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Examination of the Financial Managers' Perspectives of the Listed Companies in Tehran Stock Exchange towards Social Responsibility and its Role in Financial Information Quality

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ABSTRACT

The main objective of this study is experimental investigation of the effects of the financial manager's perspectives of the companies listed in Tehran Stock Exchange in relation to social responsibility on the financial information quality. Hence, this study seeks to answer the question that: Is there a significant relationship between corporate social responsibility (CSR) and their financial information quality? Therefore, the commitment accruals quality and disclosure quality has been used to measure the financial information quality. The statistical sample of the research consisted of 120 companies listed in Tehran Stock Exchange that studied in the period of 1996 to 2002. Multivariate linear regression analysis was used to test the research hypotheses. The results of the study showed that there isn't a significant relationship between corporate social responsibility and its dimensions (including corporate social responsibility in the environment, the corporate social responsibility in the workplace, the corporate social responsibility in the society and the corporate social responsibility in the market and capital) with the commitment accruals quality. Also, the results of the research indicated that there is a direct significant relationship between corporate social responsibility and its dimensions (including corporate social responsibility in the environment, the corporate social responsibility in the workplace, the corporate social responsibility in the society and the corporate social responsibility in the market and capital) with the information disclosure quality.

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INTRODUCTION

Previous research in the field of corporate social responsibility has provided a theoretical background for entering business ethics expectations into an economic framework. For example, Carroll [2] in his proposed model depicts social commitments of a company that include economic, legal, ethical and voluntary responsibility. Atkins [1] claims that investment in social responsibility is to clarify in corporate financial reporting. In other word, companies with responsorial social behavior try to meet the society's moral expectations through selecting and implementing correct social behavior methods for beneficiaries and thereby, they lead to create restrictions on measures such as earnings management and as a result, more transparent and reliable financial information are provided to investors.

On the other hand, corporate social responsibility initiatives can potentially be associated with the pursuit of manager's self-interests [8,11]. The manager may involve in the activities related to corporate social responsibility to cover up the impacts of their wrong work behaviors in the company [7]. Therefore, if managers are involved in corporate social responsibility activities with opportunistic motivation, most likely they will manipulate in reported financial information. Based on the above, this study was conducted to answer this question whether the perspectives of corporate financial managers towards corporate social responsibility in Tehran Stock Exchange have any impact on the quality of financial information published by the company?

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With conducting this study, can be showed that due to Iranian economic, social and political conditions, whether the managers' attitudes towards CSR is lead to increase or decrease the quality of financial information?

2. Theoretical Framework of the Research:

Despite the extensive literature on the relationship between corporate social responsibility and financial performance, studies that examine the relationship between corporate social responsibility and financial data quality criteria are little and the results are very different. These studies primarily focused on opportunistic use of corporate social responsibility in the context of agency theory. Unlike previous studies that emphasized on the relationship between CSR and financial reporting on managers' opportunistic behavior, Kim *et al* research [10] examined the ethical concerns as an alternative to corporate social responsibility and a stimulus for financial reporting. Theories related to corporate social responsibility indicates that companies or managers for being honest, reliable and ethical in their business processes have motivation. Several theoretical studies in the field of moral vision of corporate social responsibility argue that there is a moral necessity for managers to do the right thing. Jones [8] concludes that companies with high social responsibility have motivation to be honest, reliable and morality, because such behaviors are beneficial to the company.

While the moral requirements for corporate social responsibility predict a positive relationship between the financial information quality and social responsibility, some research predict a negative relationship between the financial information quality and corporate social responsibility by relying on opportunistic use of corporate social responsibility. This means that managers may involve in corporate social responsibility activities for their own interests and not for company and its shareholders interests. Previous theoretical studies argue that corporate social responsibility is potentially associated with the pursuit of personal interests of managers. From the agency cost perspective, MacWilliams *et al* [11] argue that corporate social responsibility is a return in excess of salary; this means that managers use corporate social responsibility as a means to advance their career opportunities.

Hemingway & Maclagan [7] argue that companies adopt social responsibility to cover up the impacts of their wrong work behaviors. Therefore, this argument shows that decision making to participate in corporate social responsibility activities to create this impression for shareholders which company is transparent, while the company is engaged in measures such as earnings management. This issue is discussed under opportunistic financial reporting hypothesis.

3. The Research Hypotheses

3.1. The first main hypothesis:

There is a significant relationship between the financial managers' perspective of the companies in Tehran Stock Exchange towards social responsibility and the commitment accruals quality.

3.1.1. Sub-hypotheses:

1. There is a significant relationship between the financial managers' perspective towards corporate social responsibility in the environment and the commitment accruals quality of the companies listed in Tehran Stock Exchange.

2. There is a significant relationship between the financial managers' perspective towards corporate social responsibility in the workplace and the commitment accruals quality of the companies listed in Tehran Stock Exchange.

3. There is a significant relationship between the financial managers' perspective towards corporate social responsibility in the society and the commitment accruals quality of the companies accepted in Tehran Stock Exchange.

4. There is a significant relationship between the financial managers' perspective towards corporate social responsibility in the market and capital and the commitment accruals quality of the companies accepted in Tehran Stock Exchange.

3.2. The second main hypothesis:

There is a significant relationship between the financial managers' perspective in the Tehran Stock Exchange towards social responsibility and the information disclosure quality.

3.2.1. Sub-hypotheses:

1. There is a significant relationship between the financial managers' perspective towards corporate social responsibility in the environment and the information disclosure quality of the companies listed in Tehran Stock Exchange.

2. There is a significant relationship between the financial managers' perspective towards corporate social responsibility in the workplace and the information disclosure quality of the companies listed in Tehran Stock Exchange.

3. There is a significant relationship between the financial managers' perspective towards corporate social responsibility in the society and the information disclosure quality of the companies listed in Tehran Stock Exchange.
4. There is a significant relationship between the financial managers' perspective towards corporate social responsibility in the market and capital and the information disclosure quality of the companies listed in Tehran Stock Exchange.

3.3. The Third main hypothesis:

There is a significant relationship between the financial managers' perspective towards corporate social responsibility and being relevant information in the companies listed in Tehran Stock Exchange.

3.3.1.Sub-hypotheses:

1. there is a significant relationship between the financial managers' perspective towards corporate social responsibility in the environment and being relevant information in the companies listed in Tehran Stock Exchange.
2. There is a significant relationship between the financial managers' perspective towards corporate social responsibility in the workplace and being relevant information in the companies listed in Tehran Stock Exchange.
3. There is a significant relationship between the financial managers' perspective towards corporate social responsibility in the society and being relevant information in the companies listed in Tehran Stock Exchange.
4. There is a significant relationship between the financial managers' perspective towards corporate social responsibility in the market and capital and being relevant information in the companies listed in Tehran Stock Exchange.

4. The Research Methodology:

The present research method is composed of two parts. In the first section, information related to social responsibility is collected via questionnaire; thus, from this perspective, the present research can be seen as the survey research.

In the second section, given that the information related to the data quality has been collected via the financial statements of companies, this study can be considered as a quasi-experimental research. Needed information to the companies was collected through Policy-Processing software. Finally, the data were prepared using Excel software and then analyzed using SPSS.

4.1. Statistical Population and Sampling Method:

A studying period is a seven-year time period based on the financial statements of 1996 to 2002 years. Listed companies in Tehran Stock Exchange constitute the statistical society of the present research. In this study, the statistical sampling can't be used, but the following conditions are applied the sample selection:
1. Corporate financial year is the end of March each year.
2. Company hasn't had a change in the fiscal year during 1996 to 2002.
3. Required financial information in order to extract the required data is available.
4. Until the end of 1995 year financial will be accepted in Tehran Stock Exchange.
5. Since, to calculate the company size is required to determine the market value of equity, the company's shares during three the last months must be traded at least once each year.
6. They aren't among banks and financial institutions (investment companies, financial intermediaries, holding and leasing companies), because financial information disclosure and corporate governance structures is different within them. According to the above conditions, 120 companies were examined.

4.2. The Research Variables:

4.2.1. Independent Variable:

The independent variable in the present research is corporate financial managers' perspective towards social responsibility. Thus, a questionnaire was used to measure corporate financial managers' perspective towards social responsibility. The questionnaire that used in the present study has been formed four dimensions of corporate social responsibility in the environment, corporate social responsibility in the workplace, corporate social responsibility in the society and country, corporate social responsibility in the market and capital.

4.2.2.Dependent Variable:

The dependent variable used in present research is the commitment accruals quality and the information disclosure quality. In this study similar to previous studies has been used the commitment accruals quality measured by Dichav & Dicho model [4].

The model used by Dichav & Dicho [4] is as follows:

$$\mathbf{TCA_{i,t} = \varphi_0 + \varphi_1(CFO_{i,t-1} / Asset_{i,t}) + \varphi_2(CFO_{i,t} / Aseet_{i,t}) + \varphi_3(CFO_{i,t+1} / Asset_{i,t}) + \varepsilon_{i,t}} \quad (1)$$

Where TCA is total commitment accruals, CFO is net cash flow from operating activities and Asset is the average total assets. The remaining amount (ε) in the above model is the commitment accruals quality.

Disclosure quality indicator in the present research is scores allocated to each company that published through Tehran Stock Exchange and via "Ranking Companies in terms of disclosure quality and appropriate notification" announcements

4.2.3. Control Variables:

1. Size - Cook and Firth [5] have shown that bigger companies have better financial reporting quality than smaller companies. It should be noted that in this study, the size variable of the company was measured by the natural logarithm of the market value of the stocks.

2. Ratio of debt - Francis *et al* [6] have indicated that companies that have lower commitment accruals quality, they also have lower debt ratio. Therefore, in this study, the ratio of debt that obtained from debt divided by total assets was used as a control variable.

5. The Research Findings:

5.1. Descriptive Statistics:

Table 1 shows calculated descriptive statistics including mean, standard deviation, maximum and minimum commitment accruals quality variables, disclosure quality, corporate social responsibility, the company size and its debt ratio for the years of 1996-2002.

Table 1: Descriptive Statistics of the Research Variables.

Variable	Min	Max	Mean	Standard Deviation
Corporate Social Responsibility	49	118	79/93	14.262
commitment accruals quality	1124.233	3602384.961	298205.021	498286.700
disclosure quality	13	90	53.03	20.527
Company size	9.570	20.148	14.285	2.538
Debt ratio	.312	.996	.727	.169

According to Table 1, the variable of commitment accruals quality has the highest dispersion among the research variables. The average disclosure quality indicates that on average the companies in Tehran Stock Exchange in terms of disclosure quality, almost don’t obtain half of total disclosure quality scores. Moreover, the average debt ratio indicates that nearly more than half of the company's assets have been provided of debt.

5.2. Inferential Statistics:

This section will test the research hypotheses. In Table 2 has been represented a summary of regression analysis results of the first sub-hypothesis from the first main hypothesis. According to the F statistic listed in Table 2, which in all levels of the companies is equal to 3/646, indicates the significance of the model in 95 percent confidence level. In addition, Durbin-Watson statistics presented in Table 2, which in all levels of the companies is equal to 1/834 don’t indicate the existence of serial autocorrelation in the regression disturbing element. As Table 2 shows, the R^2_{adj} amount is equal to 0/063; According to this value, we can predict 6/3 percent of the dependent variable variability on the independent and control variables.

Table 2: Regression results associated with the first sub-hypothesis test from the first main hypothesis.

Dependent Variable: Commitment Accruals Quality				
	Coefficients	Standard Error	T-Statistic	Significance Level
Constant Value	255005.962	562515.011	.453	.651
Corporate Social Responsibility in the Environment	-13329.614	14607.162	-.913	.363
Size	40274.976	21937.849	1.836	0.069**
Debt Ratio	-430473.381	269657.172	-1.596	.113
$\mathbf{R^2}$	$\mathbf{R^2_{adj}}$	Durbin-Watson Statistics	**F** Statistics	Significance Level
0.086	0.063	1.834	3.646	0.015*

In Table 2, the coefficients related to regression model and the significance level has been presented. According to this table, a significant level related to the variable of corporate social responsibility in the environment indicates that there isn’t a significant relationship between corporate social responsibility in the environment and the commitment accruals quality. Also, the results related to the control variables indicate that there is an inverse significant relationship between the company size and the commitment accruals quality, but there is no significant relationship between debt ratio and the commitment accruals quality.

In Table 3 has been represented a summary of regression analysis results of the second sub-hypothesis from the first main hypothesis. According to the F statistic listed in Table 3, which in all levels of the companies is equal to 3/349, indicates the significance of the model in 95 percent confidence level. In addition, Durbin-Watson statistics presented in Table 3, which in all levels of the companies is equal to 1/870 don't indicate the existence of serial autocorrelation in the regression disturbing element. As Table 3 shows, the R^2_{adj} amount is equal to 0/056; According to this value, we can predict 5/6 percent of the dependent variable variability on the independent and control variables.

In Table 3, the coefficients related to regression model and the significance level has been presented. According to this table, a significant level related to the variable of corporate social responsibility in the workplace indicates that there isn't a significant relationship between corporate social responsibility in the workplace and the commitment accruals quality. Also, the results related to the control variables also indicate that there is an inverse significant relationship between the company size and the commitment accruals quality, but there is no significant relationship between debt ratio and the commitment accruals quality.

Table 3: Regression results associated with the second sub-hypothesis test from the first main hypothesis.

Dependent Variable: Commitment Accruals Quality				
	Coefficients	Standard Error	T-Statistic	Significance Level
Constant Value	-223302.869	506948.379	-.440	.660
Corporate Social Responsibility in the workplace	1160.296	10639.326	.109	.913
Size	53215.026	19442.200	2.737	.007*
Debt Ratio	-368354.650	264162.371	-1.394	.166
R^2	R^2_{adj}	Durbin-Watson Statistics	F Statistics	Significance Level
.080	.056	3.349	3.646	0.022*

In Table 4 has been represented a summary of regression analysis results of the third sub-hypothesis from the first main hypothesis. According to the F statistic listed in Table 4, which in all levels of the companies is equal to 3/998, indicates the significance of the model in 95 percent confidence level. In addition, Durbin-Watson statistics presented in Table 4, which in all levels of the companies is equal to 1/881 don't indicate the existence of serial autocorrelation in the regression disturbing element. As Table 4 shows, the R^2_{adj} amount is equal to 0/070; According to this value, we can predict 7 percent of the dependent variable variability on the independent and control variables.

In Table 4, the coefficients related to regression model and the significance level has been presented. According to this table, a significance level related to the variable of corporate social responsibility in the society indicates that there isn't a significant relationship between corporate social responsibility in the society and the commitment accruals quality. Also, the results related to the control variables also indicate that there is an inverse significant relationship between the company size and the commitment accruals quality, but there is no significant relationship between debt ratio and the commitment accruals quality.

Table 4: Regression results related to the third sub-hypothesis test from the first main hypothesis.

Dependent Variable: Commitment Accruals Quality				
	Coefficients	Standard Error	T-Statistic	Significance Level
Constant Value	316094.464	474749.938	.666	.507
Corporate Social Responsibility in the Society	-16942.639	12612.810	-1.343	.182
Size	41054.478	19364.227	2.120	.036*
Debt Ratio	-391122.584	261100.362	-1.498	0.137
R^2	R^2_{adj}	Durbin-Watson Statistics	F Statistics	Significance Level
.094	.070	1.881	3.998	.009*

In Table 5 has been represented a summary of regression analysis results of the forth sub-hypothesis from the first main hypothesis. According to the F statistic listed in Table 5, which in all levels of the companies is equal to 3/404, indicates the significance of the model in 95 percent confidence level. In addition, Durbin-Watson statistics presented in Table 5, which in all levels of the companies is equal to 1/862 don't indicate the existence of serial autocorrelation in the regression disturbing element. As Table 5 shows, the R^2_{adj} amount is equal to 0/057; According to this value, we can predict 5/7 percent of the dependent variable variability on the independent and control variables.

In Table 5, the coefficients related to regression model and the significance level has been presented. According to this table, a significance level related to the variable of corporate social responsibility in the market and capital indicates that there isn't a significant relationship between corporate social responsibility in the market and capital and the commitment accruals quality. Also, the results related to the control variables indicate that there is an inverse significant relationship between the company size and the commitment accruals quality, but there is no significant relationship between debt ratio and the commitment accruals quality.

In Table 6 has been represented a summary of regression analysis results of the first main hypothesis. According to the F statistic listed in Table 6, which in all levels of the companies is equal to 3/534, indicates the significance of the model in 95 percent confidence level. In addition, Durbin-Watson statistics presented in

Table 6, which in all levels of the companies is equal to 1/760 don't indicate the existence of serial autocorrelation in the regression disturbing element. As Table 6 shows, the R^2_{adj} amount is equal to 0/060; According to this value, we can predict 6 percent of the dependent variable variability on the independent and control variables.

Table 5: Regression results related to the fourth sub-hypothesis test from the first main hypotheses.

Dependent Variable: Commitment Accruals Quality				
	Coefficients	Standard Error	T-Statistic	Significance Level
Constant Value	-45719/974	445966/202	-0/103	0/919
Corporate Social Responsibility in the Market and Capital	-4525/191	11169/068	-0/405	0/686
Size	49405/201	18987/318	2/602	0/010*
Debt Ratio	-376973/366	262882/390	-1/434	0/154
R^2	R^2_{adj}	Durbin-Watson Statistics	F Statistics	Significance Level
0/020*	3/404	1/862	0/057	0/081

Table 6: Regression Results Associated with the First Main Hypothesis Test.

Dependent Variable: Commitment Accruals Quality				
	Coefficients	Standard Error	T-Statistic	Significance Level
Constant Value	171047/819	569613/390	0/300	0/764
Corporate Social Responsibility	-2702/434	3734/786	-0/724	0/471
Size	44237/005	20799/748	2/127	0/036*
Debt Ratio	-396917/542	264479/329	-1/501	0/136
$\mathbf{R^2}$	$\mathbf{R^2_{adj}}$	Durbin-Watson Statistics	**F** Statistics	Significance Level
0/084	0/060	1/760	3/534	0/017*

In Table 6, the coefficients related to regression model and the significance level has been presented. According to this table, a significance level related to the variable of corporate social responsibility indicates that there isn't a significant relationship between the scores of corporate social responsibility and the commitment accruals quality. Also, the results related to the control variables indicate that there is an inverse significant relationship between the company size and the commitment accruals quality, but there is no significant relationship between debt ratio and the commitment accruals quality.

In Table 7 has been represented a summary of regression analysis results of the first sub-hypothesis from the second main hypothesis. According to the F statistic listed in Table 7, which in all levels of the companies is equal to 6/157, indicates the significance of the model in 95 percent confidence level. In addition, Durbin-Watson statistics presented in Table 7, which in all levels of the companies is equal to 1/767 don't indicate the existence of serial autocorrelation in the regression disturbing element. As Table 7 shows, the R^2_{adj} amount is equal to 0/115; According to this value, we can predict 11/5 percent of the dependent variable variability on the independent and control variables.

Table 7: Regression Results Associated with the First Sub-Hypothesis Test from the First Main Hypothesis.

Dependent Variable: Information Disclosure Quality				
	Coefficients	Standard Error	T-Statistic	Significance Level
Constant Value	61/146	22/515	2/716	0/008*
Corporate Social Responsibility in the environment	1/071	0/585	1/832	0/069**
Size	-1/630	0/878	-1/856	0/066**
Debt Ratio	-3/337	10/793	-0/309	0/758
$\mathbf{R^2}$	$\mathbf{R^2_{adj}}$	Durbin-Watson Statistics	**F** Statistics	Significance Level
0/137	0/115	1/767	6/157	0/001*

In Table 7, the coefficients related to regression model and the significance level has been presented. According to this table, a significance level related to the variable of corporate social responsibility in the environment indicates that there isn't a significant relationship between the corporate social responsibility in the environment and the information disclosure quality. Also, the results related to the control variables indicate that there is an inverse significant relationship between the company size and the information disclosure quality, but there is no significant relationship between debt ratio and the information disclosure quality.

In Table 8 has been represented a summary of regression analysis results of the second sub-hypothesis from the second main hypothesis. According to the F statistic listed in Table 8, which in all levels of the companies is equal to 5/233, indicates the significance of the model in 95 percent confidence level. In addition, Durbin-Watson statistics presented in Table 8, which in all levels of the companies is equal to 1/723 don't indicate the existence of serial autocorrelation in the regression disturbing element. As Table 8 shows, the R^2_{adj} amount is equal to 0/096; According to this value, we can predict 9/6 percent of the dependent variable variability on the independent and control variables.

In Table 8, the coefficients related to regression model and the significance level has been presented. According to this table, a significance level related to the variable of corporate social responsibility in the workplace indicates that there isn't a significant relationship between the corporate social responsibility in the workplace and the information disclosure quality. Also, the results related to the control variables indicate that there is an inverse significant relationship between the company size and the information disclosure quality, but there is no significant relationship between debt ratio and the information disclosure quality.

Table 8: Regression results associated with the second sub-hypothesis test from the second main hypothesis.

Dependent Variable: Information Disclosure Quality				
	Coefficients	Standard Error	T-Statistic	Significance Level
Constant Value	80/646	20/431	3/938	0/0005*
Corporate Social Responsibility in the workplace	0/406	0/429	0/947	0/346
Size	-2/281	0/784	-2/911	0/004*
Debt Ratio	-7/024	10/646	-0/660	0/511
R^2	R^2_{adj}	Durbin-Watson Statistics	F Statistics	Significance Level
0/119	0/096	1/723	5/233	0/002*

In Table 9 has been represented a summary of regression analysis results of the third sub-hypothesis from the second main hypothesis. According to the F statistic listed in Table 9, which in all levels of the companies is equal to 5/568, indicates the significance of the model in 95 percent confidence level. In addition, Durbin-Watson statistics presented in Table 9, which in all levels of the companies is equal to 1/707 don't indicate the existence of serial autocorrelation in the regression disturbing element. As Table 9 shows, the R^2_{adj} amount is equal to 0/103; According to this value, we can predict 10/3 percent of the dependent variable variability on the independent and control variables.

In Table 9, the coefficients related to regression model and the significance level has been presented. According to this table, a significance level related to the variable of corporate social responsibility in the society indicates that there isn't a significant relationship between the corporate social responsibility in the society and the information disclosure quality. Also, the results related to the control variables indicate that there is an inverse significant relationship between the company size and the information disclosure quality, but there is no significant relationship between debt ratio and the information disclosure quality.

Table 9: Regression Results Related to the Third Sub-Hypothesis Test from the Second Main Hypothesis.

Dependent Variable: Information Disclosure Quality				
	Coefficients	Standard Error	T-Statistic	Significance Level
Constant Value	76/083	19/207	3/961	0/0005*
Corporate Social Responsibility in the society	0/682	0/510	1/337	0/184
Size	-2/144	0/783	-2/736	0/007*
Debt Ratio	-7/291	10/564	-0/690	0/491
R^2	R^2_{adj}	Durbin-Watson Statistics	F Statistics	Significance Level
0/126	0/103	1/707	5/568	0/001*

In Table 10 has been represented a summary of regression analysis results of the fourth sub-hypothesis from the second main hypothesis. According to the F statistic listed in Table 10, which in all levels of the companies is equal to 6/798, indicates the significance of the model in 95 percent confidence level. In addition, Durbin-Watson statistics presented in Table 10, which in all levels of the companies is equal to 1/751 don't indicate the existence of serial autocorrelation in the regression disturbing element. As Table 10 shows, the R^2_{adj} amount is equal to 0/128; According to this value, we can predict 12/8 percent of the dependent variable variability on the independent and control variables.

In Table 10, the coefficients related to regression model and the significance level has been presented. According to this table, a significance level related to the variable of corporate social responsibility in the market and capital indicates that there isn't a significant relationship between the corporate social responsibility in the market and capital and the information disclosure quality. Also, the results related to the control variables indicate that there is an inverse significant relationship between the company size and the information disclosure quality, but there is no significant relationship between debt ratio and the information disclosure quality.

In Table 11 has been represented a summary of regression analysis results of the second main hypothesis. According to the F statistic listed in Table 11, which in all levels of the companies is equal to 6/329, indicates the significance of the model in 95 percent confidence level. In addition, Durbin-Watson statistics presented in Table 11, which in all levels of the companies is equal to 1/741 don't indicate the existence of serial autocorrelation in the regression disturbing element. As Table 11 shows, the R^2_{adj} amount is equal to 0/118; According to this value, we can predict 11/8 percent of the dependent variable variability on the independent and control variables.

In Table 11, the coefficients related to regression model and the significance level has been presented. According to this table, a significance level related to the variable of corporate social responsibility indicates that there is a direct significant relationship between the scores of corporate social responsibility and the information disclosure quality in 90 percent confidence level. Also, the results related to the control variables indicate that there is an inverse significant relationship between the company size and the information disclosure quality, but there is no significant relationship between debt ratio and the information disclosure quality.

Table 10: Regression Results Related the Fourth Sub-Hypothesis Test from the Second Main Hypothesis.

Dependent Variable: Information Disclosure Quality				
	Coefficients	Standard Error	T-Statistic	Significance Level
Constant Value	66/707	17/673	3/775	0/0005*
Corporate Social Responsibility in the Market and Capital	0/996	0/443	2/250	0/026*
Size	-1/957	0/752	-2/601	0/010*
Debt Ratio	-6/856	10/417	-0/658	0/512
R^2	**R^2_{adj}**	Durbin-Watson Statistics	**F** Statistics	Significance Level
0/150	0/128	1/751	6/798	0/0005*

Table 11: Regression Results Associated with the Second Main Hypothesis Test.

Dependent Variable: Information Disclosure Quality				
	Coefficients	Standard Error	T-Statistic	Significance Level
Constant Value	58/336	22/725	2/567	0/012*
Corporate Social Responsibility	0/291	0/149	1/953	0/053**
Size	-1/728	0/830	-2/082	0/040*
Debt Ratio	-5/337	10/552	-0/506	0/614
R^2	R^2_{adj}	Durbin-Watson Statistics	F Statistics	Significance Level
0/141	0/118	1/741	6/329	0/001*

6.Conclusions:

As in the theoretical principals of the study was explained in detail, companies' managers can offer more transparent and better quality financial information by considering social responsibility as a moral necessity (transparent financial reporting hypothesis); Or that the companies' managers can adopt social responsibility to cover up their wrong actions impacts in the company (opportunistic financial reporting hypothesis).

Also, the present study in order to determining the type of company's managers' behavior; examine the perspective of the financial manager in the Tehran Stock Exchange and its role in the quality of financial information published by them.

The first major hypothesis test results showed that the relationship between corporate financial managers' perspective in Tehran Stock Exchange towards social responsibility (including each of its dimensions) and the commitment accruals quality is not significant statistically. Overall, the results of the test of this hypothesis are inconsistent with the evidence in the Parivar and colleagues and Kim *et al* research [10]. One of the reasons for lack of consistent of this hypothesis with other research results may be due to that corporate managers participate in social responsibility behaviors by informing of the small presence of professional financial analysts in Tehran Stock Exchange and with regard to the inability of users to identify the quality of commitment accruals[1].

Also, the result of the second main hypothesis test showed that there is a direct significant relationship between corporate financial managers' perspective in Tehran Stock Exchange towards social responsibility and the information disclosure quality. Also, the results of the first and fourth sub-hypothesis test related to the second main hypothesis of the research showed that there is a significant direct relationship between in the environment and corporate social responsibility in the market and capital with the information disclosure quality. But the results of the second and third sub-hypothesis test related to the second main hypothesis of the research showed that there is no significant relationship between two dimensions of corporate social responsibility in the workplace and corporate social responsibility in the society with the information disclosure quality. Overall, the results of testing this hypothesis are inconsistent with the evidence in Parivar *et al* study. However, the current evidence regarding the second main hypothesis and the first and fourth sub-hypotheses are consistent with the results of Kim *et al* [10] study. Due to the use of corporate disclosure scores (published by Tehran Stock Exchange) as an index of the disclosure quality and as previously mentioned, despite the few professional analysts in Tehran Stock Exchange, analysts unprofessional are able to understand ranking companies in terms of the disclosure quality; Thus, firms that participate more in social responsibility activities are attempt to follow the criteria used by Tehran Stock Exchange Organization in order to determine disclosure quality score. But perhaps, one of the reasons for the lack of the significance of the relationship between corporate social responsibility in the workplace and corporate social responsibility in the society with the quality of information is that with regard to the increased importance of social responsibility in the fields of such an environment from the perspective of investors and executives, corporate managers invest more in this aspect of social responsibility.

Advances in Environmental Biology, 9(2) January 2015, Pages: 1146-1154

6.1. The Study Limitations:

In this study, the lack of motivation for active participation in scientific research among selected community members and inherent limitations of the questionnaire are limitations that may affect the results and findings of the research.

6.2. Recommendations:

1. According to the results of the main research hypothesis that there is a direct significant relationship between corporate social responsibility and disclosure quality and the lack of a significant relationship between commitment accruals quality and corporate social responsibility, it is suggested to Tehran Stock Exchange that ranks and scores the company in terms of various aspects of the financial information quality (in addition to disclosure quality).

2. According to the results of the first sub-hypotheses related to the second main hypothesis, it seems that companies that participate more in environmental activities have higher disclosure quality score; thus, with regard to the role of high-quality financial information in representation relationships and promote macro-economic goals of the country, it is recommended that the Ministry of Economy and Finance and Tehran Stock Exchange Organization by creating appropriate contexts and culture–making and advertising regarding the importance of other aspects of social responsibility lead to improve the quality of financial information published by companies.

Also, it is recommended to future researchers that:

1. To examine the perspectives of corporate financial managers towards social responsibility and its role in the voluntary information disclosure.

2. To examine the perspectives of corporate financial managers towards social responsibility and its role in mandatory disclosure.

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