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Analyzing the effect of property changes from the state to private firms in profitability "Companies listed on the Tehran Stock Exchange

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ABSTRACT: Privatization is a process in which economic enterprises monitoring by the government are assigned to the private sector. It has improved the performance of companies and enterprises based on the experience of other countries, and also economic theory propounded during the past several decades. One of the main objectives of privatization is improving efficiency and increasing productivity in different countries. Hence the present study explored the effects of privatization of public enterprises in Iran through the Tehran Stock Exchange by the analysis of this type of company stock returns using an analytical – empirical method. By examining the financial documents of private companies in Statistical year book of Tehran Stock Exchange, the stock return before and after privatization and statistical data required were collected. Then using SPSS software, given the data distribution, nonparametric tests was performed. Based on statistical analyzes conducted it was found that generally the efficiency of the divested companies, there is a significant difference before and after privatization. In general, summary of the statistical results of Sub-hypothesis test associated with the first original hypothesis suggests that the ratio of profitability of state enterprises transferred to the private sector before and after transferring has a significant difference in terms of all the criteria used in the present study. Also, the results of associated test with second main hypothesis indicates that there is a significant difference among five-year average efficiency state enterprises stocks assigned to the private sector before and after transferring . Finally, regarding the results of all three ratio return on assets, return on investment, return on equity found that it has been a significant relationship the ratio profitability of sales in the first two years after transferring (adaptation period), with the same average of six years later.

Keywords: Privatization, public companies, stock exchange, stock returns.

INTRODUCTION

Basically, over the past two decades, countries around the world have embarked on privatization programs. Yet, some countries are reluctant in privatization; however, most of them have stopped the privatization process. This is very true in developing countries where it is still state-owned institutions accounted for over 10% of the GDP, 20% of investments and about 5 percent estimates official employment .(Kikeri & Nellis, 2001). It seems that the opposition to the privatization depends on the public distrust in privatization process. Unions and other traditional opponents of privatization are discussed in connection with its weaker services. Meanwhile, political leaders are afraid of much profitability of large private companies whose profitability achieved at the expense of the of other community members, especially the difficult transition period from state to private ownership and vice versa, necessarily lead to a change (From the social and representative perspective) in the relationship between decisionmakers responsibility in company and stakeholders. In general, the transfer of property right leads to a different structure of stimulus management, changes in management behavior, company performance and quality of service as well as access and can be used (Laffont & Tirole, 1993).Yet, there is an empirical knowledge about how well a privatization works. There are difficult problems and issues in the methodological specific issues associated with the availability and consistency of data. In addition, the choice of the sample can be derived from several sources, including, including the willingness of the government to ward optimizing privation via improving to the first companies. (Torero Cullen, 2003). This research examines financial ratios firms delegated to the private sector in years before and after transferring. For this purpose, following the above introduction, by reviewing the definition and concept of privatization, research and studies conducted have been reported. . The next section deals with the use of inferential statistics, data analysis and the final section after the conclusion of the present study, suggestions to improve the privatization process has been presented. It is worth noting that the company studied in this research consists of delegated companies to the private sector through the Tehran Stock Exchange.

2. Definition of Privatization

The term of privatization can have many meanings. As its name suggests, it can also mean the return of assets owned by the government to the private sector, in which controlling the activity of equity is transferred from the public sector to the private sector. This view is very limited. The best thing is that privatization is generally considered as reducing government interference (as declining in production), as well as a reduction in supply, subsidies and regulations or in fact combination of these four tools (Hughes, 2005).

Privatization is the process by which the government investigates the possibility of transferring the functions and facilities to the private sector at any level then the transfer can be transferred if it is necessary. (Saghir, 1993).

Weljanofky1 defines privatization as doing the economic activities through the private sector or transferring the ownership to the private sector (Sadeghian & Emami, 2005).

In another definition, privatization generally applies to businesses with at least 50% of their shares has been delegated to the people. In stating, the main argument is the merit payment affected by the old owners of the property.

The main idea of the privatization is improving the industry performance by increasing the role of market forces and making a competition. (Bishop).

Privatization means the creation of a new economic system based on the market and therefore, different aspects of economic transformation (Kablizade, 2005).

3- Background of research and studies conducted

According to intellectuals activating in the field of privatization, the first privatization target, increasing the efficiency of the national economy, On the one hand, reducing the size of the government in the economy and, on the other hand, people are allowed to flourish their capabilities and potential. Hence, addressing the research done in this field is essential. Almasi (2002) has studied the effects of the privatization policy of the government in the framework of improving economic and social programs of financial perspective. Evaluating the effectiveness of this policy has been investigated with respect to the accounting and privatization texts using three criteria earnings per share, efficiency assets and efficiency equity. The three criteria listed in five years before and after privatization, were examined. Generally, private companies have been evaluated within the framework of various industries. Results of this study show that privatizing government is unable to achieve its goals of improving the efficiency and productivity of business either. The main reason for the success of the privatization policy is Iran stagnant economy condition and lack of suitable substrates to achieve the objectives of this program has been enumerated in this study (Almasi, 2002).

Silvar (2000) reviewed the relationship between the type of ownership and financial performance. In this research, a sample of 62 companies from six industries (automotive, financial investment, non metallic minerals, food, chemical, rubber and plastics) has been selected. The purpose of this research is to identify whether the changes of ownership percentage can improve the measures of financial performance or not? In this regard, the financial ratio of company, the years of 77 and 78 has been investigated. The overall result obtained show that the changes in the proportion of ownership (public or private) are not associated with the changes in financial ratios. A notable tip of this study is that the studied period of the conclusion (two years) is too short. Another failure is that there are , for example, many companies that percentage of their ownership has not changed, and therefore they should be eliminated from the sample because they actually are not a part of the target population, and the results will be distorted (Silvary, 2000). Khoshnoudi (2001) the results obtained in the study of the relationship between the supply of shares (68-80) has examined the relationship between the supply of shares on the Tehran Stock Exchange and private investment in Iran between 1368 and 2001.

Note that the estimation of regression model using ordinary least squares method requires persistence variables used in the models desired. In this study, primarily the stability of variables using unit root test (Dickey Fuller test) and then examined the reliability and validity tests of the models to investigate patterns has been done (Khoshnoudi, 2001).

Mandel1 (2005), the research in the field of privatization, has examined 118 companies from 29 countries (both developed and undeveloped) and 28 industry of Cali and operational performance (efficacy). In this study, measures of profitability (operating income for sales, efficiency of sales, efficiency of assets and efficiency of equity), the performance indicators (the ratio of actual sales for each employee),and indicators of capital expenditures, capital in sales and capital expenditures to the total assets) in the three years before and after privatization were examined, and the results of this study also showed significant improvement in all measures across all industries and all countries (Mandel, 2005). In another study by Joe .J.Young 3, Hong.Y 4 and Long Kai Zhou5 (2006) have examined the impact of privatization based on profitability of the Companies assigned in Chin. In addition to the changes in the profitability of the privatized companies, they also investigated changes in the profitability of state-owned companies. For this purpose, they have evaluated the profitability 149 privatized companies between 1999 and 2003 relying on the sale efficiency variable (ROS) as a measure of profitability. Findings of this research indicate of improving profitability of subcontracted companies compared with the state-owned companies (Guohua, Heng, & Longkai, 2006). In another study, Cook6 et al (2006), by studying 63 developing countries between 1997 and 1988 emphasized the central role of privatization in the economic growth of these countries. They argue that there is a high positive correlation between privatization and economic growth in those countries. However, privatization in a long period of time is fulfilled, and the need to amend the rules and regulations and setting competitive regulations. As a result, privatization may be economically desirable outcomes that the structural reforms implemented in these countries. (Paul & Yuichiro, 2006). Narjes Bobakeri 1 and Joan Claod Cost 2(1994) have done one of the most important researches in field of privatization. In this study, 79 companies were selected among 23 developing countries and also it was reviewed financial and operating performance in the three years before and after privatization during the period of 1992-1980.The sample companies which have been selected were from countries with low business income, including (Bangladesh, India and Pakistan), middle income countries (Argentina, Brazil, Greece, Korea, Malaysia, Mexico, Portugal, Singapore, Taiwan, Trinidad and Tobago, and Venezuela). These samples consisted of different industries with different sizes. The purpose this study was to identify whether optimal policy of privatization in developing countries has been desirable and whether it has been led to improve performance, particularly profitability or not?. For this, it has been used the profitability and operational parameters to determine the changes in performance. Our findings suggested that privatization companies increases their profitability (Bobakari & Cosset, 1998).

MATERIALS AND METHODS

Since the purpose of this study is to evaluate differences in stock efficiency of various public companies divested through the Stock Exchange, hence population of the study are all companies listed in stock including, including collection companies that after the ratification and implementation of the divestiture of state-owned enterprises (1991), have been subjected to privatization (It means that according to the Commercial Code and the Public Audit Act of 50% of their shares have been transferred to the private sector).

This study performed in the field of privatization and "ownership change effects from government to privatization agents in stock profitability during 2004 to 2011 ». The spatial domain of research is Tehran Stock Exchange. Due to the increasing data accuracy and freshness of the data analysis results, time interval of 5 years before and after the assignment for this study was considered. More than 231 companies has been assigned, at an interval of 83 to 90 of the 72 companies were awarded through the Tehran Stock Exchange. To determine the sample size, random sampling was used.

Both primary and secondary data were used in this study; therefore, by referring to Tehran Stock Exchange and other sources of information (such as Rahavarde Novin and Tadbirpardazan software's) gathering the necessary information and then by referring to them, the specific sample was selected, according to the characteristics of the studied variables in the model to analyze data collected and used. Finally, given the characteristics of studied, related data to the model variables for analysis collected and used.

1-4 research variables

The independent variable in this study is the change of ownership from public to private enterprise and the dependent variables used to assess the profitability, including the ratio of asset efficiency; the ratio of capital efficiency; rate of efficiency sales and the average of five-year efficiency the stock.

Related information of each variable using the annual audited financial statements and reports, devise processing software version 7 as well as reports prepared by the Stock Exchange has been collected.

2-4- Statistical Population

Population of the present study consists of listed companies in Tehran Stock Exchange. In this study, statistical sampling is used, but the following criterion was placed for sampling and the sample study will be selected as knockout or play off:

1. They should be listed in Tehran Stock Exchange till 1996, Esfand/March.
2. The financial year ended to Esfand/ March
3. Companies should not change their financial year during period desired.
4. Financial information required to carry out this the research, should be presented completely during 1996 to 2011.
5. Not part of the investment companies
6. With regard to the restrictions applied a total of 72 companies were selected.

5. Descriptive statistics

Table 1 shows the descriptive statistics calculated, included the mean, standard deviation, maximum and minimum data rate of efficiency assets, efficiency of investment, rate of efficiency on sales and five-year average efficiency on equity before and after transferring.

As the table below shows, the average efficiency stocks with the highest in five-year average and also the standard deviation is the highest. Moreover, the rate of efficiency on capital has the lowest mean value, and rate of return on assets allocated to the lowest standard deviation. Generally the main variables of this study suggest that privatization on average improves profitability.

Table 1. Descriptive statistics of variables

Statistics Variable	The time limit	average	Standard deviation	Maximum	Minimum
Return on assets	Before Surrender	0.156	0.130	5.30	-2.4
	After transfer	0.172	1.15	5.65	-2.27
Return on Equity	Before Surrender	0.097	1.91	4.69	-1.99
	After transfer	1.02	1.46	4.89	-1.88
Return on sales	Before Surrender	1.33	0.153	6.65	-3.02
	After transfer	1.45	1.516	6.74	-2.94
The average return on equity	Before Surrender	2.45	2.63	8.85	-2.34
	After transfer	2.78	1.92		

Table 2. Results of the unit root test of Levin, Lin and Chu

The test statistic	The time limit	The test statistic	Meaningfully
Return on assets	Before Surrender	12.3054	0.000
	After transfer	-49.8930	0.000
Return on Equity	Before Surrender	-27.7891	0.000
	After transfer	-10.3616	0.000
Return on sales	Before Surrender	-25.9932	0.000
	After transfer	-16.3403	0.000
The average return on equity	Before Surrender	-34.1276	0.000
	After transfer	-23.4381	0.000

Based on the unit root tests of Levin, Lin and Chu and Phillips-Perron (Table 2), because the P-Value is less than 5%, all dependent variables, independent and reliable control study during the course of study in which they were in steady level means that the mean and the variable variance over time and variable covariance between different years is constant. The results of the static test variables during the course of study in Tables 1 and 2 are presented.

Table 3. Results of Kolmogorov-Smirnov test

Statistics Variable	The time limit	The test statistic	Meaningfully
Return on assets	Before Surrender	29.7	0.285
	After transfer	34.3	0.300
Return on Equity	Before Surrender	23.14	0.233
	After transfer	33.6	0.297
Return on sales	Before Surrender	38.3	0.376
	After transfer	35.68	0.330
The average return on equity	Before Surrender	30.71	0.289
	After transfer	29.19	0.283

Kolmogorov-Smirnov test to check the normality of the variables used. Given the significant amount obtained more than 5% of the value of the normal distribution assumption variables is approved.

6- Test research hypotheses

In this section test the research hypotheses presented. It is worth mentioning in order to investigate the sub-hypotheses related to the first hypothesis, as well as the second main hypothesis test comparing two sample-dependent (paired comparisons) are used in this study .

6-1- The first main hypothesis test

The first main hypothesis:

There is a difference between the ratios of profitability governmental companies granted before and after transfer.
To test the first main hypothesis, three Sub-hypotheses considered were tested as follows:

1-1-6- The first sub-hypothesis test:

The first sub-hypothesis: there is a meaningful significant between proportions of ROA of granted public companies granted to private sector before and after transferring.

H₀: there is no significant difference in state company granted to the private sector, the average return on assets, before and after the assignment.

H₁: In public Company granted to the private sector, the average return on assets, there is a significant difference before and after the assignment.
In order to compare the efficiency of state owned company's assets assigned assets to the private sector before and after the assignment paired comparison test was used in the companies mentioned above and the results are presented in Table 4.

Table 4. Comparison test of equality of mean to the ratio efficiency governmental assets transferred to the private sector before and after transfer

T- test statistic	Degree of freedom	T-Test Statistical significance level
2.340	672	0.020
The average ROA after the assignment: 0.07238	The average ROA before the transfer: 0.06210	

As seen in Table 4, paired comparison test at a significance level is less than 5%, so H0 is rejected and H1 accepted. In other words, the equality test results show that there is a significant difference between the mean ratios ROA of state owned companies transferred to private sector.
In addition, according to the Table 4, the average assets efficiency after the transfer is greater than the average return on assets before the assignment.
Therefore, the surface studied sample, assets efficiency of privatized companies is more than the same company's assets before privatization.

2-1-6. the second sub-hypothesis test:

There is a significant difference before and after transfer in the proportion public companies granted to private sector.

H₀: There is no significant difference of the average return on capital within state enterprises granted to the private sector before and after transferring.

H₁: In state owned companies granted to private sector, there is no significant difference between the average return on capital before and after transfer.

In order to compare the efficiency of public funds granted to private companies before and after the assignment, paired comparison test was used in the companies mentioned above and the results have been presented in Table 5.

Table 5. Comparison test of equality, the average rate of return on capital delegated public companies in the private sector before and after transferring

T- test statistic	Degree of freedom	T-Test Statistical significance level
3.296	672	0.020
The average ROA after the assignment: 0.07238	The average ROA before the transfer: 0.06210	

As shown in Table 5, the paired comparison test at a significance level is lower than 5%, so H0 is rejected and H1 accepted. In other words, the equality test results of equality average at 5% error level shows that there is a significant difference before and after the assignment between mean ratios of efficiency of public investment companies transferred to the private sector.
In addition, according to Table 5, the average return on capital after the assignment is greater than average return on capital before the assignment. Therefore on the surface the studied sample, efficiency of capital of private enterprise is more than the return on capital of the same company's return on capital before the Privatization.

3-1-6- third sub-hypothesis test
The third sub-hypothesis:

Between the proportions of SOEs ROS State companies granted to the private sector, there is a meaningful difference before and after assignment.

H_0: There is a significant difference between the average rate of return on sale in transferred state owned companies to the private sectors before and after assignment.

H_1: There is a significant difference between the average rate of return on sale in transferred state owned companies to the private sectors before and after assignment.

In order to compare the efficiency average of public funds granted to private companies before and after the assignment, paired comparison test was used in the companies mentioned above and the results have been presented in Table 6.

Table 6. Equality comparison test, the average rate of return on the sale of state owned companies transferred to the private sector, before and after transferring.

Table 6. Comparison test of equality of mean rate of return on the sale of state owned companies transferred to the private sector before and after transfer

T- test statistic	Degree of freedom	T-Test Statistical significance level
3.030	672	0.003
The average return on assets before transferring	The average return on capital after transferring	
0.04228	0.02775	

As shown in Table 6, the paired comparison test at a significance level is lower than 5%, so H0 is rejected and H1 accepted. In other words, the equality test results of equality average at 5% error level shows that there is a significant difference before and after the assignment between mean ratios of efficiency of public investment companies transferred to the private sector.

In addition, and according to Table 6, the average rate of sales efficiency after the assignment is greater than the average rate of sales efficiency before the assignment. Therefore, in the sample studied, rate of return on the sale of privatized companies is more than rate of return on the sale of the same company's return on capital before the privatization.

2.6-The second main hypothesis test
The second main hypotheses:

There is a significant difference between the five-year average return on equity of SOEs transferred to the private sector before and after transferring.

H_0: There is no significant difference between the average of five-year average return on equity in state granted companies to private sector before and after the assignment.

H_1: There is a significant difference between the average of five-year average return on equity in state granted companies to private sector before and after the assignment.
In order to compare the efficiency average of public funds granted to private companies before and after the assignment, paired comparison test was used in the companies mentioned above and the results have been presented in Table 7.

Table 7. Equality Comparison test of the average rate of selling state granted companies to private sector before and after the assignment

T- test statistic	Degree of freedom	T-Test Statistical significance level
2/160	643	0/031
The average of five-year efficiency after transferring	The average of five-year efficiency after transferring	
1/07549	0/94848	

As shown in Table 7, the paired comparison test at a significance level is lower than 5%, so H0 is rejected and H1 accepted. In other words, the equality test results of equality average at 5% error level shows that there is a significant difference before and after the assignment between mean ratios of efficiency of public investment companies transferred to the private sector In addition, and according to Table 7, the five-year average efficiency of stocks after assignment is more than the average five-year mean efficiency of stocks before the assignment. Therefore, in the sample studied, rate of five-year efficiency of privatized companies is more than the rate of the five-year average efficiency shareholders of the same company's return on before the privatization.

Generally summary of the statistical results of the test sub-hypotheses associated with the first main hypothesis suggests that there is a significant difference between state enterprises transferred to the private sector , in terms of all the criteria used in the present study before and after transfer Also, investigating the results of the test associated with the second hypothesis indicates that: There is a significant difference between the five-year average efficiency stocks of SOEs transferred to the private sector before and after transferring.

CONCLUSION

7-1- conclusion of the first sub-hypothesis

H_0: The average efficiency in state owned companies granted to the private sector, there is no significant difference before and after the assignment.

H_1: In public companies granted to the private sector, the average efficiency assets, there is a significant difference before and after the assignment.

$$\begin{cases} H_0: \mu_1 = \mu_2 \\ H_1: \mu_1 \neq \mu_2 \end{cases}$$

Table 8. T-test for paired samples to variable rate of return assets

P-value	Degrees of freedom	The test statistic
0.020	672	2.340

Considering that the probability of the paired t-test was obtained equal to 020/0 and it is smaller than 05/0, thus it can be concluded that the null hypothesis was rejected and the first hypothesis is confirmed. This means that there is a significant difference between the average efficiency assets before and after transferring. Considering that the average returns on assets after privatization and before it, so it can also be concluded that privatization has an effect on return on assets.

7-2- conclusion of the second sub-hypothesis

H_0: There is a significant difference between the average return on capital before and after transferring in assigned state owned companies to the private sector.

H_1: There is no significant difference between the average return on capital before and after transferring in assigned state owned companies to the private sector.

$$\begin{cases} H_0: \mu_1 = \mu_2 \\ H_1: \mu_1 \neq \mu_2 \end{cases}$$

Table 9. Paired samples t-tests related to variable rates of return on capital

P-value	Degrees of freedom	The test statistic
0.001	672	3.296

Considering that the probability of the paired t-test was obtained equal to 0/001 and it is smaller than 0/05, thus it can be concluded that the null hypothesis was rejected and the second hypothesis is confirmed. This means that there is a significant difference between the average efficiency assets before and after transferring. Considering that the average returns on assets after privatization and before it, so it can also be concluded that that privatization has an effect on return on assets.

7.3- conclusion of the third sub-hypothesis

H_0: There is no significant difference between the average rate of sale return before and after transferring in assigned state owned companies to the private sector.

H_1: There is no significant difference between the average rate of sale return before and after transferring in assigned state owned companies to the private sector.

$$\begin{cases} H_0: \mu_1 = \mu_2 \\ H_1: \mu_1 \neq \mu_2 \end{cases}$$

Table 10. t-test of paired samples to the variable rate of sale return

P-value	Degrees of freedom	The test statistic
0.003	672	3.030

Considering that the probability of the paired t-test was obtained equal to 0/003 and it is smaller than 0/05, thus it can be concluded that the null hypothesis was rejected and the second hypothesis is confirmed. This means that there is a significant difference between the average efficiency assets before and after transferring. Considering that the average returns on assets after privatization and before it, so it can also be concluded that privatization has an effect on return on assets.

Since the first hypothesis was confirmed, hence it can be said, state-owned enterprises after assignment due to the stringent control and supervision of stakeholders, shareholders, competition with other firms in the stock market to attract more investment and the need to provide clear information to try to correct the program, run the meticulous supervision and support, financial resources - human and physical at their disposal, to use optimally. It can be observed the development of some considerations and sensitivity to qualitative terms improve the efficiency assets and, accordingly, the equity, return on investment and the quantitatively the difference between the average profitability ratios before and after the implementation of privatization process. In other words, that profitability of the companies surveyed had improved after the privatization.

7-4- conclusion of the second main hypothesis

H_0: There is no significant difference between the five-year average efficiency stocks of public transferred companies to the private sector before and after transferring.

H_1: There is a significant difference between the five-year average efficiency stocks of public transferred companies to the private sector before and after transferring.

$$\begin{cases} H_0: \mu_1 = \mu_2 \\ H_1: \mu_1 \neq \mu_2 \end{cases}$$

Table 11. T-test of paired samples related to the variable mean of the average yield equity of five years

P-value	Degrees of freedom	The test statistic
0.031	643	2.160

Considering that the probability of the paired T-test was obtained equal to 0/031 and it is smaller than 0/05, thus it can be concluded that the null hypothesis was rejected, Therefore the second hypothesis is confirmed. This means that there is a significant difference between the average efficiency the five-year average efficiency stocks before and after transfer before and after transferring. Therefore it can be safely said that the privatization process could increase the efficiency of the companies surveyed. In other words, the efficiency of companies surveyed (95 percent) after the assignment is greater than before the implementation of the privatization process.

7.5. Conformity Test

In compliance with research conducted and receiving comments of experts (including professors and advisors), two first-year assignment as transition years (or adjustment) considered as privatization process.

Therefore, by using the difference test between two averages (T-test) and also the Pearson correlation, designed hypotheses at this regard has been investigated.

The Spss output tables below are indicative of the same subject.

Hypothesis:

There is a significant difference between the ratios of profitability of two years after the transferring,

The first sub-hypothesis:

There is a significant difference between the ratio of return on assets of two years after the transferring, with an average of six years after the assignment.

$$\begin{cases} H_0: \mu_1 = \mu_2 \\ H_1: \mu_1 \neq \mu_2 \end{cases} \qquad \begin{cases} H_0: \rho_1 = 0 \\ H_1: \rho_1 \neq 0 \end{cases}$$

Table 12. t-test Results of associated with the first sub-hypothesis (Conformity of return on assets)

Adaptation period	Number	Average	Standard deviation	Value of t-statistics	Df	sig
First two years and six years after transferring	72	1/7596	6/7297	2/124	65	0/037

Table 13. Correlation of test results associated with the first sub-hypothesis (correlation ratio of asset efficiency)

Variable	Number of samples	Correlation coefficient	Variable
Adaptation of return on assets	72	0/834	0.000

According Spss outputs and obtained a sig (0.37<0.05) determined that ratio of return on assets, not only was greater than the mean of five years after but also they have a significant relationship of 99% confidence level with each other.

***The second sub-hypothesis**:*

There is a significant difference between the averages of efficiency of capital of two years after the transferring, with an average of six years after the assignment.

$$\begin{cases} H_0: \mu_1 = \mu_2 \\ H_1: \mu_1 \neq \mu_2 \end{cases} \qquad \begin{cases} H_0: \rho_1 = 0 \\ H_1: \rho_1 \neq 0 \end{cases}$$

Table 14. T-test Results of associated with the second sub-hypothesis (Conformity of return on assets)

Adaptation period	Number	Average	Standard deviation	Value of t-statistics	Df	sig
First two years and six years after transferring	72	11.983	61.5997	1.569	64	0/002

Table 15. Correlation of test results associated with the second sub-hypothesis (correlation ratio of return investment)

Variable	Number of samples	Correlation coefficient	Sig
Adaptation of return on assets	72	0.898	0.000

According to Spss outputs and obtained sig (00.02<0.05), determined that ratio of return on assets, not only was greater than the mean of five years after but also they have a significant and strong relationship of 99% confidence level with each other.

***The third sub-hypothesis**:*

There is a significant difference between the average return sales of two years after the transferring, with the six years after the assignment.

The third sub-hypothesis: There is a significant difference between the average return the sale of two years after the transferring, with an average of six years after the assignment.

Table 16. Results of the T-test correlation related to the third sub-hypothesis (Conformity to gender concepts return on sales)

Adaptation period	Number	Average	Standard deviation	Value of t-statistics	Df	sig
First two years and six years after transferring	72	293.511	361.6586	2/570	64	0.013

Table 17. Correlation of test results associated with the second sub-hypothesis (correlation of return on investment)

Variable	Number of samples	Correlation coefficient	Sig
Adaptation of return on assets	72	0.898	0.000

According to Spss outputs and obtained sig (0.013<0.05) determined that ratio of return on assets, not only was greater than the mean of five years after but also they have a significant and strong relationship of 99% confidence level with each other.

Finally, the results of all three of return on assets, return on investment and the efficiency Shareholders Equities found that there is a significant relationship between the proportion of profitable sales in the first two years after the transfer ring (adaptation period), with an average of six years later.

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