

# **Relation between Corporate Governance Criteria and Investment -Cash Flow Sensitivity**

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**Abstract** Following previous studies, this research base on the question of the relationship between corporate governance criteria whit how to manage cash to investment or to liquidity Maintenance and impact corporate governance Structure on the investment -cash flow sensitivity that represents the percentage changes in corporation's capital expenditures in the face of changes in cash flows are formed, So, the research hypothesizes was developed as follow: Leading hypothesis: there is a significant relationship between corporate governance criteria and investment -cash flow sensitivity. Subsidiary hypothesizes: First subsidiary hypothesis: there is a significant relationship between managerial ownership and investment -cash flow sensitivity. Second subsidiary hypothesis: there is a significant relationship between ownership concentration and investment -cash flow sensitivity. Third subsidiary hypothesis: there is a significant relationship between board independence and investment -cash flow sensitivity. Fourth subsidiary hypothesis: there is a significant relationship between board size and investment -cash flow sensitivity. In order to examine the hypothesis of the research least squares multiple regression model was used on sample of 110 firms for the period 2007 to 2014 based on panel data. The results of examine hypothesis of the research by least squares multiple regression model show that, there is a significant relationship between corporate governance criteria(in aggregate) and investment-cash flow sensitivity but individually, there is a significant relationship Only between ownership concentration and board independence whit investment -cash flow sensitivity, and there is no significant relationship Only between managerial ownership and board size whit investment-cash flow sensitivity **Keywords:** corporate governance, investment-cash flow sensitivity, corporate governance criteria.

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**governance criteria**

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