INVESTIGATE THE RELATIONSHIP BETWEEN UNSYSTEMATIC RISK AND PROFIT GROWTH OF ACCEPTED COMPANIES IN TEHRAN STOCK EXCHANGE

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Abstract:
Unsystematic risk includes most important issues in financial management, because unsystematic risk has received little attention in Iran. Profitability of a company as well as non-systematic risk assessment criteria requires different conditions in order to be timely, reliable, accurate picture of the company. In this study we have tried to switch the relationship between risk and unsystematic growth of accepted companies in Tehran Stock Exchange during the years 85 to 89 are discussed. In this study, the growth of dividends includes net profits, gross profit and operating profit is intended. The sample consists of 146 firms operating in the resource cement vehicles and parts, chemicals, machinery and significantly under medication is used to analyze the data of 7 risk unsystematic and growth dividends in companies active in industries there is such significant relation.

Keywords: unsystematic risk, Gross profit, Net profit, Operating Profit, Tehran Stock Exchange

1. Introduction:
Nowadays managers to attract investors trying to maximize the company's value and increase revenue and profit growth as one of the approaches that are being considered for this purpose. Today buy shares and the company is one of the ways of investing invariably combine with risk that could be part of this risk (unsystematic risk) controlled with formation of securities way and diversify the types of assets (Ahmadpoor, 2005, p.2). The Tehran Stock Exchange also trying to increase the amount of their annual profits, investors are encouraged to invest in the ordinary course. However, investors also 1 - of Kurdistan University 2 - Graduate Master of Business Administration in the capital market are trying their resources are directed toward the most profitable for them and if investors do not get their desired benefit, will attempted to withdraw funds from the stock market and investing in other activities that this leads to a reduction in shares traded and will prosper on the stock exchange (Gorjizadeh, 2010, p.2). The possibility of forecasting in capital markets is a subject much has been discussed in academic and empirical arguments. Despite the predictability of returns by many researchers have increasingly emphasized, but traditional theories of financial market model, the assumption has severe and have tried to make the excess return on the market systematic risk factors associated risks and to justify it as morphological. But in recent years due to non-systematic risk
factors explain the excess return on the capital market, fundamental analysis has increased (MohammadAliShohadayi, 2011, p.32).

2. **Theories and literature:** nature of risk several economists have defined the investment risk as yield spread. For example, Keynes defined investment is likely to yield an average deviation posted shortly. According to Keynes, who works in an investment asset that yields a large amount of scatter should be paid to the risk that tolerates the capital that receives (Nalshekan Akbar, 2010). Similar to Keynes, Hicks also defines the risk as return variance. Hicks asserts that the return an investor will have to dispersion by assuming a certain expected return is less attractive. Thus, Hicks also emphasizes that it is safe to return dispersion factor is also an important factor affecting investment decisions (Nalshekan Akbar, 2010).

3. **Sources of risk:**

3-1. **Political Risk:** political risk or country risk includes capital depreciation that occurs due to policy changes in systems and systems of a country. So the changes that occur in the price of the stock have control over the participants (Rai and Talongy, 2010).

3-2. **Business risk:** this risk can be defined as the inability to maintain a company in the stability, sustainable competitive growth and profitability in the short-term or long-term stability.

3-3. **Interest rate risk:** Many investors know the purchase securities or bonds with fixed return valid solution for deliverance from risk. But it should be noted that these types of securities are interest rate risk. Interest rate risk means Reduce foreign exchange risk principal in terms of the newly issued securities (Rai and Talongy, 2010).

3-4. **Risk rate inflation:** inflation risk is a principal and interest risk capital depreciation due to reduced purchasing power of money if after the purchase of securities inflation rate raises, interest rates will raise and increase in market interest rates, market prices of securities will decrease in value and that have already been published (Rai and Talongy, 2010).

3-5. **Financial Risk:** Financial risk refers to the risk that the additional use of debt as financial leverage is discussed. As companies get more loans, margins and profitability will focus less risk than common stock (Rai and Talongy, 2010).

3-6. **Liquidity risk:** Basically, investors, liquidity of the considered view that in order to buy or sell an asset quickly, without the mediation is undergoing drastic changes and from this view is that they have the power reliability of the assets (AbdehTabrizi, 2010).

3-7. **Exchange rate risk:** all global and international investors to invest today in the international business turning a profit faced by their country currency exchange rate risk. With the growth of international transactions in this manner increased risk among investors and Investors have the option to earn interest of international investors also creates risk that the exchange rate can make. Can say that the exchange rate risk also is called foreign currency risk (Investment Management, Reza Tehrani).

4. **Types of risk:**

4-1. **Unsystematic risk:** the non-systematic risk is a risk that limited to the portion of a company or industry, factors such as management, capacity, consumer preferences and labor strikes cause swings in company’s markets. Unsystematic factors that is largely independent of factors affecting the securities market. Because the factors that affect a company and they should be checked for any company.

4-2. **Systemic risk:** the purpose of systemic risk, the expected volatility of investment returns that are related to capital market conditions. Unexpected changes in interest
rates, inflation and GDP are cases that affect the efficiency of capital markets. Each of the Types of financial assets is affected. And in contrast to these changes, the prices of almost all financial assets change with similar behavior. The part of the risk is unavoidable and can not form the influential investor, to eliminate this risk.

5. Literature:
Several studies by researchers inside and outside the country have been made in connection with unsystematic risk. Drew et al (2004) used from the dummy full influence of the Fama and French method and investigated relationship between unsystematic risk and stock returns for firms accepted companies in China's stock market in the period from 1995 to 2000. They used from the difference between total risk and systematic risk to calculate unsystematic risk. They also showed that in addition to influential venture capital market in small companies that have low unsystematic risk their investment (Belly and others (2005)). The results of Gooya and Santa Clara (2003) have questioned the rational and the new covenant, and also showed the results of Clara (2003) because firms in the market and the company's liquidity risk premium. In addition, research results and Goyal and Santa Clara fight the longer 1963 to 2001 and the New York Stock Exchange and Mks, does not apply. More importantly, they have no significant relationship between the returns of the most influential and the average value based on the value of the stock variance found. Angel DysvtsaRvmatys (2008) the relationship between unsystematic risk and future market returns in ten European countries in the period 1988 to 2005 were investigated further demonstrated that unsystematic variations include the largest part of total volatility. Research Methodology: Research Model: The study consisted of four variables in the following manner specified relationship between them in the main hypothesis of the relationship between unsystematic risk and profit growth of listed companies in Tehran Stock Exchange will be reviewed that the proof of this hypothesis based on unsystematic risk measures and profit growth takes place. The relation each of Profit and non-systematic risk criteria is measured in the six industries. The hypothesis of the relationship between gross profit and operating profit, net profit, profit growth as the criteria for non-systematic risk respectively in six food industry, medicine, machinery and equipment, chemicals, automobiles and parts, cement and plaster checks.

6. Model of the six industries:
   6-1 : Theory and research: A co-relational study in which the individual or a member from two or more variables collected information is then correlated the amount of data collected is calculated. A major assumption underlying this study is six sub-hypotheses are as follows:
   1. Risk of non-development
   2. Profits systematically
   3. Gross profit
   4. Operating profit
   5. Net profit

7. Hypothesis:
   7-2: The main hypotheses: the non-systematic risk and profit growth of listed companies in Tehran Stock Exchange has a significant relationship.
   7-3: Secondary hypotheses:
   7-3-1. Between unsystematic risk and profit growth companies in Tehran Stock Exchange cement and plaster relationship exists between the
7-3-2. Unsystematic risks and profits growth of automobile and parts companies in Tehran Stock Exchange has a significant relationship.
7-3-3. Between unsystematic risk and profit growth for chemical companies in Tehran Stock Exchange have a significant relationship.
7-3-4. Between unsystematic risk and profit growth food companies in Tehran Stock Exchange, there is a significant relationship between.
7-3-5. Between unsystematic risk and profit growth companies, there is a significant relationship between the drug and the Tehran Stock Exchange.
7-3-6. Between unsystematic risk and profit growth companies in Tehran Stock Exchange of machinery there is a significant relationship.

8-Method and the statistical:
Method of study procedures (scientific, comparative), and is inductive - deductive. Since the present study is related Companies that in food industry, medicine, machinery and equipment, chemicals, automobiles and parts, cement and plaster were accepted in Tehran Stock Exchange, according to the study, the population of the territory in question is located. In this study, data collection and research literature related to the theoretical foundations from method used in library and to collect financial information and data used in the Tehran Stock Exchange. So the New Deal database software and inferential statistics were extracted 7 SPSS software for data analysis and descriptive statistics were used to extract. To test the variables in this study, correlation analysis and regression analysis was used because in this study the effect of one variable looking for on another variable. To test the hypothesis that each from six cement and gypsum industry, pharmaceutical, chemical, food, vehicles and parts, machinery correlation coefficient and multiple regression analysis is used.

9-Hypothesis testing in the cement industry:
9-1: The non-systematic risk and profit growth of listed companies in Tehran Stock Exchange has a significant relationship.
9-2: Systematic risk and profit growth of listed companies in Tehran Stock Exchange has a significant relationship.

Results of Sig. Beta Coefficient T-statistic variable name:
Relation 0/000 21/29 7 / gross profit of 89
Relation 0/000 - 10/48 -5 / operating profit of 50
Lack of relationship 0 / 586 -0/54 -3 / gross profit of 08

Relationship 2/1/53 statistic of Vanson-f camera:
004: R statistics: 49%. R square adjusted:
% 43 confirmed that is H 0, assumed /1 in gross profit and operating profit of less than 0.5 sig. According to regression table, since is 0 and supposedly in the net profit will not be confirmed. In the cement industry / in the net profit by more from 05 Sig. But there is a significant relationship between dividend and unsystematic risk.

Hypothesis testing in the pharmaceutical industry:
1. The non-systematic risk and profit growth of listed companies in Tehran Stock Exchange has a significant relationship.
2. Systematic risk and profit growth of listed companies in Tehran Stock Exchange has a significant relationship.

Results of Sig. Beta Coefficient T-statistic variable name:
Relation 0/000 5/78 1 / gross profit of 77
Relation 0/000 - 7/68 -1 / operating profit of 41
Lack of relationship 0 / 21 -1/84 -9 gross profit of 08

Relationship 2/2/35 statistic of Vanson-f camera: 03: statistics
Hypothesis testing in the chemical industry:
1. The non-systematic risk and profit growth of listed companies in Tehran Stock Exchange has a significant relationship.
2. Systematic risk and profit growth of listed companies in Tehran Stock Exchange has a significant relationship.

Results of Sig. Beta Coefficient T-statistic variable name:
Relation 0.014 2/97 2 / gross profit of 26
Relation 0.007 - 3/62 -1 / operating profit of 90
Lack of relationship 0 / 0.01 -2/44 -8 / gross profit of 69

Hypothesis testing in the food industry:
1. The non-systematic risk and profit growth of listed companies in Tehran Stock Exchange has a significant relationship.
2. Systematic risk and profit growth of listed companies in Tehran Stock Exchange has a significant relationship.

Results of Sig. Beta Coefficient T-statistic variable name:
Relation 0.008 2/61 6 / gross profit of 53
Relation 0.05 - 1/43 -6 / operating profit of 63
Lack of relationship 0 / 85 -0/18 -1/ gross profit of 20

Hypothesis testing in the vehicles and parts industry:
1. The non-systematic risk and profit growth of listed companies in Tehran Stock Exchange has a significant relationship.
2. Systematic risk and profit growth of listed companies in Tehran Stock Exchange has a significant relationship.

Results of Sig. Beta Coefficient T-statistic variable name:
Relation 0.008 2/61 6 / gross profit of 53
Relation 0.05 - 1/43 -6 / operating profit of 63
Lack of relationship 0 / 85 -0/18 -1/ gross profit of 20
Relationship 2/1/96 statistic of Vatson-f camera: 16: statistics
: Adjusted R square 27 %: 22 %R square
Confirmed that H 0 is assumed / 1 in gross profit and operating profit of less than 0.5 sig. According to regression table, since is 0, and supposedly in the net profit will not be confirmed. In the vehicles and parts industry / in the net profit by more from 05 Sig. But there is a significant relationship between dividend and unsystematic risk in vehicles and parts industry.

Hypothesis testing in the machinery industry:
1. The non-systematic risk and profit growth of listed companies in Tehran Stock Exchange has a significant relationship.
2. Systematic risk and profit growth of listed companies in Tehran Stock Exchange has a significant relationship.

Results of Sig. Beta Coefficient T-statistic variable name:
Relation 0/03 2/36 0 / gross profit of 0002
Relation 0/04 2/02 -0 / operating profit of 0003
Lack of relationship 0 / 02 -0/44 -0 / gross profit of 0001

Relationship 1/1/2 statistic of Vatson-f camera: 92: statistics
: Adjusted R square 31 %: 22 %R square
Confirmed that H 0 is assumed / 1 in gross profit and operating profit of less than 0.5 sig. According to regression table, since is 0, and supposedly in the net profit will not be confirmed. In the machinery industry / in the net profit by more from 05 Sig. But there is a significant relationship between dividend and unsystematic risk in machinery industry.

10- Conclusion:
According to the discussions, the results of data analysis are discussed in terms of hypothesis. The main hypotheses: the non-systematic risk and profit growth of listed companies in Tehran Stock Exchange has a significant relationship.
According to approve six secondary hypothesis posed for this hypothesis, such a hypothesis can be answered With confidence 90% between risk unsystematic and profit growth of listed companies in the industries of cement and plaster, medicine, food, chemical, automobile and parts, and machinery and equipment were accepted in the Tehran Stock Exchange during the period 1385 to 1389.

Recommendations based on the results:
1. Actual or potential investor in the Tehran Stock Exchange is suggested that in the accounting variables that influence your decision to consider the unsystematic risk.
2. Exchange authorities or requiring timely reporting of information by companies, risk capital can substitute for in the investors to make economic decisions. The information in this study would be including gross profit, net profit and operating profit.
3. Factors affecting the price of oil in the years 2006 to 2010, presidential elections, wars in neighboring countries and political and economic developments that Iran has stock according to the results such research has failed to investigate the influence corporate profits.

Suggestions for future research:
1. Possible relationship between unsystematic risk and profit growth of listed companies in Tehran Stock Exchange investigated in the other industries.
2. Relationship between unsystematic risk and profit growth companies can be accepted The Tehran Stock Exchange in capital-intensive industry and user defined and the relationship in these two industries can measure.
3. Possible relationship between the risk of total equity and profit growth of listed companies in Tehran Stock Exchange reviewed.
4. Possible relationship between stock returns and profit growth of listed companies in Tehran Stock Exchange reviewed.
5. We stock liquidity and profit growth of listed companies in Tehran Stock Exchange has reviewed.
6. Other variables such as the dividend divided by the dividend can grow, Comprehensive Income Financial Ratios and delay other qualitative factors such as economic conditions, political and social - In the relation to non-systematic risk, be examined by future researchers.

11. References: