CORRELATION BETWEEN OWNERSHIP CONCENTRATION, VOLUNTARY DISCLOSURE, AND INFORMATION ASYMMETRY IN COMPANIES LISTED ON THE STOCK EXCHANGE

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Abstract
Although up to now several researches have been conducted to survey the correlation between ownership concentration and information asymmetry on one hand, and effect of corporate disclosure on the information asymmetry on the other hand, the correlation between information asymmetry, ownership concentration and voluntary disclosure has not yet been surveyed. Thus the current research goal is to study the correlation between ownership concentration, voluntary disclosure, and information asymmetry of companies listed in Tehran Stock Exchange. The current research is a quasi-experimental and ex-post facto research which is conducted based on the actual information of stock market and financial statements of listed companies in stock exchange. Models being considered for testing the current research hypotheses are retrieved from multiple regression models of Jiang et al (2011). From all of the companies listed in Tehran Stock Exchange, 140 companies were chosen as the sample. Results showed that there was no positive correlation between the information asymmetry, the level of ownership concentration, the level of ownership concentration of financial-institutional shareholders, and management ownership. Also, there is no inverse correlation between the information asymmetry and voluntary disclosure. Voluntary disclosure affects the information asymmetry of companies having ownership concentration of financial-institutional shareholders. There is no inverse correlation between the information asymmetry, and voluntary disclosure in companies having management ownership concentration. At the end a few suggestions are provided.

Keywords: Ownership concentration, Voluntary disclosure, Information asymmetry, Stock exchange.

Introduction
Information symmetry among the share traders is considered as an important construct for reducing the costs of capital and increasing the market efficiency. In any case, whether the ownership concentration reduces the information asymmetry or increases that, the information asymmetry is still considered as an interesting subject for research and study. At company level, ownership concentration is considered as a main concept of the theory of corporate governance, because the ownership construct well explains the issues related to governance, such as management power, shareholders’ supervisory, providing corporate capital, and investment decisions and corporate disclosure policy. Although up to now several researches have been
conducted to survey the correlation between ownership concentration and information asymmetry on one hand, and effect of corporate disclosure on the information asymmetry on the other hand, the correlation between information asymmetry, ownership concentration and voluntary disclosure has not yet been surveyed. Furthermore, despite the discernible difference between the regulatory costs caused by diversity of shareholders, and its inconsistent regulatory power, the existing researches generally have used the general construct of ownership as an explanatory variable, not its different constructs. This study acts (1) through integrating the cross-ownership constructs for testing the effect of these categories on the information asymmetry; and (2) surveys the effect of corporate disclosure under this ownership circumstance on the correlation between information asymmetry and ownership among the existing researches.

The main reason for emphasizing on the voluntary disclosure and transparency is that these two are the essential foundations to protect the interests of shareholders. Full disclosure approaches accompanied by transparency in financial reporting could provide a secure condition and increase the support from the interests of investors. Also researches have shown that voluntary disclosure has a positive effect on the corporate performance, and affects the protection of shareholders’ and interested parties’ interests. In other words, lack of information transparency and ambiguity in reporting may lead to mistrust, and unethical behaviors along with reducing the corporate value (Khodamipour et al, 2012). Generally up to 1980’s this was widely accepted that ownership concentration leads to reduction of representation issues, and this leads to improvement of corporate performance. Researchers justified this factor in a way that increase of ownership concentration causes the big investors to enter the corporate ownership construct. These investors have enough enthusiasm and power to supervise the managers, and their supervision causes the managers to take steps toward the long-term goals of the company (Kazemi, 2011). Enron and Worldcom scandals in 2002 resulted in conducting several researches about corporate governance. Many researchers found out that appropriate corporate governance construct has a positive effect on the corporate performance and its market value. Information symmetry among the share traders is considered as an important construct for reducing the costs of capital and increasing the market efficiency. In any case, whether the ownership concentration reduces the information asymmetry or increases that, the information asymmetry is still considered as an interesting subject for research and study. At company level, ownership concentration is considered as a main concept of the theory of corporate governance, because the ownership construct well explains the issues related to governance, such as management power, shareholders’ supervisory, providing corporate capital, and investment decisions and corporate disclosure policy.

Cornett et al (2007) surveyed the effect of ownership construct on the corporate performance by the use of information of 175 Greek companies and they concluded that more concentrated ownership construct has a positive correlation with corporate higher profitability, and for achieving higher profitability there is a need for less distributed ownership. Menon et al (2004) analyze the correlation between management ownership which includes the share held by the board members and German small and medium private corporates performance by testing the motivational assumptions. In their research they use a sample including 356 service sector companies that are relevant to business from 1997 to 2000. These research findings show that the performance of companies with more than 40% management ownership is improving. Cronqvist et al (2009) survey that if the Turkish companies having foreign ownership perform significantly better than the companies having a local ownership or not. In this research the t-test and variables of company’s operating profit margin, return of assets, return on equity, and
information of all the companies listed in Istanbul stock exchange for 2003 and 2004 were used. The results showed that in terms of return on assets, the companies having foreign ownership perform better than the companies having local ownership. The research evidences also support this hypothesis that participation of foreign ownership improves the corporate performance.

Hassas Yeganeh et al (2008) studied the role of corporate investors in reducing the information symmetry in Tehran stock exchange. In this research the investment companies and other business institutions were introduced as corporate investors. The research findings showed that companies with higher percentage of corporate shareholders reported more information about the future profits compared to the companies with less percentage of corporate investors, and as a result, more information asymmetry was observable among the companies with less corporate ownership. In a research named “the country specific institutional effects on ownership concentration and performance of continental European firms”, Krivogorsky (2009) studied the effects of country specific institutional constructs on the correlation between the ownership concentration and performance of 8 continental European firms in Austria, Belgium, Germany, Spain, France, Italy, Netherlands, and Portugal. In this research Krivogorsky used 891 publically traded firms. Using data from publically-traded firms owned by other companies (i.e., blocks) measures of the quality of investor and creditor protection and the effectiveness of legal institutions are applied. Employing a hierarchical moderated multiple regression analysis differential validity is established for the relationship between ownership concentration and performance as measured by return on shareholders' funds. This differential effect comes from creditor protection regimes and is consistent with a relational corporate governance model based on debt finance and concentrated ownership. Results show that firstly, there is an appropriate situation for the confrontation of big shareholders with management against the smaller investors, and secondly, it creates the risk of ultra-review or personal trading. There are detailed conditions available for imposing this right and system for creditors’ protection at country level. Bushee et al (2000) surveyed the correlation between the independent directors of the Board, institutional shareholders and possibility of fraud in Australia. Results showed that in companies that had no fraud compared to the companies that had fraud, there is a significant difference between the ownership percentages of institutional shareholders, so, in companies that had no fraud the institutional shareholders’ percentage was very high. This shows that institutional shareholders that had a higher ownership affected the behavior of regulatory managers, and as a result, they reduced the possibility of fraud or earnings management. Klein et al (2009) surveyed the effect of quality accounting on the investment efficiency and they found out that higher quality accounting results in investment efficiency improvement (at companies’ and countries’ level), because higher quality accounting results in reduction of sensitivity toward cash flows from investment. They also showed that the mentioned correlation is stronger in countries that the financing is mainly achieved through the capital market compared to the nations that the financing is achieved through the banks and creditors. Verdi’s findings also indicate that higher quality of financial reporting reduces the lack of investment efficiency (low investment and high investment). On the other hand, some researchers studied the effect of information asymmetry on cash maintenance. Findings of these researches indicate that there is a direct correlation between the level of cash maintenance and cash accumulation and information asymmetry degree, because information asymmetry makes the severe problems related to the conflict of interests, and financing more difficult and more expensive. In such conditions companies may decide to create more cash flow structures and invest in monetary and non-productive assets in order to reduce their risk of financing.
Although up to now several researches have been conducted to survey the correlation between ownership concentration and information asymmetry on one hand, and effect of corporate disclosure on the information asymmetry on the other hand, the correlation between information asymmetry, ownership concentration and voluntary disclosure has not yet been surveyed. Furthermore, despite the discernible difference between the regulatory costs caused by diversity of shareholders, and its inconsistent regulatory power, the existing researches generally have used the general construct of ownership as an explanatory variable, not its different constructs. The current research surveys the effect of different categories of ownership concentration on the information asymmetry subject to voluntary information disclosure of companies listed in Iran exchange, and tries to expand the research flows through integrating three dedicated structures and cross-ownership construct and paying attention to the interactional correlation between these structures and corporate voluntary information disclosure.

Methodology

The current research is a quasi-experimental and ex post facto research which is conducted based on the actual information of stock market and financial statements of listed companies in stock exchange. The research main information include stock market price, trading statistics and information related to the companies’ financial statements. Thus because of the availability, transparency in providing information and high reliability of the information contents, and also due to the public acceptance of professional users of this field such as investors, and experienced financial analysts and in order to empower the codified regulations on corporate performance, the companies listed in Tehran stock exchange information were used. To this aim, in order to gather the related data, the database of Rahavar Novin software, and Tadbir Pardaz software and also financial statements and companies’ audited notes were used. F-statistics was used in order to examine the significance of regression models, and t-statistics was used in order to examine the significance of regression coefficients. Also the significance of correlation coefficient (R) of regression model was examined by the use of t-statistics. It must be noted that in all statistical procedures, the Durbin-Watson statistic was used in order to ensure that no problems occurs from the correlation between the observations in regression model. The SPSS19 statistical software was used in order to analyze the research model data.

Models being considered for testing the current research hypotheses are retrieved from multiple regression models of Jiang et al (2011). The current research population consists of companies listed in Tehran Stock Exchange, because in the current research the stock market price is considered as one of the data needed to calculate the information asymmetry and access to the reliable information about the stock market value for the companies outside the stock exchange is impossible. Also access to the information related to the companies listed in stock exchange through the exchange archives, web databases, and also databases, and different software packages is easily provided. In the current research the systematic sampling is used to choose the sample members, and from the population which is the companies listed in Tehran stock exchange, only the companies that have the following features are chosen as the sample: The current research time domain includes years 2002 to 2012, for an 11-year duration. The following criteria were used for choosing the sample: 1- Companies listed in Tehran stock exchange from 2002. 2- Their share trades did not have a pause for more than 3 months. 3- Their fiscal year ends at the end of each solar year. 4- The chosen companies should not be one of the investment companies. Thus 140 companies were chosen from all of the companies listed in Tehran Stock Exchange.
Model (1) was used in order to test the correlation between the information asymmetry and ownership concentration level (first main research hypothesis):

$$\text{SBAS}_{it} = \beta_0 + \beta_1 \text{H}_{it} + \beta_2 \text{AAV}_{it} + \beta_3 \ln \left( \text{MKVAL}_{it} \right) + \beta_4 \text{LPRICE}_{it} + \epsilon_{it}$$

In which:
- \(\text{SBAS}_{it}\): The information asymmetry is evaluated by the use of scope of bid price and sale price of shares:
  \[
  \text{SPREAD}_{it} = \frac{\text{AP} - \text{BP}}{(\text{AP} + \text{BP})^{\gamma}}
  \]
- \(\text{t}\): Studied time period
- \(\text{i}\): Studied sample
- \(\text{SPREAD}\): The scope of bid price and sale price of a share different
- \(\text{AP}\): The average proposed sale price of the corporate share
- \(\text{BP}\): The average proposed buy price of the corporate share
- \(\text{H}_{it}\): Herfindahl index for measuring the ownership concentration of corporate \(i\) in year \(t\), which is estimated through the following method:
  \[
  \text{HerfIns}_j = -1 \times \sum_{j=1}^{N} \left( \frac{\text{Investor}_{i,j}}{\text{Investor}_j} \right)^2
  \]
  - \(\text{Investor}_{i,j}\): Number of \(i\) shares held by \(j\) institutional investor
  - \(\text{Investor}_j\): Total \(i\) shares held by institutional investors
  - \(N\): Total number of institutional investors in \(i\) share
- \(\text{AAV}_{it}\): Absolute value of abnormal trading volume which is achieved from the difference of the volume of shares traded after the information disclosure and company’s financial statements and mean of volume of trades before the financial statements disclosure.
- \(\ln (\text{MKVAL}_{it})\): Company’s size which is calculated through the natural logarithm of market value of the company.
- \(\text{LPRICE}_{it}\): Natural logarithm of the company’s stock price before closing the company’s logo for financial statements disclosure and holding assemblies.

In model (1) if the coefficients of \(\beta_1\) are positive then the first main hypotheses are confirmed, otherwise, they are rejected.

Model (2) is evaluated in order to test the correlation between the information asymmetry and voluntary disclosure (second main hypothesis):

$$\text{SBAS}_{it} = \beta_0 + \beta_1 \text{H}_{it} + \beta_2 \text{SDSCORE}_{it} \times \text{H}_{it} + \beta_3 \text{AAV}_{it} + \beta_4 \ln \left( \text{MKVAL}_{it} \right) + \beta_5 \text{LPRICE}_{it} + \epsilon_{it}$$

In which:
- \(\text{SBAS}_{it}\): Information asymmetry is evaluated through the use of scope of bid price and sale price of the shares:
  \[
  \text{SPREAD}_{it} = \frac{\text{AP} - \text{BP}}{(\text{AP} + \text{BP})^{\gamma}}
  \]
t= studied time period
i= studied sample
SPREAD= the scope of bid price and sale price of a share different
AP= the average proposed sale price of the corporate share
BP= the average proposed buy price of the corporate share
SDSCORE\textsubscript{it}: voluntary disclosure score equals the number of provided reports and announcements by the company after profit announcement.
H\textsubscript{it}= Herfindahl index for measuring the ownership concentration of corporate i in year t, which is estimated through the following method:

\[ HerfIns_j = -1* \sum_{j=1}^{N} \left( \frac{\text{Investor}_{i,j}}{\text{Investor}_{i,j}} \right)^2 \]

Investor\textsubscript{i,j}: Number of i shares held by j institutional investor
Investor\textsubscript{i,j}: Total i shares held by institutional investors
N: Total number of institutional investors in i share
AAV\textsubscript{it}: Absolute value of abnormal trading volume which is achieved from the difference of the volume of shares traded after the information disclosure and company’s financial statements and mean of volume of trades before the financial statements disclosure.
In (MKVAL\textsubscript{it}): Company’s size which is calculated through the natural logarithm of market value of the company.
LPRICE\textsubscript{it}: Natural logarithm of the company’s stock price before closing the company’s logo for financial statements disclosure and holding assemblies.

In model (3) if the coefficients of β\textsubscript{2} are negative then the second main hypotheses are confirmed, otherwise, they are rejected.

Results

In table 1 for each of the model variables, indicators such as number of samples, change range of variables, maximum and minimum range of changes, mean, standard deviation, coefficient of kurtosis, coefficient of skewness, median, mode and quartiles of 25%, 50% and 75% of variables are shown. Coefficient of kurtosis (K), and coefficient of skewness (SK) of each of the research model variables that are shown in table (1) are interpreted as followed: if the absolute value of these coefficients is smaller or equal to 0.1 then (|k or sk| ≤0.1) the distribution is normal. If it is bigger than 0.1 and smaller or equal to 0.5 then (0.1 < |k or sk| ≤ 0.5) the distribution is relatively normal and if it is bigger than 0.5 then (|k or sk| >0.5) the difference between the related distribution and the normal distribution is clear.

Table 1. Descriptive statistics of variables used in research models

<table>
<thead>
<tr>
<th>Model Variables</th>
<th>SBAS</th>
<th>FDUM</th>
<th>MDUM</th>
<th>SDSCORE</th>
<th>H</th>
<th>AAV</th>
<th>InMKVAL</th>
<th>LPRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sample No.</td>
<td>788</td>
<td>788</td>
<td>788</td>
<td>788</td>
<td>788</td>
<td>788</td>
<td>788</td>
<td>788</td>
</tr>
<tr>
<td>Mean</td>
<td>0.283</td>
<td>0.618</td>
<td>0.046</td>
<td>4.725</td>
<td>0.169</td>
<td>0.309</td>
<td>12.702</td>
<td>8.287</td>
</tr>
<tr>
<td>Median</td>
<td>0.175</td>
<td>0.638</td>
<td>0.039</td>
<td>5.000</td>
<td>0.151</td>
<td>0.253</td>
<td>12.555</td>
<td>8.262</td>
</tr>
<tr>
<td>Mode</td>
<td>0.02</td>
<td>0.380</td>
<td>0.000</td>
<td>4.000</td>
<td>0.03</td>
<td>0.080</td>
<td>11.710</td>
<td>8.450</td>
</tr>
</tbody>
</table>
Regression analysis results of research model (1) are shown in Table (2).

\[ SBAS_{it} = \beta_0 + \beta_1 H_{it} + \beta_2 AAV_{it} + \beta_3 \ln (MKVAL_{it}) + \beta_4 LPRICE_{it} + \varepsilon_{it} \]

**Dependent variable:** Information asymmetry  

**Table 2. Evaluation results of research model (1)**

<table>
<thead>
<tr>
<th>Explanatory variables</th>
<th>Coefficient of variable of ((\beta_i)_{model})</th>
<th>Predicted sign</th>
<th>t-statistics</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>(\beta_0)</td>
<td>0.617</td>
<td>-</td>
<td>7.154</td>
<td>0.000</td>
</tr>
<tr>
<td>(H_{it})</td>
<td>0.080-</td>
<td>Positive</td>
<td>0.992-</td>
<td>0.322</td>
</tr>
<tr>
<td>AAV_{it}</td>
<td>0.014</td>
<td>-</td>
<td>0.388</td>
<td>0.698</td>
</tr>
<tr>
<td>(\ln MKVAL_{it})</td>
<td>0.001</td>
<td>-</td>
<td>0.221</td>
<td>0.825</td>
</tr>
<tr>
<td>LPRICE_{it}</td>
<td>0.041-</td>
<td>-</td>
<td>4.241-</td>
<td>0.000</td>
</tr>
<tr>
<td>(Durbin-Watson) statistics=2.032</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**F statistics= 6.645**  
**P-value= 0.000**  

\[ R= 0.181 \]

The desired coefficient in above table for testing the first research hypothesis includes:  
\(\beta_1\): Coefficient of correlation between the information asymmetry and ownership concentration level

As it is observable in table (2), F statistics is equal to 6.645 and P-value is equal to 0.000 which shows that in confidence level 99% the linear regression model is statistically significant. T-statistics for explanatory variable of \(H_{it}\) (with Beta -0.080) is equal to -0.992 and also the significance level of mentioned variable is equal to 0.322 and in confidence level 95% it is statistically insignificant. Considering surveying the first hypothesis between the information asymmetry and the ownership concentration level, there is no positive correlation, because the explanatory variable beta of \(H_{it}\) is equal to -0.080 and t-statistics is also equal to -0.992, and at confidence level 95% it is not significant. As it is observable in table (2), the correlation coefficient and the adjusted coefficient of determination in model (1) is respectively equal to 0.181 and 0.028. Also based on Model (1) Durbin-Watson statistics which is shown in table (2)
the amount of this statistics is equal to 2.032 which is between 1.5 and 2.5. Thus it could be said that in model (2) there is no autocorrelation between the observations.

Table 3. Evaluation results of research model (2)

<table>
<thead>
<tr>
<th>Explanatory variables</th>
<th>Coefficient of variable of ((\beta_i)) model</th>
<th>Predicted sign</th>
<th>t-statistics</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>(\beta_0)</td>
<td>0.603</td>
<td>-</td>
<td>6.966</td>
<td>0.000</td>
</tr>
<tr>
<td>(H_{it})</td>
<td>0.143</td>
<td>-</td>
<td>0.946</td>
<td>0.345</td>
</tr>
<tr>
<td>SDSCORE_{it} * H_{it}</td>
<td>0.048 (Reverse)</td>
<td>-</td>
<td>1.749</td>
<td>0.081</td>
</tr>
<tr>
<td>AAV_{it}</td>
<td>0.016</td>
<td>-</td>
<td>0.449</td>
<td>0.653</td>
</tr>
<tr>
<td>lnMKVAL_{it}</td>
<td>0.003</td>
<td>-</td>
<td>0.531</td>
<td>0.596</td>
</tr>
<tr>
<td>LPRICE_{it}</td>
<td>0.043 (Reverse)</td>
<td>-</td>
<td>4.366</td>
<td>0.000</td>
</tr>
</tbody>
</table>

(Durbin-Watson) statistics=2.026

F statistics= 5.942
P-value= 0.000

Adjusted \(R^2= 0.030\)
R= 0.191

The desired coefficient in above table for testing the first research hypothesis includes:

\(\beta_2\) : Coefficient of correlation between the information asymmetry and voluntary disclosure

As it is observable in table (3) the F statistics is equal to 5.942 and P-Value is equal to 0.000 which shows that at confidence level 99% the linear regression model is statistically significant. The t-statistics for explanatory variable of SDSCORE_{it} * H_{it} (or Beta -0.048) is equal to -1.749 and the significance level of the desired variable is also equal to 0.081 which at confidence level 95% is not statistically significant. Surveying the second hypothesis, there is no significant reverse correlation between the information asymmetry and voluntary disclosure, because the explanatory variable beta of SDSCORE_{it} * H_{it} is equal to -0.048 and the t-statistics is also equal to -1.749, which at confidence level 95% it is not significant. As it is observable in table (3) the correlation coefficient and the adjusted coefficient of determination in model (2) are respectively equal to 0.191, and 0.030. Also based on the Durbin-Watson statistics of model (2) which is shown in table (3), the amount of this statistics is equal to 2.026, which is between 1.5 and 2.5. Thus it could be declared that in model (2) there is no autocorrelation between the observations.

Also another part of the research results showed that there is no direct and significant correlation between the information asymmetry and ownership concentration level of financial institutional shareholders, because the explanatory variable beta of Hit * FDUM_{it} is equal to -0.124 and also the t statistics is equal to -0.728, which at confidence level 95% is not significant. Surveying the second hypothesis, there is no direct and significant correlation between the information asymmetry and ownership concentration level of management, because the explanatory variable beta of H_{it} * MDUM_{it} is equal to 0.275 and also t statistics is equal to 0.179, which at confidence level 95% it is not significant. Surveying the third sub-hypothesis, the voluntary disclosure has no significant reverse effect on the information asymmetry of companies having ownership concentration of financial institutional shareholders, because the explanatory variable beta of SDSCORE_{it} * H_{it} * FDUM_{it} is equal to -0.086 and the t statistics is also equal to -1.408, which at confidence level 95% it is not significant. Studying the fourth sub-hypothesis, there is no significant reverse correlation between the information asymmetry and voluntary disclosure in companies having management ownership concentration, because the explanatory variable beta of SDSCORE_{it} * H_{it} * MDUM_{it} is equal to 0.036 and also the t statistics is equal to 0.059 which at confidence level of 95% it is not significant.
Discussion and Conclusion

The current research has studied the correlation between ownership concentration, voluntary disclosure and information asymmetry about the companies listed in stock exchange. One of the very important considerations in surveying and analyzing the effect of main shareholders is their combination and their construct, because there may be some differences between the motivations and limitations of information they share. Former researches have used the institutional ownership, local ownership, and absolute ownership in order to show the mixed combination of main shareholders. However, these groups of shareholders indeed cover each other, because the institutional shareholders could be both local and absolute shareholders. It is very difficult to determine which one these groups is the main reason of correlations without separating the groups of shareholders from each other.

The summary of research results and findings is provided in table (4). The statistical test results of research hypotheses show the rejection of all research hypotheses.

Table 4. Summary of research results and findings

<table>
<thead>
<tr>
<th>Research hypothesis</th>
<th>Result</th>
<th>Research finding</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is a positive correlation between the information asymmetry and ownership</td>
<td>Rejected</td>
<td>There is no positive correlation between the information asymmetry and ownership</td>
</tr>
<tr>
<td>concentration level</td>
<td></td>
<td>concentration level</td>
</tr>
<tr>
<td>There is a positive correlation between the information asymmetry and ownership</td>
<td>Rejected</td>
<td>There is no positive correlation between the information asymmetry and ownership</td>
</tr>
<tr>
<td>concentration level of financial institutional shareholders.</td>
<td></td>
<td>concentration level of financial institutional shareholders.</td>
</tr>
<tr>
<td>There is a positive correlation between the information asymmetry and ownership</td>
<td>Rejected</td>
<td>There is no positive correlation between the information asymmetry and ownership</td>
</tr>
<tr>
<td>concentration level of management.</td>
<td></td>
<td>concentration level of management.</td>
</tr>
<tr>
<td>There is a reverse correlation between the information asymmetry and voluntary</td>
<td>Rejected</td>
<td>There is no reverse correlation between the information asymmetry and voluntary</td>
</tr>
<tr>
<td>disclosure.</td>
<td></td>
<td>disclosure.</td>
</tr>
<tr>
<td>The voluntary disclosure does not have an effect on the information asymmetry of</td>
<td>Rejected</td>
<td>The voluntary disclosure has an effect on the information asymmetry of companies</td>
</tr>
<tr>
<td>companies having financial institutional ownership concentration.</td>
<td></td>
<td>having financial institutional ownership concentration.</td>
</tr>
<tr>
<td>There is a reverse correlation between the information asymmetry and voluntary</td>
<td>Rejected</td>
<td>There is no reverse correlation between the information asymmetry and voluntary</td>
</tr>
<tr>
<td>disclosure in companies having management ownership concentration.</td>
<td></td>
<td>disclosure in companies having management ownership concentration.</td>
</tr>
</tbody>
</table>

The reason for inconsistency of the current research results with Jiang et al (2011) results could be found out in the population of these two researches, because based on the uniformity of the test model in both researches, Jiang et al (2011) used the information of Chinese companies listed in China’s stock market, while data needed for this research are chosen from the population of companies listed in Tehran stock exchange. Based on the fact that the only main difference between these two researches is due to their different populations, thus one of the
main reasons of inconsistency between these two research results could be the difference between the structures of capital market in these two countries. Also, based on the fact that the competitiveness of corporate market affects the managers’ decision makings for corporate reporting, thus, it does not affect the companies’ conservativeness.

According to the results achieved from the research hypotheses it is suggested to the investors to not to rely on the ownership concentration and voluntary disclosure in order to assess the company’s information asymmetry, and to search for other factors such as quality of disclosure and management honesty. Due to the extensive researches conducted outside of Iran centered on information asymmetry, and also close attention to this subject during researches conducted in Iran, it is recommended to consider the high potentiality of information asymmetry to conduct researches in different areas in Iran and to make more efforts. Some of the issues that could be the subject of future researches include: surveying the correlation between information asymmetry and capital market construct-macroeconomic policies, exchange rate fluctuations-quality of disclosure.

References