

## عنوان مقاله:

PRECISION AND SENSITIVITY DIMENSIONS OF PROFIT AND BOARD OF DIRECTORS COMPENSATION  
(EVIDENCE FROM TEHRAN)

## محل انتشار:

فصلنامه تحولات نوین در حسابداری و مدیریت، دوره 2، شماره 5 (سال: 1398)

تعداد صفحات اصل مقاله: 23

## نویسندگان:

Sayed ali Vaez - Associate Prof in Accounting, Faculty of Economic and Social Sciences, Shahid Chamran University, Ahvaz, Iran

Rahim Bonabi gadim - Assistant Prof in Accounting, Hashtroud Branch, Islamic Azad University, Hashtroud, Iran

## خلاصه مقاله:

**Research aim:** This research aims to investigate how the precision and sensitivity dimensions of profit affect the board of directors' compensation. In this study, the precision indicators of profit namely earning management through accrual and manipulation activities in the form of increased profits, as well as conditional conservatism and the sensitivity indicators of profit namely earnings response coefficient and stock returns fluctuations were studied. **Design/ Methodology/Approach:** The data related to the 121 companies listed in Tehran Stock Exchange for the period 2008 to 2017 were extracted and the combination regression model was used to test the hypothesis. **Research finding:** The results showed that the abnormal accruals on compensation had a significant and positive effect that indicated the lack of sufficient attention to them. Manipulation activities in the form of increased profits and conditional conservatism had significant effect on board of directors' compensation. The earnings response coefficients indicators, had a positive effect on board of directors' compensation and returns fluctuations indicators had a negative effect on board of directors' compensation. **Theoretical contribution/Originality:** The novelty of this research is to introduce the precision and sensitivity dimensions of profit in board of directors' compensation. Because if the compensation is not commensurate with board of directors actual performance not only will increase corporate value but also will be a means to transfer wealth. From the important indicators in measuring performance in compensation plans is the precision and sensitivity of reported earnings. **Practitioner/Policy implication:** One of the most important applications of this research is development of theoretical foundations associated with compensation Plans, as well as helping to improve the conclusion of compensation contracts to reduce the agency costs and maximize company value. **Research limitation/Implication:** An important limitation of this study is the lack of access to information related to board of directors' non-cash compensation.

## کلمات کلیدی:

Board of Directors, Compensation Profit Precision, Profit Sensitivity, Earning Management, Earnings Response, Coefficients

## لینک ثابت مقاله در پایگاه سیویلیکا:

<https://civilica.com/doc/993270>



