Kurdish Studies
Apr 2023
Volume: 11, No: 02, pp. 12-34
ISSN: 2051-4883 (Print) | ISSN 2051-4891 (Online)
www.KurdishStudies.net

Received: May 2023 Accepted: June 2023
DOI: https://doi.org/10.58262/ks.v11i02.002

The Study of the relationship between the quality of profits and the retention of cash for Iraq commercial banks under the ownership structure "

Ektfaa Raheem Mohsin[1], Soulef Smaoui[2]

Abstract

The objective of the research is to determine the association among the quality of profits and cash retention under the ownership structure. It uses the independent variable of the quality of profits represented (quality of receivables,). Yet, the dependent variable of cash retention as a variable modified ownership structure and expressed by focus of ownership, institutional administrative ownership for that relationship on the other hand. The study relied on testing the hypotheses using multiple regression methods referral through a sample consisting of 15 commercial banks on the Iraq Stock Exchange between 2010 and 2020. The results revealed a statistically significant association among the quality of profits (quality of receivables) and cash retention. Also, the relationship is statistically significant among the quality of profits (quality of receivables) and cash retention. The study recommends to regulate the mechanisms of banks in order to achieve profits and employ cash for the purpose of investing them in light of the ownership structure.

Keywords: *Earnings quality, cash holding, ownership structure*

1.Introduction

Profit quality information plays an important role in administrative decision-making. It is one of the key measures in achieving the bank performance of resource management. Also, profits that do not reflect real information about the performance of the bank's management can be misled in the reintroduction of users. In addition, profit information is of vast significance in the progress of banks and achieving competition with the rest of the other banks. Thus, the profits provided should be of high quality so that users of the financial statements do not get the wrong information (Marliyana & Khafid, 2017; Wang, 2022), describing the main drivers for holding cash reserves reducing transaction costs because assets do not need to be liquidated when facing payments. It helps to avoid underinvestment due to limited funds. Based on these motivations, this assists in identifying financial holdings, swap models, and financial hierarchy theories (Akhtar, Tareq, Sakti, & Khan, 2018), institutional ownership structures and the extent to which banks disclose their social responsibility affect the value of these banks. There is an interactive relationship between institutional shareholding and disclosure of banks, as corporate contribution can positively impact the bank's social responsibility disclosure and commitment to social responsibility, which in turn leads to agents to reduce costs and conflicts of interest(Chen, Li, Liang, & Wang, 2011; Fahd et al., 2022).

[1] Higher Institute of Commercial Studies of Sousse, Sousse University
Email: ektfaa.rm.55@gmail.com
[2] Email: Soulef.smaoui@fsegs.usf
Faculty of Economic and Management science of Sfax, University of Sfax

The study attempts to find out the association among the quality of profits (quality of receivables) and cash retention. It also examines the role of the ownership structure (administrative, institutional, and focus ownership) in the association among the quality of profits and cash retention in banks on the Iraq Stock Exchange by descriptive and deductive analysis.

To achieve this objective, we review previous research on this topic in section 2, present our research problem and hypotheses in section 3, report the study findings and discussion in part 4, conclusions and recommendations are in part 5 (Sadik et al., 2023; Silviani et al., 2022).

2. Literature Review

Megeid and Sobhy (2022) explored the association among corporate governance and profitability in relation to the characteristics of the board of directors. The study of the association among audit quality and profitability uses incomes quality as an intermediate variable to study the impact of communal governance and audit quality on lucrativeness. The study also includes measures of ownership structure, administrative contribution, institutional contribution, shareholder contribution, and foreign contribution. The value of an enterprise is calculated by comparing the market value of shares (capital) with the fair value of equity and boards of directors. The most important element in corporate governance is supervising the quality and integrity of the financial reports of company and the senior management authorized by shareholders. The study found that management holdings and shareholder holdings are positively correlated with corporate liabilities, while institutional holdings and foreign capital holdings are negatively correlated with corporate liabilities. The study recommends dividing profits into cash flow and receivables; high-quality dividends have a larger cash flow than receivables; earnings quality improves when profit management actions are removed: the lower the estimated accruals, the higher the quality profits. Megeid and Sobhy (2021) detect the impacts of ownership structure, size of board and company value on leverage to detect the impact of ownership structure, board size and company value on dividend policy. The importance of their research lies in the effect of corporate governance (one of the properties of the panel of directors) and audit quality on profitability employing profit quality. The results show that the independence of this Board, its size, the diversity of the Audit Committee, the independence of the Audit Committee, and the largest 4 audit companies have small positive effects on the profitability of the company. The leverage and the duality of the CEO's roles are negatively correlated with the profitability of the company. In addition, the results reveal that the independence of the board of directors, the large number of board members, the large size of the audit committee, the independence of the audit committee, the largest 4 accounting firms, leverage, and the size of the company, have positive effects on the quality of profit, while the duality of the role of the CEO has a positive impacts on the quality of profit, and the quality of profit has a negative impact. The results show that audit committees are committed to improving the quality of audit. The most important proposal in their study is the announcement of a dividend policy, where the company will receive higher expected returns, and will be highly appreciated in the capital market (Hasbullah, 2022). Moreover, it decreases information asymmetry, increases corporate profitability, and increases company value. Hadjaat, Yudaruddin, and RIADI (2021) study non-fiscal firms in Indonesia as the largest emerging economy among ASEAN countries. In addition, the engineering subgroups to be investigated were divided into two groups, affiliated and unaffiliated. This was made through it and the differences in the effect of financial difficulties on cash and holdings were identified between the two groups. Sampling depends on listed companies on the Indonesian Stock Exchange

(IDX) at the time of (2008-2017), including (137) companies. The results revealed positive and meaningful relationships for all models using the Generalized Moments (GMM) method for a two-step system, using the financial hardship index (Z-Score) coefficient. Therefore, the higher the value of the Z-Score, the less financial hardship the company has, and vice versa. This shows that the lower the company fiscal difficulties, the lower its cash stock (Muthuswamy, 2022; Li et al., 2022).

Moreover, for the unaffiliated group, a positive and significant Z-grade effect on cash retention was revealed. This means that there is a difference in the sum of money deposited among dependent and non-affiliated groups. This finding suggests that the unrelated group has more cash during times of financial hardship. However, these findings have implications for monetary policy, especially for unaffiliated groups. Mawaheb (2020) looks for the interrelationship among audit quality and output quality by considering various operational properties. During the period (2011-2016), the effect of some audit quality agents on the earnings quality indexes of a sample of (74) Egyptian companies was verified. The hypothesis of the study is centered on the widespread belief that audit quality is a driver of the value of the quality of financial reports. Significant positive correlations among audit quality indicators and results quality indexes are expected. Two scales were chosen to estimate audit quality; Size Audit firm and market-to-book ratio (MTB). For the quality of income three accounting-centered indicators were selected; perseverance, predictability and mobility. The study assumes a statistically significant positive relationship among audit quality indicators and an alternative to earnings quality. This does not apply to predictability and liquidity. Furthermore, the evidence does not back up the hypothesis of a positive correlation among the expected MTB and the income quality alternative that supports sensitivity, additional analysis and key analysis results. Abu Afifa, Alsufy, and Abdallah (2020) examines the direct and intermediate correlations between audit quality, dividend quality and share price. They aim to find out the relationship between audit quality and stock prices in Jordan as a developing market. In addition, using the role of earnings quality as a mediating factor in the research model, the study found that high audit quality and high dividend quality increase stock prices respectively, and earnings quality plays the role of a partial median in the relationship among audit quality and inventory prices. The results help policymakers enhance the transparency of reporting financial data that affects stock prices in good terms and includes the role of profits in quality as a mediating factor in research models. The research sample includes all sectors in Jordan from publicly owned companies on the Amman Stock Exchange for the entire period (2010, 2018), so it analyzes the team's data in terms of two financial disclosures. The study found that results and profit quality play the role of a micromediary in the association among audit quality and stock price, and figured out that high audit quality does not bring high-quality profits to target companies. Kablan (2020) finds that determining the impact of combining ownership structure and management practices on the profits of companies listed on the Libyan stock market is a complete guide for emerging economies such as the Libyan economy that have a fundamental impact on combining ownership structure and management of the stock market in Libya. The profits of the listed companies are certain, which provides a realistic presentation of the models needed to achieve inclusive returns in African and emerging economies, documenting Shareholders with no realization that ownership structures large ones have a significant impact on the profits of the management practices of companies on the Libyan Stock Exchange (Al-Badayneh et al., 2023; Firdaus & Yulianti, 2023).

4. Research Methodology

First / Research Problem

Although previous research is clearly insufficient to explain and understand the theoretical

dimension of the association among earnings quality and cash retention, some studies have shown that earnings quality is determined or ignored. Research shows that there is increased interest in the quality of banks' profits, which is reflected in the quality of their disclosures through declared profits. Also, many banks face failure because they cannot meet their liquidity obligations. This will rise up the potential of the aspects of finance. Liquidation and exit of the bank Therefore, the bank should effectively manage its working capital, ensure the management of the bank's current assets, manage current liabilities, and provide liquidity for the bank's short-term viability and maximize its market value in the long term (Chan, Chan, Jegadeesh, & Lakonishok, 2001; Ayad, 2022).

Institutional investors may face significant monetary pressure to return capital to shareholders, as the accumulation of liquidity encourages managers to engage in value-destroying activities. Also, managers can also use cash for personal gain (Zahedi, Talebi, & Aval, 2015).

Accordingly, the issue of the researcher's study revolved around the following two questions:

❖The first main question: Is there an association among the quality of profits and the retention of cash in commercial banks listed on the Iraq Stock Exchange, and the following questions branch out of them:

Is there an association among the profits quality (quality of receivables) and cash retention in commercial banks on the Stock Exchange of Iraq?

ϖ The second main question: here revolves around the impact of ownership structure on the relationship between profit quality and cash retention in commercial banks listed on the Iraq Stock Exchange. This leads to the following sub-questions: o Is there an impact of ownership structure (administrative ownership) on the relationship between profit quality (receivables quality) and cash retention? o Is there an impact of ownership structure (institutional ownership) on the relationship between profit quality (receivables quality) and cash retention? o Is there an impact of ownership structure (ownership concentration) on the relationship between profit quality (receivables quality) and cash retention?

Second / Objectives of the study

The study attempts to emphasize mainly the effcet of the ownership structure on the association among the quality of profits and cash retention under the ownership structure in a sample of commercial banks on the Iraqi stock market as follows:

1. Identify the concepts of profit quality (quality of receivables) for Iraqi commercial banks.
2. Identify the reality of cash retention and its determinants.
3. Identify the reality of ownership structures represented (focus of ownership, institutional, administrative ownership). For Iraqi commercial banks.
4. Testing the hypotheses of the research and reaching the most important results and its recommendations.

Third / Importance of the study

The study is important because it examines the role played by the subject of the study of the relationship among the quality of profits and cash retention in light of the ownership structure of commercial banks on the Stock Exchange of Iraq. It explores the ability of investors to predict future profits, based on strengths and weaknesses, to understand the influencing factors, to determine the quality of profit measurement, and to seize the opportunity to retain cash by making effective management decisions and decreasing the

cost of financing assets. The level of cash retention becomes necessary and important because it effectively reduces agency problems and convergence of interests between management and shareholders. Furthermore, it effectively controls management behavior, reduces opportunistic behavior, and improves cash utilization. It points out that it provides investors with important information about the quality of disclosures on which many investment decisions rely, and draws stakeholder attention to the most important types of ownership structures that affect cash holding levels, thus creating a dynamic in the decision-making process as a way to rationalize and maximize the value of banks and increase their wealth.

Four / Study hypotheses

According to the research issue and its objectives, the hypotheses below were formulated:

1. Is there an association among the quality of profits (quality of receivables) and cash retention in commercial banks on the Stock Exchange of Iraq?
- The second main question: There is a result of the ownership structure in the association among the quality of profits and the retention of cash in commercial banks on the Stock Exchange of Iraqi, and the followings are sub-question:

1. Is there an imapct of the ownership structure (administrative ownership) in the relationship between the profits quality (the quality of receivables) and the retention of cash?
2. Is there an impact of the ownership structure (institutional ownership) on the association among the quality of profits (quality of receivables) and cash retention?
3. Is there an impact of the ownership structure (focus of ownership) on the relationship between the quality of profits (quality of receivables) and cash retention?

The study variables

The independent variables

The 1st independent variable in this paper is the profit quality. The researcher relied on the quality of receivables as a measure of the profit quality, *which is a scale of continuity and stability of* profits. Continuous and stable profits are required.

The modified variables (median)

The researcher relied on measuring the ownership structure on three variables focus of ownership (major shareholders), institutional, and administrative ownership.

The dependent variables

The researchers used a measurement approach that looked at cash balances and similar items against total assets, excluding cash balances and similar items from the calculation of total assets. This method allows for a targeted analysis of the proportion of cash held relative to the overall asset base, providing insight into the importance of cash held in the context of the bank's total assets. By excluding cash balances and similar items from total assets, researchers can isolate and assess the impact of cash on the bank's overall asset mix and financial condition.

Control variables

The control variables are as follows:
1- The size of the bank.
2- Leverage.

3- The Rate of Revenue growth.
4- The Rate of Asset growth.
5- The age of the bank.
6. Return on assets.
7. Net working capital.
8- The rate of the total market value with the total debts to the book value of the total assets.
9. The extent of the materiality of the assets.

5. Results and Discussion

For testing the research hypotheses, a number of statistical tests and measures were relied upon such as descriptive statistics

Description of the independent variables of the study

The independent variables in this study of banks on the Stock Exchange of Iraq from (2015) to (2020) are as follows:

Quality of receivables (EQ)

Table No. (1) Descriptive Statistics of the Quality of Receivables in Iraq banks for the Period (2015-2020)

Bank Name	*EQ*			
	Arithmetic mean	**Upper limit**	**Bottom line**	**Standard deviation**
Commercial	0.010	0.017	0.007	0.004
Assyria	0.011	0.018	0.007	0.005
Investment	0.010	0.020	0.003	0.007
Gulf	0.014	0.022	0.005	0.007
North	0.006	0.008	0.002	0.002
United	0.014	0.019	0.009	0.004
Middle East	0.006	0.007	0.005	0.001
Al , Mansour	0.004	0.005	0.003	0.001
Connector	0.010	0.013	0.005	0.002
Babylon	0.007	0.009	0.003	0.002
Baghdad	0.013	0.019	0.007	0.004
Sumer	0.015	0.023	0.007	0.007
Civil	0.011	0.014	0.005	0.003
Credit	0.008	0.015	0.003	0.004
Union	0.007	0.011	0.002	0.003
All Banks	0.010	0.023	0.002	0.002

The above table shows the descriptive data of the variable of the quality of receivables in Iraqi banks on the Iraq Stock Exchange from (from 2015 to 2020), where the arithmetic mean reached (1%) with a standard deviation (2%), and the highest arithmetic mean in Sumer Bank reached (1.5%). Yet the lowest arithmetic mean was in Mansour Bank (0.4%) and the highest was (2.3%) in Sumer Bank with the lowest (0.2%) in the North and Union banks.

Cash Retention

The variable of this study is the retention of cash in banks in the Iraq Stock Exchange for the period from (2015) to (2020).

Table No. (2) Descriptive Statistics of Cash Retention in Iraq banks for the Period (2015-2020)

Bank Name	Cash			
	Arithmetic mean	Upper limit	Bottom line	Standard deviation
Commercial	0.805	1.858	0.373	0.534
assyria	7.221	10.686	3.004	2.260
Investment	1.922	2.817	1.341	0.513
Gulf	0.697	0.895	0.430	0.166
North	0.210	0.364	0.055	0.111
United	0.094	0.255	0.013	0.085
Middle East	1.100	1.458	0.930	0.187
Al , Mansour	3.719	6.722	0.421	2.082
Connector	0.709	0.841	0.587	0.083
Babylon	0.168	0.321	0.022	0.113
Baghdad	2.175	2.685	1.561	0.355
Sumer	2.120	3.002	1.288	0.602
Civil	1.410	1.955	0.974	0.340
Credit	8.259	36.689	0.198	12.926
Union	0.208	0.324	0.096	0.091
All Banks	2.054	36.689	0.013	3.161

The above table illustrates the descriptive data of the cash retention variable in Iraqi banks on the Iraq Stock Exchange from (from 2015 to 2020), where the arithmetic mean reached (2.1%) with a standard deviation of (3%), and the highest arithmetic mean in the credit bank reached (82.6%). However, the lowest arithmetic mean was in the United Bank (1%) and the highest was (36.7%) in the Credit Bank, while the lowest value was (1.3%) in the United Bank.

1.2 Description of the intermediate variable of the study

The intermediate variables of banks on the Iraq Stock Exchange from (2015) to (2020) are as follows:

- **Ownership structure**

(focus of ownership, institutional, administrative ownership)

First: Concentration of ownership (OWCO)

Table (3) Descriptive Statistics of Ownership Concentration in Iraq banks for the Period (2015-2020)

Bank Name	*OWCO*			
	Arithmetic mean	Upper limit	Bottom line	Standard deviation
Commercial	0.000	0.000	0.000	0.000
assyria	0.641	0.755	0.615	0.051
Investment	0.000	0.000	0.000	0.000
Gulf	0.000	0.000	0.000	0.000

Bank Name	*OWCO*			
	Arithmetic mean	**Upper limit**	**Bottom line**	**Standard deviation**
North	0.566	0.646	0.518	0.051
United	0.679	0.712	0.628	0.036
Middle East	0.444	0.493	0.430	0.025
Al , Mansour	0.055	0.055	0.055	0.000
Connector	0.254	0.490	0.170	0.136
Babylon	0.000	0.000	0.000	0.000
Baghdad	0.000	0.000	0.000	0.000
Sumer	0.529	0.858	0.100	0.334
Civil	0.050	0.050	0.050	0.000
Credit	0.000	0.000	0.000	0.000
Union	0.000	0.000	0.000	0.000
All Banks	0.214	0.858	0.000	0.086

The above table illustrates the descriptive data of the variable of ownership concentration in Iraqi banks on the Iraq Stock Exchange from (from 2015 to 2020) the arithmetic mean reached (21.4%) with a standard deviation. (8.6%). the highest arithmetic mean in the United Bank (67.9%), while the lowest arithmetic mean in the Bank of Commercial, Investment, Gulf, Babylon, Baghdad, Credit, Union (0%). Then its value became the (85.8%) in Sumer Bank and the lowest value was (0%) in the Bank of Commercial, Investment, Gulf, Babylon, Baghdad, Credit, Union.

Second: Institutional Ownership (OWIN)

Table (4) Descriptive Statistics of Institutional Ownership Iraq banks for the Period (2015-2020)

Bank Name	*OWIN*			
	Arithmetic mean	**Upper limit**	**Bottom line**	**Standard deviation**
Commercial	0.699	0.750	0.547	0.078
assyria	0.211	0.233	0.100	0.049
Investment	0.000	0.000	0.000	0.000
Gulf	0.130	0.148	0.095	0.025
North	0.000	0.000	0.000	0.000
United	0.071	0.105	0.054	0.017
Middle East	0.061	0.062	0.060	0.001
Al , Mansour	0.535	0.542	0.508	0.012
Connector	0.095	0.095	0.095	0.000
Babylon	0.000	0.000	0.000	0.000
Baghdad	0.531	0.598	0.518	0.030
Sumer	0.000	0.000	0.000	0.000
Civil	0.767	0.768	0.767	0.000
Credit	0.910	0.910	0.910	0.000
Union	0.000	0.000	0.000	0.000
All Banks	0.267	0.910	0.000	0.022

The above table illustrates the descriptive data of the variable of institutional ownership in Iraqi banks on the Iraq Stock Exchange from (from 2015 to 2020). Here, the arithmetic mean reached (26.7%) with a standard deviation. (2.2%), and the highest arithmetic mean in the Credit Bank (91%). In contrast, the lowest arithmetic mean was in the Bank, Investment, North, Babylon, Sumer and Union (0%), while the highest value was (91%) in the Credit Bank while the lowest value was (0%) in the North Investment Bank, Babylon, Sumer and Union.

Third: Administrative Ownership (OWMA)

Table No. (5) Descriptive Statistics of Administrative Property Iraq banks for the Period (2015-2020)

Bank Name	OWMA			
	Arithmetic mean	Upper limit	Bottom line	Standard deviation
Commercial	0.711	0.750	0.596	0.059
assyria	0.112	0.195	0.009	0.065
Investment	0.000	0.000	0.000	0.000
Gulf	0.048	0.095	0.000	0.047
North	0.173	0.178	0.167	0.005
United	0.053	0.107	0.001	0.042
Middle East	0.000	0.000	0.000	0.000
Al , Mansour	0.610	0.619	0.577	0.015
Connector	0.248	0.303	0.153	0.062
Babylon	0.000	0.000	0.000	0.000
Baghdad	0.007	0.007	0.007	0.000
Sumer	0.117	0.199	0.100	0.037
Civil	0.620	0.620	0.620	0.000
Credit	0.882	0.916	0.814	0.048
Union	0.000	0.000	0.000	0.000
All Banks	0.239	0.916	0.000	0.026

The above table illustrates the descriptive statistics of the variable of administrative ownership in Iraqi banks on the Iraq Stock Exchange from (from 2015 to 2020). Here, the arithmetic mean reached (23.9%) with a standard deviation of (2.6%). The highest arithmetic mean in Credit Bank (88.2%) and the lowest in the Bank, Investment, Middle East, Babylon, Union (0%). The highest value (92%) in the Credit Bank while the lowest value was (0%) in the Gulf Investment Bank, Middle East, Babylon and Union.

1.3 Description of the control variables of the study

The control variables include the size of the bank, the percentage of revenue growth, the age of the bank, the return on assets, the net working capital, the rate of total market capitalization, debts to total assets and the extent of the tangible assets for the period from 2015 to 2020.

First: the size of the bank (SIZE)

Table No. (6) Descriptive Statistics of the Bank's Size for the Period (2015-2020)

Bank Name	SIZE			
	Arithmetic mean	Upper limit	Bottom line	Standard deviation
Commercial	26.863	27.148	26.751	0.132
assyria	26.782	26.884	26.654	0.091

Bank Name	SIZE			
	Arithmetic mean	Upper limit	Bottom line	Standard deviation
Investment	27.066	27.132	26.996	0.042
Gulf	27.172	27.421	26.959	0.180
North	27.052	27.469	26.754	0.276
United	27.070	27.273	26.968	0.108
Middle East	27.273	27.409	27.197	0.084
Al, Mansour	27.886	28.080	27.704	0.136
Connector	26.715	26.740	26.624	0.042
Babylon	26.624	26.781	26.518	0.090
Baghdad	27.846	28.069	27.717	0.133
Sumer	26.625	26.738	26.532	0.070
Civil	27.150	27.519	26.988	0.177
Credit	26.983	27.151	26.890	0.082
Union	27.048	27.171	26.896	0.110
All Banks	27.077	28.080	26.518	0.058

The above table illustrates the descriptive statistics of the variable of the size of the bank in the Iraqi banks on the Iraq Stock Exchange from (from 2015 to 2020). The arithmetic mean reached (27.1%) with a standard deviation of (5.8%). The highest mean of the account in the Bank of Mansour (28. %). The lowest mean of the account in the Bank of Babylon (26.6%) and the highest value (28.1%) in the Bank of Mansour while the lowest value (26.5%) in the Bank of Babylon.

Second: Revenue Growth Rate (SG)

Table (7) Descriptive Statistics of Revenue Growth Percentage Iraq banks for the Period (2015-2020)

Bank Name	SG			
	Arithmetic mean	Upper limit	Bottom line	Standard deviation
Commercial	-0.016	0.327	-0.193	0.171
assyria	0.240	2.402	-0.536	0.982
Investment	-0.162	0.397	-0.366	0.259
Gulf	-0.225	0.094	-0.597	0.262
North	-0.521	-0.290	-0.656	0.149
United	-0.103	0.740	-0.473	0.398
Middle East	0.012	0.652	-0.367	0.380
Al, Mansour	-0.091	0.150	-0.412	0.209
Connector	-0.061	0.256	-0.366	0.247
Babylon	-0.135	0.153	-0.277	0.149
Baghdad	0.069	1.088	-0.554	0.504
Sumer	-0.062	0.332	-0.435	0.263
Civil	0.117	0.754	-0.337	0.353
Credit	-0.204	0.127	-0.633	0.240
Union	-0.248	-0.025	-0.802	0.257
All Banks	-0.093	2.402	-0.802	0.200

The above table illustrates the descriptive statistics of the revenue growth variable in Iraqi

banks on the Iraq Stock Exchange from (2015 to 2020), where the arithmetic mean reached (-9.3%) with a standard deviation (20%). The highest arithmetic mean in was Al-Ahli Bank (12%) and the lowest arithmetic in Al-Tijari Bank (-1.6%). Yet, the highest value reached (109%) in the Bank of Baghdad while the lowest value was (-19.3%) in Al-Tijari Bank.

Third: The age of the bank (AGE)

Table No. (8) Descriptive Statistics of the Bank's Age for the Period (2015-2020)

Bank Name	AGE			
	Arithmetic mean	Upper limit	Bottom line	Standard deviation
Commercial	3.236	3.332	3.135	0.067
assyria	2.516	2.708	2.303	0.138
Investment	3.196	3.296	3.091	0.070
Gulf	2.913	3.045	2.773	0.093
North	2.522	2.639	2.398	0.090
United	3.154	3.258	3.045	0.073
Middle East	3.196	3.296	3.091	0.070
Al, Mansour	2.516	2.708	2.303	0.138
Connector	2.798	2.944	2.639	0.104
Babylon	2.887	2.996	2.773	0.079
Baghdad	3.236	3.332	3.135	0.067
Sumer	2.913	3.045	2.773	0.093
Civil	3.111	3.219	2.996	0.076
Credit	2.967	3.091	2.833	0.088
Union	2.735	2.890	2.565	0.111
All Banks	2.927	3.332	2.303	0.023

The above table illustrates the descriptive statistics of the variable of the age of the bank in the Iraqi banks on the Iraq Stock Exchange (from 2015 to 2020). The arithmetic mean reached (29.7%) with a standard deviation. (2.3%), and the highest arithmetic mean in Al-Tijari and Baghdad Bank (32.4%) and the lowest arithmetic mean in Al-Mansour and Ashur Bank (-25.2%). The highest value was (33.3%) in Al-Tijari and Baghdad Bank, while the lowest value was (-23.1%) in Ashur and Mansour Bank.

Fourth: Return on Assets (ROA)

Table No. (9) Descriptive Statistics of Return on Assets Iraq banks for the Period (2015-2020)

Bank Name	ROA			
	Arithmetic mean	Upper limit	Bottom line	Standard deviation
Commercial	0.029	0.065	0.015	0.017
assyria	0.030	0.041	0.012	0.012
Investment	0.013	0.038	0.000	0.013
Gulf	0.005	0.017	-0.007	0.008
North	-0.027	-0.007	-0.038	0.012
United	0.000	0.039	-0.033	0.021
Middle East	0.005	0.022	-0.003	0.009
Al, Mansour	0.013	0.022	0.006	0.006
Connector	0.007	0.014	-0.001	0.005
Babylon	0.014	0.026	0.004	0.007
Baghdad	0.012	0.022	0.005	0.006

Sumer	0.006	0.013	0.001	0.004
Civil	0.017	0.048	-0.011	0.018
Credit	0.008	0.022	-0.010	0.012
Union	0.001	0.004	0.000	0.001
All Banks	0.009	0.065	-0.038	0.005

According to the table above, the descriptive statistics of the variable of return on assets in the study sample are as follows: the arithmetic mean (0.9%) with a standard deviation (0.5%). The highest arithmetic mean was in Ashur Bank and in the United Bank was the highest (3%) and the lowest (0%) respectively. The highest value reached (6.5%) in Al-Tijari Bank, while the lowest value was (0%) in Investment Bank and Etihad.

Fifth: Net Working Capital (NWC)

Table No. (10) Descriptive Statistics of Net Working Capital Iraq banks for the Period (2015-2020)

Bank Name	NWC			
	Arithmetic mean	**Upper limit**	**Bottom line**	**Standard deviation**
Commercial	0.590	0.724	0.345	0.140
assyria	0.072	0.185	0.022	0.053
Investment	0.321	0.393	0.235	0.057
Gulf	0.521	0.638	0.441	0.070
North	0.728	0.829	0.646	0.066
United	0.799	0.898	0.696	0.070
Middle East	0.326	0.374	0.278	0.042
Al , Mansour	0.272	0.689	0.107	0.201
Connector	0.514	0.616	0.414	0.083
Babylon	0.660	0.808	0.539	0.098
Baghdad	0.248	0.346	0.168	0.062
Sumer	0.258	0.367	0.154	0.073
Civil	0.396	0.486	0.315	0.058
Credit	0.381	0.829	0.006	0.302
Union	0.792	0.864	0.724	0.057
All Banks	0.458	0.898	0.006	0.068

Based on table (10) of the variable of net working capital in the study sample. The arithmetic mean reached (45.8%) with a standard deviation (6.8%). The arithmetic means in the United Bank and Assyria Bank were (79.9%) and (7.2%) in respect. The highest value (89.8%) was in the United Bank with the lowest value (2.2%) in Ashur Bank.

Sixth: Ratio of total market capitalization and debts to total assets (MTB)

Table (11) Descriptive Statistics of the Ratio of Total Market Value and Debts to Total Assets Iraq banks for the Period (2015-2020)

Bank Name	MTB			
	Arithmetic mean	**Upper limit**	**Bottom line**	**Standard deviation**
Commercial	0.632	0.679	0.586	0.029
assyria	0.551	0.640	0.492	0.047
Investment	0.694	0.798	0.635	0.063
Gulf	0.631	0.792	0.481	0.121
North	0.541	0.705	0.411	0.107
United	0.559	0.637	0.463	0.054
Middle East	0.700	0.779	0.632	0.052
Al , Mansour	0.923	0.964	0.890	0.022
Connector	0.499	0.697	0.411	0.096
Babylon	0.443	0.509	0.401	0.041

Baghdad	0.897	1.015	0.825	0.069
Sumer	0.783	0.929	0.511	0.165
Civil	0.765	0.913	0.671	0.087
Credit	0.678	0.776	0.571	0.071
Union	0.621	0.862	0.452	0.153
All Banks	0.661	1.015	0.401	0.041

The above table shows the descriptive statistics of the variable of total market value and debts to the total assets in the sample of the study. It has the following values: the arithmetic mean (6.6%), standard deviation. (41%), and the highest mean of the account in the Bank of Mansour (93%). Yet, the lowest mean of the account in the Bank of Babylon (44%), while the highest value reached (1.01%) in the Bank of Baghdad while the lowest value was (0.40%) in the Bank of Babylon.

Seventh: The extent of the materiality of the assets (Tang)

Table No. (12) Descriptive Statistics of the Extent of Tangible Assets for the Period (2015-2020)

Bank Name	Tang			
	Arithmetic mean	Upper limit	Bottom line	Standard deviation
Commercial	0.004	0.007	0.002	0.001
assyria	0.064	0.078	0.043	0.011
Investment	0.031	0.036	0.027	0.004
Gulf	0.074	0.087	0.054	0.012
North	0.106	0.119	0.088	0.013
United	0.121	0.212	0.089	0.041
Middle East	0.154	0.203	0.117	0.027
Al, Mansour	0.019	0.022	0.015	0.002
Connector	0.073	0.138	0.011	0.061
Babylon	0.205	0.229	0.170	0.020
Baghdad	0.071	0.138	0.036	0.045
Sumer	0.075	0.096	0.061	0.014
Civil	0.027	0.042	0.020	0.007
Credit	0.010	0.020	0.005	0.006
Union	0.041	0.049	0.032	0.007
All Banks	0.072	0.229	0.002	0.017

Table (12) illustrates the descriptive data of a variable of the extent of the **constancy of assets** the companies under consideration, where the arithmetic mean reached (72%) with a standard deviation. (17%), and the highest mean of the account in the Bank of Babylon (21%). The lowest was in a commercial bank (0.04%) and the highest value (0.23%) in the Bank of Babylon. Also, the lowest value was (0.02%) in the Bank of Commercial.

First, the study tests

✓ **Testing the correlation coefficient among the research variables**

The correlation coefficient is a statistic that indicates how closely two variables are correlated linearly, and the correlation coefficients for the research variables are shown in the table shown:

Table No. (13) Correlation matrix for research variables

Correlation	*Cash*	*EQ*	*VOL*	*OWCO*	*OWIN*	**OWMA**	*SIZE*	*SG*	*AGE*	*ROA*	*NWC*	*MTB*	Tan *g*
Cash	1.000												
Probability	-----												
EQ	0.118	1.000											
Probability	0.468	-----											
VOL	-0.147	0.182	1.000										
Probability	0.365	0.262	-----										
OWCO	-0.054	0.385	-0.087	1.000									
Probability	0.739	0.014	0.592	-----									
OWIN	0.393	-0.022	-0.292	-0.518	1.000								
Probability	0.012	0.892	0.068	0.001	-----								
OWMA	0.388	-0.061	-0.268	-0.596	0.956	1.000							
Probability	0.013	0.707	0.095	0.000	0.000	-----							
SIZE	-0.094	-0.435	-0.231	-0.357	0.260	0.357	1.000						
Probability	0.563	0.005	0.151	0.024	0.105	0.024	-----						
SG	0.085	-0.027	0.192	0.175	-0.005	0.005	0.006	1.000					
Probability	0.604	0.869	0.236	0.280	0.975	0.973	0.970	-----					
AGE	-0.108	0.119	-0.282	0.133	0.032	-0.058	-0.123	0.079	1.000				
Probability	0.508	0.466	0.078	0.412	0.845	0.721	0.451	0.628	-----				
ROA	0.026	0.182	0.122	0.143	0.137	0.107	-0.065	0.326	-0.421	1.000			
Probability	0.874	0.260	0.454	0.379	0.398	0.510	0.688	0.040	0.007	-----			
NWC	-0.578	0.118	0.250	-0.022	-0.494	-0.447	-0.084	-0.124	0.264	-0.395	1.000		
Probability	0.000	0.467	0.120	0.892	0.001	0.004	0.605	0.446	0.100	0.012	-----		
MTB	-0.037	-0.242	0.037	-0.472	0.458	0.503	0.849	0.026	-0.222	0.124	-0.199	1.000	
Probability	0.823	0.133	0.819	0.002	0.003	0.001	0.000	0.873	0.168	0.446	0.219	-----	
Tan *g*	-0.239	0.095	-0.175	0.648	-0.592	-0.625	-0.163	0.014	0.465	-0.159	0.168	-0.345	1.000
Probability	0.138	0.562	0.280	0.000	0.000	0.000	0.314	0.932	0.003	0.326	0.299	0.029	-----

Based on the table, the association coefficient among the independent variables are less than (0.80±), indicating that there is no problem in the linear correlation among the independent variables. Also, no relationship between the independent variable the quality of profits (the quality of receivables and the fluctuations of profits) with the dependent variable of cash retention exists. There is also a statistically significant positive relationship between the intermediate variable of ownership structure (institutional ownership and concentration of

ownership) with the dependent variable Cash retention

Data stability test (stillness) for study variables

The term "stability of time series" stands for to the consistency of each average and the fluctuation of the series values over time, and that the variance between any two points in time relies only on the interval between them and not on the actual moment at which the covariance is being measured. The Levin-Lin-Chu (LLC) test is used to specify if the research variables are stable or not before doing the unit root test. If the unit's root is contained in these variables, the discrepancies must be eliminated to make the variables static since unstable variables have high values (R2, F, and T), which might produce inaccurate findings and interpretations.

Table No. (14) Results of Unit Root Test for Study Variables

Prob. **Prob.**	**Statistic**	**Variable**
0.000	-7.577	*EQ*
0.000	-5.274	*VOL*
0.000	-36.744	*OWCO*
0.000	-81.237	*OWIN*
0.000	-32.719	OWMA
0.001	-3.127	*Cash*
0.000	-9.765	*ROA*
0.000	-5.179	*MTB*
0.000	-5.949	*NWC*
0.000	-3.681	Tan *g*
0.000	-8.103	*SIZE*
0.000	-7.999	*SG*
0.000	-44.561	*AGE*

The Levin-Lin-Chu (LLC) test results are presented in Table 14 for the research data stability test. The fact that all of the variables' p-values are less than (0.05), which denotes the absence of a unit root and the stability of the time series, further demonstrates the stability of the time series data utilized in the research.

The 1st main hypothesis: There is a statistically significant corrleation among the quality of profits and cash retention with the following hypotheses:

1. **The 1st sub-hypothesis**: There is a statistically significant relationship between the quality of profits (quality of receivables) and cash retention.

The Chow or F test, which compares the level of homogeneity of each of the units in the method of associative effects (homogeneous single units) and the method of fixed effects (heterogeneous single units), allows us to identify the most reliable model. The Chow test compares the homogeneity of individual units between these two methods. The following is a table with the test's results:

Table No. (15) for the test **Chow** or **F** the restricted

Test result	**Prop**	**test** *F*	**Null hypothesis** (H_0)

الفرضية مرفوضة (H_0) (طريقة التأثيرات الثابتة الاكثر ملاءمة)	**0.003**	**2.764**	**OLS** اتجاه النموذج

The table above shows that the probability value (Prop) of the F test is equal to (0.003), which indicates the rejection of the null hypothesis (H0). This means the superiority of the fixed effects method, i.e. heterogeneous individual units were accepted and method of the fixed impacts became the most appropriate.

In the event that the null hypothesis is rejected, the 2nd stage is performed to the preference among the fixed-impacts model and the random-impacts model, making use of the Haussmann test, to detect the significant correlation among the variables of the model.In case of a significant correlation, the tablet method with fixed effects will be employed. No significant correlation, the random effects tablet method should be used, as in the table below:

Table No. (16) Haussmann test **(Hausmann Test)**

Test result	**Prop**	**test F**	Null hypothesis (H0)
H0 The premise is acceptable (the most appropriate random effects tablet method)	**0.407**	**8.279**	The random effects method is the best

Table (15) above shows that the p-value (Prop) for the Haussmann model test is greater than (0.05) and reached (0.407), that shows the acceptance of the null hypothesis (H0), that implies that the haphazard impacts technique is more appropriate than the method of static impacts..

Table No. (17) Testing the first sub-hypothesis of the 1st main hypothesis

Variable	Coefficient	Std. Error	t – Statistic	Prob
C	-6.631	51.757	-0.128	0.898
EQ	221.142	84.814	2.607	0.011
SIZE	0.875	1.996	0.439	0.662
SG	1.424	0.883	1.612	0.111
AGE	-1.154	2.113	-0.546	0.587
ROA	-79.848	27.982	-2.854	0.006
NWC	-13.662	2.070	-6.600	0.000
MTB	-8.435	4.697	-1.796	0.076
TANG	-15.113	9.243	-1.635	0.106
R – squared	0.412	**Adjusted R – squared**		0.352
F – statistic	6.835	**Prob(F – statistic)**	)	0.000
Durbin – Watson			1.447	

The table above shows the results of the statistical analysis, in which the probability value (Prob) (F-statistic) was fewer than (0.05) and was (0.000), indicating that the model is good for testing, Thus, the results are dependable. Yet, the value (Durbin-Watson) was (1.447). It is higher than (R-squared value), that amounted to (41%). This explains the lack of self-correlation and false regression, a for (R-squared value) was (0.412). So, the adjusted R-squared

value of (0.352) indicates that the independent variables have an explanatory power of (41) for the dependent variable. So, the independent variables impact the dependent variable by 35% (65%) due to other factors outside the mode. Finally, the results confirm that the model does not suffer from the problem of autocorrelation between residues, as the p-value of the test (Breusch_Pagan) (0.124) is higher than (0.05).

Testing the first sub-hypothesis of the 2nd main hypothesis

The 2nd main hypothesis: the role of the ownership structure in the relationship between the quality of profits and cash retention, and the hypotheses arise from:

The first sub-hypothesis: the role of ownership structure (ownership concentration) in the relationship among the quality of profits (quality of receivables) and cash retention.

We specify the most appropriate model as we will make dual tests in a pair of stages, the 1st stage to specify the homogeneity of single units among the method of associative impacts (homogeneous single units) and the method of fixed impacts (heterogeneous single units) to recognize the most appropriate model, that is recognized as the Chow or F test. The test results in the following table:

Table No. (18) for the test **Chow** or **F** the registrar

Test result	**Prop**	test **F**	Null hypothesis (H0)
(H_0) Hypothesis rejected (The most convenient static effects method)	0.003	2.764	Trend of the model **OLS**

The table above shows that the probability value (Prop) of the F test is equal to (0.003), which indicates the rejection of the null hypothesis (H0). This refers to the fact that the method of fixed impacts is superior, i.e. heterogeneous single units are taken into account and the static impacts method becomes the utmost appropriate.

If the null hypothesis is rejected, the 2nd stage of preference between the fixed impacts model and the random impacts model is applied, employing the Haussmann test, to investigate the significant correlation among the model variables, in case of a significant correlation, the tablet method with fixed effects will be employed, but in the absence of a significant correlation, the method of tablet with random impacts ought to be employed, as in the table19:

Table No. (19) Haussmann test **(Hausmann Test)**

Test result	**Prop**	test **F**	Null hypothesis (H0)
(H_0) The hypothesis is acceptable (The tablet method with the most appropriate random effects)	0.346	11.148	The random effects method is the best

Table (17) above shows that the probability value (Prop) of the Haussmann model test is greater than (0.05) which reached (0.346), indicating the acceptance of the null hypothesis (H0). This indicates that the haphazard impacts method is more appropriate than the static effcets method.

Table No. (20) Testing the first sub-hypothesis of the 2nd main hypothesis

Variable	Coefficient	Std. Error	t – Statistic	Prob
C	3.364	52.456	0.064	0.949
EQ	252.930	93.561	2.703	0.009
OWCO	0.534	1.873	0.285	0.777
OWCO*EQ	-123.074	149.091	-0.825	0.412
SIZE	0.529	2.018	0.262	0.794
SG	1.415	0.887	1.596	0.115
AGE	-1.461	2.139	-0.683	0.497
ROA	-81.352	28.431	-2.861	0.005
NWC	-13.629	2.081	-6.548	0.000
MTB	-8.236	4.720	-1.745	0.085
TANG	-14.548	9.337	-1.558	0.123
R – squared	0.419	**Adjusted R – Adjusted**		0.343
F – statistic	5.481	**Prob(F – statistic)**		0.000
Durbin – Watson			1.442	

The table above shows the results of the statistical analysis, in which the probability value (Prob) (F-statistic) was lower than (0.05) and was (0.000), that shows that the model is valid for testing with reliable results. The (Durbin-Watson) value was (1.442). It is higher than the value of (R-squared), which amounted to (42%) and this explains the lack of self-correlation and false regression, as to (R-squared) value was (0.419), that refers to the fact that the explanatory power of the independant variables of the dependent variable is (42 %). The adjusted R-squared value was (0.343), which indicates that the independent variables influence the dependent variable by 34% (other factors outside of the model account for the rest (66%).

Finally, the results confirm that the model does not suffer from the problem of autocorrelation between the residues, as the p-value of the test (Breusch_Pagan) (0.133) is higher than (0.05).

The 2nd sub-hypothesis: The role of ownership structure (institutional ownership) in the association among the quality of profits (quality of receivables) and cash retention.

Table No. (21) for the test **Chow** or **F** the restricted

Test result	Prop	test F	Null hypothesis (H0)
H0 The hypothesis is acceptable (The most appropriate collegative effects method)	0.503	0.874	Trend of the model **OLS**

The table above shows that the p-value (Prop) of the F test is equal to (0.503), which indicates the acceptance of the null hypothesis (H0), that indicates that the method of aggregate impacts is superior, i.e. homogeneous individual units are accepted and the method of aggregate effects has turned to be the most appropriate.

Table No. (22) Testing the 2nd sub-hypothesis of the 2nd main hypothesis

Prob	t – Statistic	Std. Error	Coefficient	Variable
0.759	-0.308	20.325	-6.270	**C**
0.045	2.042	28.471	58.129	**EQ**
0.444	-0.769	0.929	-0.714	OWIN
0.115	1.595	63.948	101.992	OWIN*EQ
0.286	1.074	0.755	0.811	**SIZE**
0.279	1.090	0.332	0.361	**SG**
0.080	-1.777	0.895	-1.590	**AGE**
0.000	-4.078	8.094	-33.010	**ROA**
0.000	-13.152	0.797	-10.482	**NWC**
0.000	-4.038	1.392	-5.622	**MTB**
0.001	-3.362	3.738	-12.568	**TANG**
0.723	**Adjusted R – Adjusted**		0.755	**R – squared**
0.000	**Prob(F – statistic)**		23.418	**F – statistic**
	1.274			**Durbin – Watson**

The table above shows the results of the statistical analysis, where the probability value (Prob) (F-statistic) was fewer than (0.05) and was (0.000), indicating that the model is effective for testing and its results are trustworthy, whereas the value (Durbin-Watson) was (1.274). It is higher than the value of (R-squared), which amounted to (76%), and this explains the lack of autocorrelation and false regression. As to (R-squared) value, it was (0.755), This demonstrates that the dependent variable's independent factors have an explanatory power of 76%. The independent factors have a 72 percent influence on the dependent variable, according to the adjusted R-squared value of (0.723), and the remaining (28%) is ascribed to other factors out of the model. Finally, the results confirm that the model does not suffer from the problem of autocorrelation between the residuals, as the probability value of the (Breusch_Pagan) test (0.170) is higher than (0.05).

The third sub-hypothesis: the role of the ownership structure (administrative ownership) in the association among the quality of profits (quality of receivables) and cash retention.

We specify the most appropriate model as we will carry out a pair of tests in two stages, the 1st stage to detect the homogeneity of single units among the method of associative impacts (homogeneous individual units) and the method of fixed impacts (heterogeneous single units) to recognize the most appropriate model recognized as the Chow or F test. The test results were as in the following table:

Table No. (23) of the restrictive Chow or F test

Test result	Prop	test F	Null hypothesis (H_0)
(H_0) Hypothesis rejected (The most convenient static effects method)	0.000	3.854	Trend of the model **OLS**

The table above shows that the probability value (Prop) of the F test is equal to (0.000), that shows the rejection of the null hypothesis (H0). This shows that the fixed impacts approach is

superior, i.e. heterogeneous individual units are accepted and the static impacts method becomes the most appropriate.

In case rejecting the null hypothesis, the 2nd phase of preference between the fixed impacts model and the haphazard impacts model is applied, employing the Haussmann test, to detect the significant correlation among the model variables, in case there is a significant correlation, the tablet method with fixed impacts will be employed, but in the absence of significant correlation, the tablet method with haphazard impacts ought to be employed, as in the table:

Table No. (24) Haussmann Test **(Hausmann Test)**

Test result	**Prop**	**test** F	**Null hypothesis** (H_0)
The hypothesis is accepted (the most proper random impacts tablet method)	0.621	8.082	The random effects method is the best

Table (21) above shows that the p-value (Prop) of the Haussmann model test is greater than (0.05) which reached (0.621), indicating the acceptance of the null hypothesis (H0). This indicates that the arbitrary impacts method is more appropriate than the static impacts method.

Table No. (25) Testing the third sub-hypothesis of the 2nd main hypothesis

Variable	**Coefficient**	**Std. Error**	**t – Statistic**	**Prob**
C	30.815	54.590	0.564	0.574
EQ	75.715	88.620	0.854	0.396
OWMA	-4.941	2.149	-2.299	0.024
OWMA*EQ	796.515	199.896	3.985	0.000
SIZE	-0.443	2.102	-0.211	0.834
SG	1.444	0.802	1.801	0.076
AGE	-3.178	2.398	-1.325	0.189
ROA	-100.300	26.480	-3.788	0.000
NWC	-13.380	2.191	-6.106	0.000
MTB	-1.710	4.777	-0.358	0.721
Tang	-5.796	9.648	-0.601	0.550
R – squared	0.535	**Adjusted R – Adjusted** **Adjusted** Adjusted		0.473
F – statistic	8.732	**Prob(F – statistic)**		0.000
Durbin – Watson		1.481		

The table above shows the results of the statistical analysis, in which the probability value (Prob) (F-statistic) was fewer than (0.05) and was (0.000). this shows that the model is good for testing and the results are dependable, while the value of (Durbin-Watson) was (1.481). It is higher than the value of (R-squared), which amounted to (54%) and this explains the absence of self-correlation and false regression. In addition, the value of (R-squared) was (0.535) the dependent variable's independent factors have a (54%) explanatory power. The adjusted R-

squared for it was (0.473). This demonstrates the influence of the independent factors on the dependent variable by 47% (53%) owing to other factors out of the model.

Finally, the results confirm that the model does not suffer from the problem of self-correlation between residues as the p-value of the test (Breusch_Pagan) (0.052) higher than (0.05).

Variance amplification coefficient (VIF)

To verify the linear correlation among, the indicators of the variance inflation coefficient (VIF) were used. The values of the variance index are assumed to be less than (10), and the results were as in the following table:

Table (26) Results of the Variance Inflation Coefficient Test **(VIF)**

Variables	Variance inflation coefficient **(VIF)**
EQ	1.835
OWCO	2.772
OWCO*EQ	2.967
SIZE	2.095
SG	1.163
AGE	1.192
ROA	1.352
NWC	1.109
MTB	2.744
T*ang*	1.212

Table (23) above shows that the values of the variance inflation coefficient (VIF) for all variables of the model are less than (10). It indicates no problem of the linear relationship among the independent variables of the sixth study model.

Conclusions and Recommendations

The current paper reaches the results:

1. There is a statistically significant positive correlation among the quality of earnings (quality of receivables) and cash retention.
2. The ownership structure (focus of ownership) has no significant effect on the on the relationship between the quality of profits (quality of receivables) and cash retention.
3. The ownership structure (institutional ownership) has no significant effect on the relationship among the quality of profits (quality of receivables) and cash retention.
4. There is a direct significant impact of the ownership structure (administrative ownership) on the association among the quality of profits (quality of receivables) and cash retention.

Recommendations

1. There is a need to activate the supervisory role of monetary entities as well as bank audit committees to limit the operations that implement profit management in order to achieve an optimal level of profit quality and provide attributes of confidence and decency.
2. The necessity of a relationship between the need to achieve dividends and the

opportunistic approach that increases confidence between the bank's objectives, reduces agency problems and preserves cash for profitable investment opportunities.

3. Commercial banks should study the ownership structure, especially the capital structure, which has an influence on predicting the future performance of the banking industry, in order to achieve better quality of accounts receivable versus the quality of profits.
4. The bank's management should be aware of the risks posed by profit-taking practices and their negative impact on the bank's performance in response to financial crises and risks.

References

Abu Afifa, M., Alsufy, F., & Abdallah, A. (2020). Direct and mediated associations among audit quality, earnings quality, and share price: the case of Jordan.

Akhtar, T., Tareq, M. A., Sakti, M. R. P., & Khan, A. A. (2018). Corporate governance and cash holdings: the way forward. *Qualitative Research in Financial Markets*.

Al-Badayneh, D. M., Al-Assasfeh, R. A., & Ekici, S. (2023). Developing A Robust Legal System Through Scale for Youth Extremism Across Arab Cultures. *International Journal of Criminal Justice Sciences, 18*(1), 29-51. https://ijcjs.com/menu-script/index.php/ijcjs/article/view/589

Ayad, T. H. (2022). Assessment of Tourism Resources for Future Tourism Development: Case of Wadi El Natrun. *International Journal of Operations and Quantitative Management, 28*(1), 44-66. https://submissions.ijoqm.org/index.php/ijoqm/articleaview/19

Chan, K., Chan, L., Jegadeesh, N., & Lakonishok, J. (2001). Earnings quality and stock returns. In: National bureau of economic research Cambridge, Mass., USA.

Fahd, M. A. S., Al-Mamoori, M. K. S., & Al-Shammari, H. A. (2022). The Role of Financial Credits, Economic Growth, and Sustainable Energy on the Environmental Condition in Iraq. *AgBioForum, 24*(3), 1-7. https://agbioforum.org/menuscript/index.php/agb/article/view/157

Firdaus, W., & Yulianti, S. (2023). Influence of the Arabic Script and Language on Acehnese Manuscript Kitab Tauhid. *Eurasian Journal of Applied Linguistics, 9*(1), 24-34. https://ejal.info/menuscript/index.php/ejal/article/view/441

Hadjaat, M., Yudaruddin, R., & RIADI, S. S. (2021). The Impact of Financial Distress on Cash Holdings in Indonesia: Does Business Group Affiliation Matter? *The Journal of Asian Finance, Economics and Business, 8*(3), 373-381.

Hasbullah, M. A. (2022). Strategies and Best Practices Firms Should Adopt in Compliance with Business Competition Law: The Role of Cybercrime in Indonesian Perspective. *International Journal of Cyber Criminology, 16*(2), 87-103. https://cybercrimejournal.com/menuscript/index.php/cybercrimejournal/article/view/97

Kablan, M. A. (2020). The effect of ownership structure on earnings management practices toward achieving the real comprehensive income: An applied study on the listed companies in Libyan stock market. *Journal of Accounting and Auditing: Research & Practice*, 1-11

Li, J., Li, C., & Liu, M. (2022). The Role of Health Education, Policies, and Services on College Students' Health Behavior. *American Journal of Health Behavior, 46*(6), 618-626. https://doi.org/10.5993/AJHB.46.6.4

Marliyana, E. M., & Khafid, M. (2017). Factors Affecting Earnings Quality with Capital Structure as An Intervening Variable. *Accounting Analysis Journal, 6*(1), 48-55.

Mawaheb, A.-A. (2020). Effect of Audit Quality on Earnings Quality Given Firms Operational Characteristics: An Empirical Study on Companies Listed on the Egyptian Stock Exchange. *Alexandria Journal of Accounting Research, 4*(1), 1-44.

Megeid, A., & Sobhy, N. (2021). The Effect of Ownership Structure, Board Size and Firm

Value on Corporate Financial Leverage and Dividends Policy: An Applied Study. *Accounting thought, 25*(4), 162-201.

Megeid, A., & Sobhy, N. (2022). Impact of Corporate Governance, Audit Quality and Firm Characteristics on Firm Profitability using Earnings Quality as a Moderating Variable. *Accounting thought, 26*(1), 13-62.

Muthuswamy, V. V. (2022). Continuing Professional Development Practices (CPD) for Professionals in their Employability. *Eurasian Journal of Educational Research, 101*(101), 1-15. https://ejer.com.tr/manuscript/index.php/journal/article/view/983

Sadik, M., Razalli, M. R., & Radzuan, K. (2023). Gender as a Moderator: Examining Relationship Between Technology Readiness, Hedonic Motivations and Users'acceptance of Mobile Government Services in Pakistan. *International Journal of eBusiness and eGovernment Studies, 15*(1), 134-173. https://sobiad.org/menuscript/index.php/ijebeg/article/view/1559/423

Silviani, I., Nisa, J., & Pratama, I. (2022). Dimensions of Crisis Communication Practice: Does Innovative and Technological Dimension of Social Media matter? Evidence from Public Limited Companies of Indonesia. *Croatian International Relations Review, 28*(90), 1-22. https://cirrj.org/menuscript/index.php/cirrj/article/view/542/439

Wang, T. (2022). The effect of coaching support behavior on the intrinsic motivation of athletes: The mediating role of psychological needs. *Revista de Psicología del Deporte (Journal of Sport Psychology), 31*(2), 29-36. https://www.rpd-online.com/index.php/rpd/article/view/518