

Study of Relation between Corporate Governance Mechanism and Investment Decisions Made by Companies Listed in Tehran Stock Exchange-IRAN

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Abstract : Present research seeks to answer this question: Is there any relationship between corporate governance mechanisms and decision on corporate investments? Percentages of institutional, board of director's, and stockholder's ownership are among internal mechanisms of corporate governance relationship of which with investment-based decisions are studied by this research. Information on 103 companies during 1388 (2009)- 1393 (2014). Initially, research variables are identified; next, Rah Avar-e Novin software is used to gather Information. SPSS software is employed to test hypotheses with respect to descriptive and inferential statistics like correlation analysis. Research results show that percentage of institutional stockholders' ownership has a significant direct relationship with investment decisions. For other cases, no significant relationship is observed between corporate governance mechanisms and investment decisions.

Keywords : corporate governance, company size, free floating stock, institutional investors, major shareholders

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