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The Effects of Ownership Structure on Financial Performance of Firms: Evidence from Turkey

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ABSTRACT

The effect of ownership structure on a firm's performance is an important issue in the literature of finance theory. This study seeks to examine the effect of ownership structure on financial firm performance in Turkey, using Generalized Method of Moments (GMM) technique. According to the results obtained from the study, in the context of different models, ownership structure variables have an effect on the financial performance of companies that are expressed. In general, while foreign ownership and managerial ownership variables have an effect on financial performance, free float rate is not determined to have a statistically significant effect on financial performance. On the other hand, ownership concentration has a statistically significant positive relationship with performance at ROA model, while at TOBQ model it is not statistically significant.

KEYWORDS Ownership Structure; Company Performance; Panel Data Regressions

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