0	13.61420	53.7784 7	4.470186	4.374268	4.35167 4	4.37426 8	24.0524 4	3.322702
948 18.7 5	42.68 480	86.0561 4	3183.79 8	413205. 6	3486.651	56034.4 0	123.3649	220.0789	217.427 2	220.078 9	11104.2 7	5.858183
0.00 000	0.000 000	0.00000 0	0.00000 0	0.00000 0	0.000000	0.00000 0	0.000000	0.000000	0.00000 0	0.00000 0	0.00000 0	0.353446

Investigation showed that variable variables COROWN (corporate ownership) with an average 68/13630 are highest average among the variables and the lowest mean belonged to the variable OWNCON (ownership concentration) at a rate of 0/017687 respectively.

Also the Middle Most of variable COROWN (Property Company) in 75/53000 and the lowest variable unpleasant news and to the ownership of the company is zero.

Most background variables related to COROWN (Property Company) is 95/35000 and the lowest variable rate OWNCON (ownership concentration) is the amount 0/457927.

Most minimum variable related to size of the company 4/175599 and the lowest variable financial leverage is 704/1763.

Most standard deviation of the variable leverage is 90/41811 and minimum is related to OWNCON (ownership concentration) variable and the amount is 0/053144

Most skewness of the variable OWNCON (ownership concentration) 4/367285 and the lowest ratio of book value to market value of the variable is 8/486457.

Most elongation of the variable ratio of book value to market value is the amount 140/9970 and the variable tasks related to the dual post of managing director are 1/161301.

The highest quartile value for the variable is the ratio of book value to market value of 6/413205 and the lowest related to timeliness variable interest rates is 5/858183.

Methods and models to choose from panel data regression models using the Chow test. This means that if the Chow test can be selected using panel data, instantly analyzes the pay model, But if panel data is selected, be sure to Hausman test to be performed. Hausman test was used to determine the use of the fixed effects model against random effects model. After estimating the model and variable placement of the research being analyzed to determine the model assumptions, Eviews software were analyzed through the results achieved and relationships to be discovered.

Table 2: The results of the Chow test hypotheses

Meaningful	F Statistics	Meaningful
0.0000	35.125213	research model

Given the significant results of the Chow test (**P=0.0000**), at this stage, the fixed effects model (**Panel**) as the preferred model to model and research hypotheses is selected.

Table-3: Hausman test results related to the research model

Meaningful	Statistics	The effect of test	theories
0.0000	40.981940	Fixed	research model

As you can see, due to the significant level achieved at this stage ($P=0.0000$) fixed effects model as the preferred model hypotheses is selected.

Table 4: shows the results of estimating hypotheses

Meaningful	T Statistics	Standard deviation	Factor	Variables
0.0000	-18.54199	0.306426	-5.681754	constant number
0.0264	0.297242	2.262114	0.672395	Largest
0.0109	-0.776439	4.288270	-3.329579	Largest^2
0.1048	-1.564415	0.025458	-0.015456	INSOWN
0.0216	-3.446916	0.011426	-0.023490	COROWN
0.2504	-0.156874	0.179873	-0.015646	MANOWN
0.0000	19.21838	0.051465	0.989072	SIZE
0.0729	0.071686	0.015646	0.477237	LEVERAGE
0.4307	8.044582	0.007496	0.004564	BADNEWS
0.0000	-5.292135	0.009985	-0.052841	BM
0.0000	29.48275	0.011982	0.353275	VOLATILITY
0.1167	-0.659874	0.187526	-0.098784	DUAL
0.0002	3.736029	0.046265	0.172848	BRDLND
0.6355	0.474396	0.031955	0.015159	BRDSIZE
F Statistics	120.5614	Adjusted coefficient of determination	0.555057	
F probability statistic	0.000000	Durbin-Watson statistic	1.865898	

As is observed in Table 4, according to the statistic F can be said that the above regression model is significant. The Durbin-Watson statistic is equal to 1.86, the value of this fixed a correlation between the initial model is showing disturbing elements. The adjusted coefficient of determination of the model indicates that the model variables, the explanatory power (55 percent) have to explain the dependent variable. According to the results there is a direct and significant relationship between ownership concentration and timeliness profit. Due to the variable coefficient Largest ^ 2 is negative, this relationship is inversely u-shaped. There is no significant relationship between managerial ownership and timeliness of benefit. But there is significant inverse relationship between corporate ownership and timeliness of interest. Also a significant relationship between institutional ownership cannot be seen with the timeliness of profit.

DISCUSSION

In this study, in order to achieve the research goals, 4 assumptions were used:

Hypothesis 1: an inverse u-shaped relationship is between ownership concentration and timeliness profit.

Hypothesis 2: There is a significant relationship between managerial ownership and timeliness benefit.

Hypothesis 3: there is a significant relationship between corporate ownership and the timeliness of profit.

Hypothesis 4: There is a significant relationship between institutional ownership and timeliness benefit.

Study model and calculation of variables

Board Structure and ownership structure are among the most important mechanisms of corporate governance that corporate governance ranking by the various rating agencies (such as Standard & Poor's Institute) were used as well as in various research areas of corporate governance.

Healy & Palepu (2001), Eng & Mak (2003), Vanayz (2005), Etemadi et al. (1380), Feodor (2013) and Lim et al. (2014) have learned of the Company's Board of Directors as an effective mechanism to reduce agency problems between shareholders and managers. They believe strengthening the role of size-dependent characteristics of the Board, the Board and the CEO's role ambiguity. Effect of the board size on its ability to steer the company was the subject of many studies over time. Previous research suggests that board size has a significant effect on the effectiveness of the board of directors .

According to different, board size is usually between corporate interests of low and reflects the cost of monitoring.

The Board reflects the Board's independence, saying that the board has more independence from the executive director, acts more effective . In other words, external members of the Board of Directors, monitoring and control of dysfunctional management behaviors, causing performance to be more effective and increase shareholder wealth.

Another issue of the structure of the board that is concern is CEO duality. Independence CEO of the Board of Directors as a nice feature for effectiveness and efficiency in maximizing the shareholders expressed in previous studies [31].

On the other hand the existence of shareholders with different characteristics in terms of the desire to improve monitoring and notification can be effective on information asymmetry and quality and timeliness of the information provided .

Warfeild and others (1995) found that the information content of earnings increases by the level of managerial ownership.

Fan and Wong (2002) argued that managers of companies with high ownership concentration, many motivational factors for disclosure of the final information for limited companies.

Laban and Iskan (2005) showed that the quality of financial reporting increases by reducing the concentration of ownership.

Bushman and others (2004) found a significant correlation between the timeliness of profit and ownership concentration.

According to the model used Lyme et al. (2014) and studies on the variables affecting the timeliness of profit, the regression model used in this study are as follows:

$$TimeLiness_{it} (ReportingLag)_{it} = \alpha + \beta_1 LargestShareHolding_{it} + \beta_2 LargestShareHolding_{it}^2 + \beta_3 OwnerType_{it} + \beta_4 CG_{it} + \beta_5 Size_{it} + \beta_6 Leverage_{it} + \beta_7 B/M_{it} + \beta_8 BadNews_{it} + \beta_9 Volatility_{it} + e_{it}$$

The variables used in this model are as follows:

Ownership concentration *Largest Shareholding and Largest Shareholding²*

Public company ownership structure can dissipate (a large number of small shareholders) or concentrated (very few major shareholders). When ownership is in the hands of major shareholders, system control is centralized and when ownership is distributed, system control will be decentralized. Since the concentration of ownership, corporate governance mechanism was seen as an important determinant, seems to be controlling owner identity have an essential role in respect of the ownership-performance.

Generally expressed that an inverse U-shaped relationship is between concentration and profitability of companies. In other words, when the concentration of ownership of a very low level, start to rise, Due to the increasing supervision from the major shareholders reduced agency costs and thus increase profitability. But when the concentration of ownership increased to a certain extent, costs and profitability of the profits surpassed reduced.

As research Dalyval et al. (2008), Grvln and Mychayyly (2008), Folsom (2009), Hay (2009), Marseille Avktyt and Park (2009) in this study, the Herfindahl-Hirschman has been used for calculating the variable [36]:

$$HHI = \sum_{i=1}^{N_j} (SALES_{i,j} / \sum_{i=1}^{N_j} SALES_{i,j})^2$$

In this regard, SALES_{i,j} is the total sales of company (i) in industry (j).

Owner type

Owner type is measured by the following indicators:

Corporate ownership:

In corporate ownership, mainly the major shareholders (companies and businesses) make up a high percentage of stock ownership company [7]. The way of calculation is calculating the percentage of shares held by corporate components of total capital stock and includes all types of joint stock companies, except those mentioned in the previous item [32].

Institutional ownership:

Institutional investors are included banks, insurance companies, pension funds, investment companies and other institutions that buy and sell large amounts of securities . The way of calculation is calculating the total percentage of shares held by institutional investors such as banks, insurance companies, etc [33].

Property management:

In this type of property, most stocks are in the hand of managers and family Board of Directors or members of a family . The way of calculation is calculating the percentage of shares held by directors, board members and their families.

Timeliness reporting

The timeliness of profit, is concerned the ability of current interest in transfer the current data. Earnings Timeliness pointed out that the profit is able to efficiently transmit information.

This is calculated by the following formula:

$$Timeliness = \frac{\sum_{t=-364}^0 \{ |Ln(P0) - Ln(Pt) - \{Ln(I0) - Ln(It)\} | \}}{365}$$

Where (Pt) is closing Stock Price on day (t) and (It) is a market index on day (t). (P0) is closing stock price in the 14 days after the publication of dividends (Earnings Release Date). The lower profit is the amount of timeliness, price discovery would be faster, and means financial information in the stock price in a timelier manner is shown.

The structure of the Board of Directors corporate governance (CG)

Corporate governance measured with the following indicators and variables:

- The percentage of independent members of the Board of Directors
- Duality obligation of Director
- Board size

The percentage of independent members of the Board of Directors:

The primary responsibility of the Board of Directors, the creation of efficient governance on corporate governance in the interests of shareholders and balance the interests of various stakeholders, including customers, employees, investors and local communities. In all actions of the board of directors provides to make its commercial decision is expected in such a way that the best interests of the company is in that. In fulfillment of this commitment, honesty and integrity of senior executives and managers can rely on consultants and independent auditors. The way of calculation is calculating the ratio of the total number of board members to independent board members [34].

Duality obligation of Director:

If the CEO is also the Chairman of the Board, this refers to the duality Director and in this case CEO has potentially greater authority. Dual structure also allows the Director to control information available to other board members effectively and thus may prevent effective monitoring. If the duality of effective monitoring prevented, may be connected with the more unusual accruals. The method of calculation through variables of ones and zeros. If the CEO is chairman of the board equal to one and otherwise used in zero.

Board size

In terms of representation can be argued that a larger board is likely to alert the agency problems, because more people will work under the management. When the boards are bigger, likely consist of more independent members with valuable expertise. Board member expert is expected the better action to prevent or limit the opportunistic behavior management. The way of calculation is calculating the number of members of the board of each company.

Size of the company

Managers often have a tendency to grow the company beyond its optimal size, because the company's growth increases the power management by increasing the resources under its control. Large companies by the amount of funds that need to be purchased are less likely to be exposed to unwanted acquisitions. Therefore, it is expected that corporate managers on investment and fiscal policy, have more power and authority that is leading to much higher cash balances.

Leverage represents assets that are financed through debt.

Market value to book value B/M or share price divided by book value per share gives a new benchmark which can be found many times the book value of its shares will be traded. Whenever the state of the economy in exchange for political crises, etc., is undesirable and the value of the stock is ejaculate, shares of many companies are almost traded equal to the their book value. In the case smart people collect their stock. Therefore, attributed in many cases could be considered the benchmark for investing. In most cases for example, when companies have loss, we cannot measure performance and price-to-earnings ratio (P/E) per share. In this case, the ratio of market value to book value shows benchmark for measuring the performance and value created for the shareholder.

According to research by Fama and French have done this criterion, compared to other financial variables measure is more stable and more reliable.

Bad news which represents the annual loss in these studies, unexpected positive earnings is considered as good news and negative earnings surprise is considered as bad news. Using dichotomous variables for measuring the type of news (good or bad news) "good news" was published earlier than "bad news"

. The method of calculation through variables of ones and zeros. If the company is experiencing an annual loss equal to one, otherwise zero is used.

Stock price volatility is one of the characteristics of time series of earnings quality. More volatility is associated with a higher risk due to several factors. The predictability of profit as a feature of quality and profit time series, including "The ability to predict the current interest in future profits in the short term and long term". Although many factors may affect the volatility of earnings, profit volatility is the two main reasons: economic factors and the accounting treatment. Companies in the economic activity, if we assume the economic environment as the sea and the company as a ship; Ships are challenged at sea turbulence effects. Therefore, we can conclude that economic shocks and something like that, which are outside the company's control; will affect firm performance. Accounting factors mainly about style and how to identify revenues and costs and thus profit economic unit; could affect this mechanism.

Volatility is stock prices or stock returns and measured as follows :

$$Var = \sum (r - \mu)^2 / (N - 1)$$

In which (r) is stock returns, (μ) is average stock returns, (N) is number of days in the period under consideration, 60-day for ordinary course and 30-day for unusual period.

CONCLUSION

Hypothesis 1: According to the results, an inverse relationship between ownership concentration and timeliness profit is u-shaped. So the hypothesis is confirmed. Results obtained from test this hypothesis, the research results confirmed; Aydin, Sayim, and Yalama (2007) expressed that the participation of foreign-owned companies' performance, improves the timeliness profit. Lim et al. (2014), Etemadi et al. (1388), Khodadadi et al. (1391), Mahdavy & Heydari (1384), Provides evidence shows that ownership concentration is important for the timeliness of the company's profits. Results obtained from test this hypothesis, the research results are not confirmed; Chin et al. (2006) found that firms with concentrated ownership in Taiwan, predicted profit with less accuracy and with further deviation to offer. This evidence is consistent with the hypothesis that controlling shareholders in the management of the company's profit margins to conceal their opportunistic behavior. Aghayi & Chalaki (1389) expressed there is a positive relationship between ownership concentration and earnings management.

Hypothesis 2: According to the results there is no significant relationship between managerial ownership and timeliness of benefit. So the hypothesis is rejected. Results obtained from test this hypothesis, the research results are not confirmed; Alinejad Saroukalayi & Bahreyni & Taheri (1392) found that managerial ownership on the relationship between institutional investors and inventory management has a significant impact. Also Namazi & Kermani (1387) found that there was a significant relationship between managerial ownership and profitability. Mueller and Spitz found that the performance indicators of the profitability of companies with high management ownership percentage of 40%, is improving. Mohammadi et al. (1388) found that there is a relationship between property management and profits.

Hypothesis 3: According to the results of corporate ownership and a significant inverse relationship with the timeliness profit. So the hypothesis is confirmed. Results obtained from test this hypothesis, the research results confirmed; Namazi and Kermani (1387) found that there was a significant relationship between corporate ownership and profitability. Mohammadi et al. (1388) found that there is a relationship between corporate ownership and profit.

Hypothesis 4: According to the results of a significant relationship between institutional ownership cannot be seen with the timeliness of profit. So the hypothesis is rejected. Results obtained from test this hypothesis, the research results are not confirmed; Namazi and Kermani (1387) found that there is a significant relationship between institutional ownership and profitability. The results of Aghayi & Chalaki (1389) show that there is significant negative relationship between institutional ownership and profits. Mohammadi et al. (1388) found that there is a relationship between institutional ownership and profits. Ding, Hua, Junxi (2007) state that privately owned companies, eager to maximize their earnings and timely disclosure of information about the profit. As well as research Deng and Wang (2006) states that companies whose shares are mostly held by government institutions, more likely to be the subject of financial health.

Based on assumptions practical suggestions are provided below:

- Because there is a significant benefit and direct relationship between ownership concentration and timeliness, it is recommended for increasing the timeliness benefit from ownership concentration should be used instead distribution of property, however, investors should note that the relationship between ownership concentration and timeliness is reversed U-shaped profit.
- Because there is no significant relationship between managerial ownership and timeliness benefit, therefore, we recommend investors and financial analysts in financial analysis to consider this issue.
- Because of the timeliness of corporate ownership interest and a significant inverse relationship, so investors and financial analysts that use the company property in their ownership structure should consider this issue.
- Because a significant relationship between institutional ownership cannot be seen with the timeliness profit, therefore, we recommend investors and financial analysts in financial analysis to consider this issue.

Due to the complex process of analysis reports and financial statements, it is suggested to facilitate access to analysts, researchers, investors and other users of the variables mentioned above, Software companies that offer financial information and stock exchange, calculate described variables and make available to consumers to make financial decisions and academic research done more quickly.

CONFLICT OF INTEREST

Authors declare no conflict of interest.

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