

The Table 1 and Table 2 show both fund returns rate and fund excess returns rate have negative impact on fund manager turnover, which demonstrates assumption 1. And this means there is a determinate and reasonable fund manager adjusting mechanism in our country, which can make adjustment of the fund manager who has poor performance according to fund performance to protect the benefit of investors. In terms of the interaction, only the coefficient of the interaction between fund manager age and fund performance is lower than 0.05, which means the impact is significantly positive. This shows that when the older the fund manager is, due to the more plentiful social experiences and the greater social influence, the probability of the incapable fund manager to be replaced decreases, which partly verifies assumption 2. And the interaction between fund returns rate, fund excess returns rate, and fund manager securities working time, the working time on one fund has insignificantly negative impact on fund manager turnover. It is against with preceding assumption, the reason is likely that lack of fund manager talents currently, which makes it easier for the fund manager whose securities working time and fund working time are longer to make job-hopping. Then when the fund which is charged of this kind of fund manager performs poorly, they will resign on their own in case of the demotion or the negative influence of public opinion, which results in the negative interactive impact effect. This means the longer securities working time or the working time on one fund is, the more likely fund manager turnover is when the fund performance is poor.

2) The analysis of the effect of fund risk-adjusted returns on fund manager turnover

Then, based on fund risk-adjusted returns, this paper makes an empirical research on the effects of fund performance on fund manager turnover. Through Logistic Regression Analysis on the impact of fund risk-adjusted returns and its interaction with the character of fund manager on fund manager turnover, it shows Chi-square = 5.727, Sig = 0.221 in Sharpe index analysis model; Chi-square = 7.481, Sig = 0.113 in Jensen index analysis model; Chi-square = 7.481, Sig = 0.113 in Treynor index analysis model, which means that fund risk-adjusted returns has no explanatory power on fund manager turnover. Due to the current condition that fund ranking generally bases on fund returns rate, additionally the comparison of fund returns rate is intuitionist and simply operated, the fund companies are largely dependent on the adjustment of fund manager according to fund returns performance.

3) The analysis of the effect of fund manager market-timing and stock-selection capability on fund manager turnover

This paper adopts CL model to assess fund manager's capability of market-timing and stock-selection, and Logistic Regression Analysis on the impact of it on fund manager turnover is shown in Table 3 and Table 4

Table 3 and Table 4 show that fund manager's capability of stock-selection and market-timing has insignificantly negative impact on fund manager turnover. And the interaction between the capability of stock-selection and fund manager age has significantly positive impact on fund manager turnover. While the fund manager's capability of market-timing and securities working time have significantly positive impact on fund manager turnover under 0.1 level, which partly verifies assumption 2. This means the longer the securities working time is, the greater the social influence and recognition. Since individuals consider that fund industry requires plentiful practical experiences, and

Table 3.

Fund manager turnover Logistic Regression Analysis based on the capability of stock-selection.

Variable	Regression Coefficient	Regression Coefficient Standard Error	Wald	Sig.
Constant	-0.155	0.741	0.044	0.834
The capability of stock-selection	-0.459	0.553	0.689	0.406
The capability of stock-selection * Age	0.845	0.305	7.678	0.006
The capability of stock-selection * Securities working time	-0.086	0.145	0.351	0.554
The capability of stock-selection * The working time on one fund	-0.018	0.040	0.196	0.658
Model degree of fitting	Chi-square = 12.455		Sig = 0.014	

Table 4.

Fund manager turnover Logistic Regression Analysis based on the capability of market-timing.

Variable	Regression Coefficient	Regression Coefficient Standard Error	Wald	Sig.
Constant	-0.864	0.260	11.028	0.001
The capability of market-timing	-1.025	1.754	0.342	0.559
The capability of market-timing * Age	0.772	0.605	1.629	0.202
The capability of market-timing * Securities working time	0.767	0.468	2.687	0.100
The capability of market-timing * The working time on one fund	0.066	0.125	0.282	0.595
Model degree of fitting	Chi-square = 7.278		Sig = 0.122	

fund manager can acquire high investing capability only if through long-term practice, fund manager's securities working time becomes a crucial standard for selecting fund manager. Therefore, for the fund manager whose securities working time is longer but fund performance is poorer, the fund companies will consider help them reverse the performance if only possible instead of making them be replaced. Namely, securities working time can mitigate the impact of fund performance on turnover.

Conclusions and Suggestions

The empirical research shows that fund performance has negative impact on fund manager turnover, however, this impact is merely significant for the index of fund returns rate and excess returns rate to fund manager turnover with a significance level of 0.1. This means that under the pressure of fund returns rate ranking, the fund companies generally make adjustment of fund manager according to the performance on returns rate so as to form a determinate incentive and restraint mechanism. Risk-adjusted fund performance and the capability of stock-selection and market-timing both have no explanatory power on fund manager turnover, which illustrates that the fund compa-