

Designing the optimal model of ownership and corporate governance in order to reduce risk and improve the performance of banks

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Abstract

Today, corporate governance is of great importance for the success of banks as centers of financial exchanges and financing of companies. However, the absence of a corporate governance model based on Islamic principles in Iran's banking system shows the need to pay more attention to this matter. Based on this, the present study was conducted to design and develop an optimal corporate governance and ownership model to reduce risk and improve performance. This research was of a qualitative type and a thematic analysis method was used to develop the model. The research community included academic experts and banking experts, 16 people were selected based on the purposeful sampling method. The data collection tool was a semi-structured interview, and to achieve reliability, consultants and experts familiar with the banking field and familiar with the subject were used, and to determine reliability, the strategy of confirmation of research colleagues was used, based on this, validity and reliability were confirmed. Based on the results of the interviews, 10 themes were categorized in the form of 4 main concepts of social responsibility, the formation of specialized committees, the structure of the board of directors and the efficient agent, and the emphasis on Islamic principles and transparency.

Keywords: Corporate Governance, Risk, Performance, Bank

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1 Introduction

Banks play an important role in transferring resources from centers with economic reserves to centers that need these savings. The mentioned process is done by reducing information asymmetry between these centers. The performance of the banking system in the optimal allocation of resources is under the direct influence of investment, employment and economic growth. Considering the important role of banks in the economy, corporate governance in banks is very important [7]. The bank's corporate governance includes shareholders, managers, employees and board members. Corporate governance has always been very important from the point of view of shareholders and managers, but this

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issue has attracted a lot of attention in recent years. Among its reasons are scandals such as the collapse of Enron, TICO and Worldcom and the introduction of the Sarbanes-Oxley Act, whose provisions emphasize the disclosure of information, accountability and close supervision of the board of directors. Also, we can mention the banking scandals between 2013 and 2017 in the country, the main reasons for which are the weakness of the internal control and monitoring systems in the corporate governance mechanisms of the banking system [3]. The main goal of this research is to design an optimal model of ownership and corporate governance to reduce risk and improve performance.

2 Methods

The current research is qualitative in terms of method, which uses thematic analysis to identify the dimensions and components of optimal corporate governance with the approach of reducing risk and improving the performance of banks. Considering that by conducting interviews, new variables were discovered identified and added to the research literature in the field of ownership and corporate governance, the research is applied in terms of purpose and descriptive-exploratory in terms of method. Because the dimensions of ownership and optimal corporate governance are different and many and each of them is directly or indirectly related to the research model and its components, in the first step to identify these dimensions and components by referring to experts in this field, this index has been extracted.

3 Statistical Society

The participants are academic experts over 45 years old, with at least a master's degree in finance, economics and accounting, and experts in the banking field with at least 15 years of work experience and at least 5 years of management.

The number of samples was continued until theoretical saturation was reached. That is, the researcher continued the interviews until more interviews lead to newer data and more knowledge is obtained regarding the dimensions of optimal corporate governance and ownership with the approach of reducing risk and improving the performance of banks. Therefore, if more interviews do not lead to more data and the previous data are repeated, the researcher stops the interviews. With this process, the number of 16 experts (12 men and 4 women) has been determined to be sufficient for the interview. From the 13th interview onwards, repetition was observed in the received information, but to be sure, it continued until the 16th interview. The collection of information lasted from January 2022 to spring 2023.

4 Data Collection tools

The data collection tool is a checklist and semi-structured interviews were used. Before the meeting with the interviewees, the identified indicators in the literature review section, interview questions and research objectives were given to the interviewees so that they have the necessary preparation for the interview. The interviews were conducted in a time efficiency of 60 to 100 minutes. In the first stage, many themes were obtained, and by combining and reducing them using the round-trip process of data analysis, the total number of primary codes was reduced to fewer codes. In this way, all the repeated or similar primary codes that were conceptually very close to each other were placed in a single set, and concepts were created that formed the categories, and then the obtained categories were analyzed.

5 Validity and reliability of research

The method of review by members and review by colleagues, supervisors and advisors was used to determine the validity of the research. The Retest method was used to calculate reliability. In the open test method, several interviews are selected as samples from among the conducted interviews, and each of them is coded in a specific time interval by two people (researcher and colleague). Then the specified codes are compared in two time intervals for each selected interview. In each of the selected interviews, codes that are similar in two-time intervals are identified as agreement codes and non-similar codes are identified as non-agreement codes. The formula for estimating reliability between coding in two-time intervals is as follows.

$$\text{Retest Reliability Percentage} = \left(\frac{(\text{number of agreements} \times 2)}{\text{total number of codes}} \right) * 100$$

Considering that this reliability rate is more than 70% (Kovail, quoted by Khansar, 2009)[3], the reliability of coding interviews in this research is confirmed (Table 1).

Table 1: Calculations related to the reliability of the open test

Row	Interviewee code	The sum of the codes of two coders	Number of agreed codes	Number of failed codes	Test reliability
1	Interview 6	12	5	1	83%
2	Interview 10	11	4	2	73%
3	Interview 16	13	5	1	77%
	Total	36	14	4	78%

6 Data Analysis

The present research was conducted using six-step theme analysis. In the first stage, it reads enough data to immerse itself in them. In the second stage, the data were coded which are consistent with the points of interest of the research. The third step consists of searching for themes. At this stage, various codes have been specified in the form of potential themes, and some of the initial codes form the main themes and some other sub-themes, and the rest were removed. The fourth stage is the stage of reviewing and refining the themes. At this stage, two things were done. First, a review was done at the level of coding summaries, and then the validity of the themes was considered in relation to the data set. If the theme map works well, then you can move on to the next step. However, if the map does not match the data set well, the researcher should go back and continue coding until a satisfactory theme map is created. In the fifth stage, the themes were defined and reviewed, then the data was analyzed within them. Finally, in the sixth stage, the final analysis was done and a report was prepared.

After the final summary, the initial model was developed using the obtained codes and indicators, and in the third round, it was given to twenty-five participants for the survey, and the opinions and suggestions of the participants were collected and analyzed. Finally, after applying the comments and suggestions, the final model was formulated as factors affecting corporate governance in accordance with Iran's banking system.

In the data analysis, the method of content analysis was used in the coding method. Coding based on foundational data theory includes three stages of open, central and selective coding. Here we describe some theorems of the coding method.

The **binary repetition code** of length n or BRC(n) is defined by the encoding function E

$$0 \longrightarrow z, 1 \longrightarrow 0.$$

For a given BRC(n), $P_d = 1$ and $P_c = \frac{1}{2}$ (for odd n).

The **minimum distance** d of a **linear code** L equals the minimum among with weights of non-zero code words.

Let L be a linear code of length n over F . Let $k \leq n$ be the dimension of L over F and choose a basis

$$X^1, X^2, \dots, X^k$$

of L over F . Then any element in L is of the form

$$a_1X^1 + a_2X^2 + \dots + a_kX^k$$

that is, a linear combination of the basis elements. A message vector

$$a = (a_1 a_2 \dots a_k)$$

is thus encoded. A $[n, k, d]$ linear code has length n , dimension k , and minimum distance d . Examine the linear code L of length over B with basis

$$B = \left\{ \begin{pmatrix} 1 \\ 1 \\ 0 \\ 0 \end{pmatrix}, \begin{pmatrix} 0 \\ 1 \\ 1 \\ 1 \end{pmatrix}, \begin{pmatrix} 1 \\ 0 \\ 1 \\ 0 \end{pmatrix} \right\}$$

then the encoding function maps the message words using linear combinations of elements of B as follows:

$$000 \rightarrow 0000; 001 \rightarrow 1010; 010 \rightarrow 0111; 100 \rightarrow 1100; 110 \rightarrow 1011; 101 \rightarrow 0110; 011 \rightarrow 1101; 111 \rightarrow 0001.$$

Notice that the set of code words is thus generated by B . Note the minimum distance is 1 since $\text{wt}(0001) = 1$. Thus L is a $(4, 8, 1)$ -code and a $[4, 3, 1]$ linear code.

$$P_d = P_c = 0.$$

A linear code L of length n over B is called cyclic if any cyclic shift of a code word is again a code word, i.e, if

$$(a_0, a_1, \dots, a_{n-1}) \in L$$

then

$$(a_{n-1}, a_0, \dots, a_{n-2}) \in L.$$

Define a map

$$\theta : V(n, 2) \rightarrow \frac{B[x]}{\langle x^n - 1 \rangle}$$

where $\langle x^n - 1 \rangle$ denotes the ideal of the polynomial ring $B[x]$ generated by $x^n - 1$, by

$$\theta(a_0, a_1, \dots, a_{n-1}) = a_0 + a_1x + \dots + a_{n-1}x^{n-1} + \langle x^n - 1 \rangle.$$

Observe that

$$\frac{B[x]}{\langle x^n - 1 \rangle}$$

is also a vector space over B , it is easy to show θ is a vector space isomorphism. Let L be a linear code of length n over B , i.e. L is a subspace of $V(n, q)$. Then, because θ is an isomorphism $\text{Im}(L)$ is a subspace of $\frac{B[x]}{\langle x^n - 1 \rangle}$. Let

$$(a_0, a_1, \dots, a_{n-1}) \in L.$$

Then

$$(a_{n-1}, a_0, \dots, a_{n-2}) \in L$$

if and only if

$$a_{n-1} + a_0x + \dots, a_{n-2}x^{n-1} + \langle x^n - 1 \rangle = x(a_0 + a_1x + \dots, a_{n-1}x^{n-1}) + \langle x^n - 1 \rangle$$

is in $\text{Im}(L)$. Denote

$$a_0 + a_1x + \dots, a_{n-1}x^{n-1} = f(x).$$

Then if both $f(x)$ and $xf(x)$ are in $\text{Im}(L)$, $x^2f(x)$ is in $\text{Im}(L)$ and for

$$0 \leq i \leq n - 1$$

$x^i f(x)$ is in $\text{Im}(L)$. Since $\text{Im}(L)$ is a vector space, any linear combination of the vectors

$$f(x), xf(x), \dots, x^{n-1}f(x)$$

is also in $\text{Im}(L)$. Therefore, for every polynomial

$$p(x) = b_0 + b_1x + \dots + b_{n-1}x^{n-1}$$

in $B[x]$,

$$\begin{aligned} p(x)f(x) &= (b_0 + b_1x + \dots + b_{n-1}x^{n-1})f(x) \\ &= b_0f(x) + b_1xf(x) + \dots + b_{n-1}x^{n-1}f(x) \end{aligned}$$

which is a sum of elements of $\text{Im}(L)$ and is thus in $\text{Im}(L)$. Hence, $\text{Im}(L)$ is an ideal in $\frac{B[x]}{\langle x^n - 1 \rangle}$ and we can thus regard L as an ideal of $\frac{B[x]}{\langle x^n - 1 \rangle}$. This generalizes easily to the ring of polynomials over any finite field.

7 Findings

The demographic characteristics of the experts present in the interview are presented in Table 2.

Table 2: Demographic characteristics of the qualitative section

Demographic characteristics		Frequency	Percent
Gender	Men	12	75%
	Weman	4	25%
Age (year)	45-50	11	68.7%
	More than 50	5	31.3%
Education	Master	12	75%
	P.H.D	4	25%
Work Experience (year)	15-20	4	25%
	20-25	7	43.7%
	More than 25	5	31.3%
Total		16	100%

The first stage: interview and familiarization with the data

The interview started with questions about "dimensions and components of ownership and optimal corporate governance with the approach of reducing risk and improving the performance of banks" (open-ended interview) and the rest of the questions were based on the answers of the interviewees.

Second stage: initial coding

In this section and in the coding stage, to maintain trust in maintaining the information of the interviewees, they are coded randomly and each of these symbols has a special meaning (Table 3). A total of 74 primary codes were extracted.

Table 3: Naming method for coding

MIX	The i^{th} interview with the x^{th} code
M	To show the interview
I	To show the interview number
X	To show the primary code number extracted from the interview

The third and fourth stage: Reviewing the themes

At this stage, the codes were reviewed and the codes that were similar in terms of meaning were merged or deleted, and finally, they were grouped into 68 interview codes and 10 primary themes (Table 4).

Table 4: Final primary themes

The initial theme is finalized	Interview code	Reference
Emphasis on legal requirements	1- Compliance with laws and regulations	{M1, 3}; {M1, 1};
	2- Preparing and providing comprehensive corporate governance guidelines for banks	{M9, 3}; {M10, 10};
	3- Amendment of laws and regulations related to corporate governance	{M8, 1}; {M12, 3};
	4- Determining a single regulatory authority over all banks	{M10, 3}; {M15, 10}
	5- Considering the interests of other beneficiaries in legal requirements	
	6- Appropriate implementation of governance principles and standards	
Responsibility and accountability	1- Responsibility and accountability of all members of the board of directors and ownership	{M4, 4}; {M2, 7};
	2- The entry into force of corporate governance requirements for all banks	{M10, 2};
	3- Independence of the central bank from the government	{M7, 4}; {M5, 5};
	4- Effective supervision	{M11, 2}; {M9, 11};
	5- Responsibility towards stakeholders	{M12, 12}; {M13, 15};

Final primary themes (*continued*)

The initial theme is finalized	Interview code	Reference
	6- Being responsible to God 7- Accountability based on compliance with Sharia 8- Wider written response as well as oral disclosure	{M11, 4}; {M11, 7}; {M12, 2}; {M12, 16}
Compliance with the principle of disclosure	1- Honesty and transparency 2- Evaluating corporate governance in banks and fully monitoring the implementation of corporate governance policy 3- Comprehensive assessment of the bank's board of directors and senior management 4- Evaluating the selection processes and criteria and examining the qualifications of the board members and management of banks 5- Determination of management deficiencies, policies and their report 6- General clarification	{M1, 6}; {M2, 2}; {M2, 6}; {M15, 6}; {M16, 5}; {M10, 6}; {M10, 1}; {M10, 8}; {M9, 10}; {M2, 5}; {M2, 7}
Emphasis on Islamic principles and Sharia law	1- Using specific standards and principles of Sharia and Islamic finance 2- Use of Islamic Financial Services Board guidelines 3- Compliance with the principles of Islamic financial transactions 4- The alignment of the banking system with the Islamic economic system 5- Observance of Islamic values and ethics 6- Effective structure in accordance with Sharia	{M1, 2}; {M3, 4}; {M6, 2}; {M7, 2}; {M8, 9}; {M10, 3}; {M11, 10}; {M12, 8}; {M10, 2}; {M8, 4}; {M01, 10}; {M02, 8};
Dynamic and efficient board	1- Separation of the governing bodies from the executive bodies 2- Bi-level board of directors 3- Appropriate composition of board members in terms of knowledge and experience 4- Non-obligation and independence of the majority of the members of the board of directors 5- Appropriate number of board members 6- Simultaneous election of board members for a specific period 7- Having and maintaining the necessary qualifications for membership in the board of directors 8- No conflict of interests and independence in voting 9- Effective communication between the members of the board of directors and the chairman of the board of directors 10- Separation of the post of the chairman of the board of directors from the CEO 11- Being independent and non-compulsory 12- Having the necessary characteristics, abilities and qualifications	{M1, 9}; {M1, 7}; {M2, 5}; {M3, 3}; {M5, 4}; {M6, 3};
Emphasis on ethics	1- Compliance with ethical principles (such as fairness and justice, disclosure and transparency) 2- Compliance with moral values 3- Compilation and publication of the code of ethics and code of professional conduct in the bank 4- Instructions and code of conduct and ethics	{M3, 5}; {M3, 8}; {M4, 7}; {M5, 9}; {M7, 5}; {M8, 8}; {M9, 12}; {M12, 8}; {M14, 5}; {M7, 9}; {M8, 12}
Creating an effective and efficient audit committee	1- Establishing an independent audit committee 2- The independence and non-obligation of the chairman of the audit committee 3- Appropriate number of audit committee members 4- Sufficient experience and knowledge of audit committee members	{M1, 4}; {M2, 3}; {M3, 7}; {M4, 9}; {M5, 5}; {M6, 8}; {M7, 8}; {M8, 6}; {M9, 14}
Establishing a specialized risk management committee	1- Establishing an independent risk management committee 2- The independence and non-obligation of the majority of the members of the risk management committee 3- Being independent and non-obligatory for the head of the risk management committee 4- Effective communication between the risk management committee and the audit committee	{M1, 13}; {M2, 8}; {M5, 14}; {M6, 6}; {M9, 10}; {M10, 7}; {M13, 18}; {M16, 12}; {M7, 10}; {M9, 8}

Final primary themes (*continued*)

The initial theme is finalized	Interview code	Reference
	5- Sufficient experience and knowledge of risk management committee members 6- Adjusting the framework of the risk management structure 7- Having independence, credit, and sufficient resources 8- Having the position, seniority, credit and necessary skills 9- It has independence and separate duties from other executive units of the bank 10- Having a sufficient number of specialized human resources 11- Having strong communication in all organizational levels	
Forming an efficient board of directors	1- Forming a board of directors including the CEO, deputy CEO, and deputy CEOs 2- Management structure for delegating duties and powers the audit committee 3- The executive board is under the supervision and authority of the board of directors and is accountable to it 4- Using competent and competent people in the executive board	{M5, 2}; {M7, 3}; {M3, 9}; {M8, 10}; {M12, 2}; {M14, 6}; {M3, 12}; {M13, 6}
Forming an effective and efficient internal audit unit	1- Establishing an independent internal audit management unit 2- Having sufficient experience, knowledge and skills of internal audit unit employees 3- Appointment and dismissal of the head of the internal audit unit by the board of directors or the audit committee 4- Having a direct relationship with the board of directors and the audit committee 5- The responsibility of answering to the board of directors and the first layer of reporting to it 6- Having independence, appropriate organizational position, credit and sufficient financial resources 7- Complete and unconditional access to all information	{M1, 12}; {M4, 11}; {M8, 2}; {M7, 15}; {M2, 4}; {M3, 11};

The fifth step: Naming and defining the main themes

Finally, the themes were categorized into main and sub-themes (Table 5).

Table 5: Naming the main themes

The main indicator	Identified component
Social Responsibility	Emphasis on legal requirements
	Responsibility and accountability
	Emphasis on ethics
Formation of specialized committees	Forming an effective and efficient internal audit unit
	Establishing a specialized risk management committee
	Creating an effective and efficient audit committee
Board structure and efficient agent	Forming an efficient board of directors
	Dynamic and efficient board
Emphasis on Islamic principles and transparency	Emphasis on Islamic principles and law
	Compliance with the principle of disclosure

The sixth step: preparation of the report

In this part of the qualitative analysis, the obtained main and sub-themes are explained.

Social Responsibility

Considering the role of banks in the economy and trade as facilitators and drivers of the wheels of economy and trade as well as providing services for local, national and international communities, banks play a key role in the

institutionalization and development of social responsibility in society. Banks, as wealth generating institutions, are very important in promoting the intellectual movement of social responsibility in the whole society. Also, the most important factor influencing the improvement of the level of trust and confidence of customers in the banking system depends on the observance of ethical principles by this group. Therefore, banks monitor and control the performance of the businesses under their support through controlling the flow of capital, lending, project financing and insurance policies and measures. Banks can force them to answer about social and environmental responsibility in their business through monitoring the implementation of social and environmental activities in companies. Banks have created the mechanism of acting on the mission of social responsibility with the belief that the cost of acting on social responsibility is not an overhead cost, but a type of investment. Social responsibility activities help attract potential customers by creating a positive perception in their minds and ultimately lead to the improvement of the bank's overall performance.

Formation of specialized committees

One of the most important control mechanisms that provides the basis for effective and efficient management of organizations and especially banks is a set of measures that are referred to as specialized committees. In most cases, companies and banks design and implement special organizational policies to prevent criminal acts. The principles of corporate governance developed around the world show that there is a strong link between specialized committees, corporate governance and the continuity of the company's activity. Specialized committees such as audit committee, risk management committee and internal audit are one of the important elements and principles of corporate governance in banks as a tool to protect the interests of stakeholders. These committees are one of the important pillars and principles of corporate governance as a tool to protect the interests of the stakeholders.

Efficient board structure

One of the dimensions that is rooted in the theory of representation is the discussion of control, which means aligning the interests of the managers who make the organization's decisions with other key interests such as shareholders, owners, customers, etc. Therefore, the position of the board of directors of the company as a guiding institution becomes more important because it has the role of monitoring and supervising the work of the executive managers in order to preserve the ownership resources of the shareholders. In this way, the secret of the bank's success depends on its proper management, so that it can be claimed that the secret of the bank's longevity lies in having an effective and efficient board of directors. In fact, the board of directors communicates the ownership and management of the company, and the main responsibility of the board of directors is to establish effective governance over the bank's affairs, in line with the interests of the shareholders and balance the interests of its various stakeholders, including customers, employees, investors, and local communities.

Emphasis on Islamic principles and transparency

By introducing the basic principles of corporate governance and Islamic financing, it is clear that Islamic financial institutions are suitable for adopting and implementing effective corporate governance standards. The basic principles of effective corporate governance overlap significantly with the principles that guide Islamic financial management. Despite the impressive cooperation between corporate governance and Islamic principles, effective corporate governance methods have not had an impact on Islamic financial institutions. The Islamic financial structure is unique and tends to compete on an international scale. One of the most important challenges is related to the Shari'ah Supervisory Board. This board is separate from the board of directors of Islamic financial institutions, whose main task is to check and ensure the compliance of Islamic banking principles with Sharia. In order for the members of this committee to be effective and useful, in addition to mastering Sharia, they must also have sufficient mastery over financial affairs. Therefore, an efficient and effective corporate governance must be in accordance with Islamic principles. Another principle that is compatible with Sharia is the principle of transparency. The issue of transparency in banking systems and the governance system is one of the key indicators of interest at the international level. At its organizational level, the goal is to understand the real performance of managers of organizations and the success rate of companies. But at the macro level, understanding the importance of responding to the people and moving towards development in the framework of governance has been considered. The principle of transparency in the banking system can make corporate governance work.

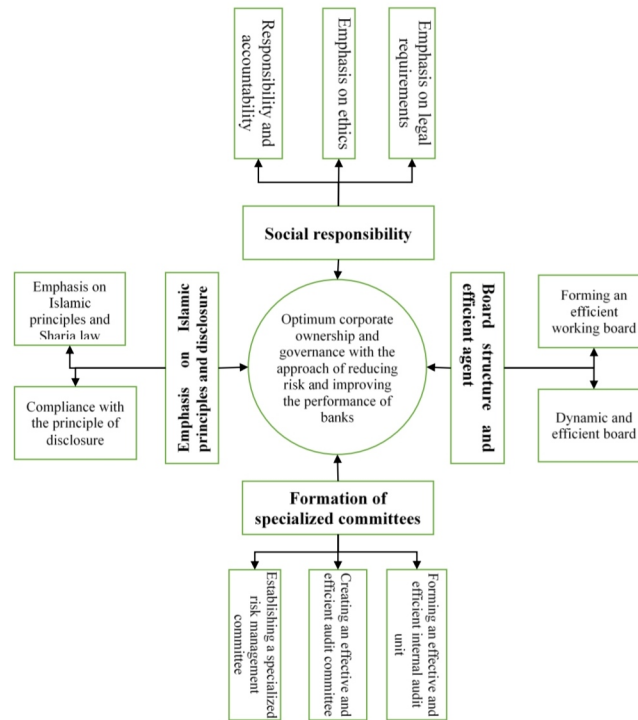


Figure 1: The final research model

8 Compilation of the final model

After the finalization and consensus of the participants' opinions in the final stage, the optimal corporate governance and ownership model was developed with the approach of reducing risk and improving the performance of banks according to the answers to the research questions. This model was given to the experts and it was finalized after applying the amendments (Figure 1).

9 Discussion

The first concept identified in the field of ownership and optimal corporate governance in order to reduce risk and improve the performance of banks was social responsibility. Social responsibility has become a significant issue for various organizations around the world, and Islamic banks are no exception to this issue. The reason for this is that when organizations gain economic benefits from society, they are expected to contribute to society in the same way. From the Islamic point of view, this idea has advantages beyond helping the society. Therefore, the motivation to do such an act from the Islamic point of view, considers both operational and the spirit of operational efficiency, including economic, social and spiritual development.

Legitimacy theory is an idea to conclude a social contract between a company and society. According to this theory, in order to be accepted by the society, companies must disclose the social activities of the company in order to guarantee the survival of the company. Also, the legitimacy theory believes that companies should perform and disclose social responsibility activities as much as possible so that the company's activities are accepted by the society. This disclosure is used to legitimize the company's activities in the eyes of the public; Because the disclosure of social responsibility shows the degree of compliance of a company. Therefore, Islamic banks should derive their justifications for social responsibility from Sharia (Islamic law). Merdelia et al. showed that Islamic social reporting in Islamic banking has a positive and significant effect on bank performance and improves the scientific performance of banks [8]. Amyulianthy et al. also showed that the size, profitability and financial leverage of banks are significantly affected by Islamic social responsibility reporting [2]. Abbasi et al. also showed in their research that accountability, social commitment and adherence to ethical principles are optimal and desirable dimensions and components of corporate governance [1].

The second concept identified in the field of ownership and optimal corporate governance in order to reduce risk and improve the performance of banks was the formation of specialized committees. Always after the occurrence of

financial corruption and big frauds, the effort to establish more controls in order to prevent the occurrence of fraud increases. The approach of companies in facing these conditions is to establish regulations and develop appropriate control structures. Among the pillars of the control structure of companies are specialized committees in various control and management areas, which have received special attention in the corporate governance literature. On the other hand, in order to fulfill his stewardship duty, the manager needs specialized committees to express expert opinions on various matters. Of course, this does not mean that the specialized committees have a mere supervisory role in the company, but in addition to the supervisory role, they also have the role of consulting the management. On the other hand, the efficiency and effectiveness of corporate governance and the board of directors require the existence of specialized committees. Also, these committees help to establish proper communication between the board of directors, independent and internal auditors and shareholders.

These committees can strengthen the company's regulatory elements, such as monitoring the correct establishment of the company's control activities as a deterrent to violating internal controls. In the process of financial reporting, effective specialized committees increase the credibility of financial statements. On the other hand, communicating between specialized committees such as the audit committee and the board of directors will increase the flow of useful, effective and informative information. The members of these committees cooperate with the board of directors, which is responsible for protecting the interests of shareholders, and supervises the quality and suitability of financial statements, accounting structure, audit process, internal control and reporting. Therefore, it will help the investors in making decisions and increase the accountability of the management in front of the shareholders. In their research, Brogi and Lagasio concluded that specialized and relevant committees in corporate governance reduce risk and improve bank performance [5]. Kafidipe et al also showed that board committees have a positive effect on the financial performance of banks [6].

The third concept identified in this research was the structure of the board of directors and the efficient CEO. The board of directors is considered the most important factor in controlling and supervising the management of the company and protecting the shareholders' resources. Pursuing the interests of shareholders or beneficiaries as the highest goal of the company may be destroyed by the behavior of managers. In this way, the secret of the company's success lies in its proper management, so that it can be claimed that the secret of the longevity of famous and well-known companies lies in their having an effective and efficient board of directors. In fact, the board of directors communicates the ownership and management of the company, and the main responsibility of the board of directors is to establish effective governance over the affairs of the company, in line with the interests of the shareholders and balance the interests of its various stakeholders, including customers, employees, investors, and local communities. The results of Boachie, Brogi and Lagasio and Kafidipe et al studies showed that the characteristics and structure of the board of directors, such as the size of the board of directors, independence of the board of directors, board of directors' meetings, dual duties of the CEO, etc. It has an effect on reducing risk and improving the performance of banks [5, 6, 4].

The fourth concept identified in this research was the emphasis on Islamic principles and transparency. Since the Islamic banking system is known as a subsystem of the Islamic economic system, it is necessary to consider the principles and foundations of the Islamic economic system in Islamic banking in order to meet the economic needs of society. In this regard, the way and how to implement and implement Sharia-compliant banking operations, as well as the adequate training of employees to have sufficient skills in this field, are important concerns of Islamic and non-Islamic countries. Another case of the need to emphasize the principles of Islam and Sharia in the banking system is to emphasize the principle of transparency. The discussion of information asymmetry has always been of special importance from a theoretical point of view. The theories of information economy show that information asymmetry may cause market failure and this causes inefficiency at the macro and micro level through the tendency to invest less or more than actually. Abbasi et al found in their research that transparency is one of the optimal and desirable dimensions and components of corporate governance [1]. Taheri and Amini also found in their research that emphasis on Islamic principles is one of the factors influencing corporate governance and bank performance [9].

10 Conclusion

The results obtained from the qualitative analysis showed that the optimal ownership and corporate governance model of banks in order to reduce risk and improve performance includes the following model:

1. Social responsibility
 - Emphasis on legal requirements

- Responsibility and accountability
 - Emphasis on ethics
2. Formation of specialized committees
 - Forming an effective and efficient internal audit unit
 - Establishing a specialized risk management committee
 - Creating an effective and efficient audit committee
 3. Board structure and efficient agent
 - Forming an efficient working board
 - Dynamic and efficient board
 4. Emphasis on Islamic principles and Sharia law
 - Compliance with the principle of disclosure

In the end it is suggested that the final model of the current research can be used as a basis for developing the native standard of corporate governance and its establishment in banks and evaluating its status. It is suggested to carry out research on the impact of the dimensions and components of corporate governance identified in this research on the effectiveness of supervision and transparency in the banking system. It is also suggested that the present study be conducted with other methods such as the grounded theory method in order to increase comparability and identify more dimensions and components.

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