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The impact of corporate governance on the relationship between investment opportunities and Dividend policy division

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Abstract

In this study examined the impact of corporate governance mechanisms on the relationship between the investment opportunities and sharing the policy adopted by the companies in the Stock Exchange Tehran during the same period between the 2012 - 2005 . For this research 109 accepted the number of companies in the Stock Exchange in Tehran period. To test the research hypotheses regression analysis / Fusion hybrid. The size of the company's profitability and financial leverage control variables. Corporate governance mechanisms, including the size of the board of directors, board of directors of independence and the percentage of institutional ownership. the findings of research shows that the total companies , the impact on the level of investment opportunities on the policy of profit sharing , positive and significant effect of independence and the board and institutional % owned by on the relationship between the investment opportunities and politics , sharing the negative and significant . Results indicate that the other positive effect profitability and financial leverage as well as the negative impact on the policy of divide profits.

Keywords: corporate governance, the investment opportunities, the policy of profit sharing, the size of the board of directors, board independence, and owned by institutional and exchange firms.

1-Introduction

Cash through the normal operation and other sources of financing, and profitable unit to carry out operations, interest payments on the debt repayment, and the expansion of economic units to profitability. the process of entry and exit of cash per unit profitable reflect management decision making on short - and long - term programmers and operational plans for investment and

Financing. In other words, information related to the process of entry and exit of cash in a profit foundation many decisions and judgments of the investors , credit and financial information user groups(Arrested and Khodabande, 2003 , 101).

On the one hand, cash critical resources per unit of trade and strike a balance between the cash available and cash needs, the most important element in the economic health of each unit is profitable. Therefore,

participate in a non - profit sharing can cash investment opportunities to use and to meet the needs of their cash from foreign finance to be self - sufficient. Another benefit of shareholders, particularly small shareholders in order to receive cash profits companies to invest in the bourse. So , there is always a balance between the cash available to the company and its needs in order to survive single business activity is essential in this research to examine the relationship between investment opportunities , and the policy of profit sharing companies and the impact of corporate governance mechanisms on the relationship in terms of total companies will be paid . Since the study were among the first research work in this field , which is at the level of entire companies will review the results can be used by various stakeholders including investors, the management of companies , the rest of the company's financial suppliers , the Securities and Exchange financial analysts .

2- Theoretical foundations of research:

One of the discussions in financial management, profit sharing. News about sharing profit sharing and changes to the last year - is critical for shareholders. So that in this connection theories and many views. In other words, to change the political divide company profits to shareholders, investors and other users of the company's financial information message that the company's financial situation . Dividend may be one of the two faces cash profits and share of the profits. The most common type of transferring cash profits from the company returns to shareholders. Companies in the distribution of their cash profits alike, and not act in this way are adopting different policies. These policies can be variable and a range of at least interest payments in the law to pay income all companies and even more than the annual proceeds as cash profits, (Saeed and behnam, 2010, 62). Academic research in the determinants of politics, sharing a lot of attention. For example, Barkley et al. (1995) came to the conclusion that the policy of profits divided by investment opportunities, the rules and regulations, the actual sales and the impact of the message of abnormal profits are affected. Dickens et al. (2003) using a sample of firms in the banking industry to the conclusion that the investment opportunities, message, the effect of ownership and systematic risk to the policy of the profit sharing. Fame and French (2001) came to the conclusion that profitability and the size of the company, including factors affecting profit sharing policy. (Foreign, 2003)

Laporta et al. (2000) argue that the impact of investment opportunities on the policy of profit sharing in different countries. They are two hypotheses and suggest that the impact of investment opportunities on the policy of profit sharing will depend on how shareholders support:

The first hypothesis, as a result of the model of that is based on the hypothesis, pay cash profits as a result of the legal effective protection of shareholders. ; If stakeholders to come to the conclusion of their rights will be protected from receiving cash profits to avoid the firm to cash in the lucrative investment projects. , based on the assumption is expected in countries with a high support from shareholders ' rights , the relationship between the investment opportunities and the policy of profit sharing will be negative. In front of the countries with weak protection of the rights of shareholders, the relationship between the investment opportunities and the policy of non - profit sharing negative but meaningful and positive or even. The second hypothesis, an alternative model that is based on the hypothesis, cash profits as a substitute for the legal protection of shareholders. According to the hypothesis in poor countries , with the support of shareholders ' rights, firms with high growth profits more cash to pay its popularity among the stakeholders . While in countries with strong support from shareholders ' rights, we need to popularity is weaker than the mechanism, and therefore pay cash profits are not necessary.

Arestani et al. (2013)in Malaysia argue that many factors on the policy of profit sharing companies that reinforcing the opportunities for investment and financing companies including are the most important factors in less developed countries are less likely to address this issue . So with regard to the ambiguity in the field of investment opportunities influence on the policy of profit sharing companies and the impact of corporate governance mechanisms on investment opportunities and policy profit sharing exists, study the

factors affecting profit sharing policy , particularly in less developed countries is of special importance in this study to examine the effect of the investment opportunities on the policy of profit sharing and the impact of corporate governance mechanisms on investment opportunities and the policy of profit sharing in the companies registered on the Stock Exchange in Tehran.

3- Research background:

A number of previous studies carried out in this area are as follows:

Barclay et al (1995) concluded that the dividend policy by investment opportunities, rules and regulations, the actual sales and the consequence of abnormal profits will be affected.

Fama and French (2001) concluded that the size of the company, including the factors affecting profitability and dividend policy factors are high.

Boehner's (2002) research entitled "factors affecting dividend policy" on a sample of 135 specimens from Swiss companies did. He has four operating leverage, size, investment opportunities and dividend years ago as the dependent variable was analyzed. Based upon the results of multiple regression analysis concluded that:

1. The company's dividend level to the level of dividend yields depend years ago;
2. Firms when investment opportunities are high, low profit divided;
3. Financial leverage is another factor which is important in determining dividend policy;
4. Size of company will have a negative impact on dividend payout policy. According to the bigger companies have more debts because creditors to larger firms are more confident, therefore, more corporate profits are divided less to borrow not more of your capital.

Of Foreign Affairs (2003) growth opportunities, financial leverage and risk factors affecting the dividend policy knows.

Dickens et al (2003) using a sample of companies in the banking industry came to the conclusion that investment opportunities, effect of signaling, ownership and systemic risk associated with dividend policy.

Connor (2003) research on the factors influencing dividend policy in the country Pakistan. Variables are size, retained earnings, investment opportunities and signaling aspects of the dividend. The results show that between retained earnings and dividend every year there is a significant negative relationship. Also available investment opportunities on dividend policy of the company have a significant effect.

Annealing and Kapoor (2008) to determine the factors influencing dividend policy in the country India. This research and information technology for the company during the period 2000 to 2006-was carried out. In this study, profitability, cash flows, tax and growth opportunities as independent variables and dividend payout policy as a dependent variable in the regression equations have been considered. The results showed that the positive effect on profitability and cash flows dividend, but the dividend tax would have a negative effect on growth opportunities.Aburi and Gvdfrd (2010) investigate the impact of investment opportunities and sources of funding Prdakhtd the dividend payout policy. Summarizes the findings of the study indicate that the investment opportunity has a negative effect on dividend payout policy. The sources of financing have little impact on the company's dividend payout policy and likely more profitable companies among its shareholders their dividends.Arestani et al (2012) reviewed the 62 companies listed on Bursa Malaysia during the period 2006-2009 concluded that investment opportunities (measured by Tobin's Q criteria) and Srrrsyd debt, including the factors affecting the company's dividend policy but leverage Malaysian companies have a significant effect on dividend policy. The results suggest that the benefits and risks of companies have an influential role in determining the dividend policy of Malaysian companies.

However, in companies with weak protection of shareholder rights, the relationship between investment opportunities and dividend policy is positive. They also concluded that using different mechanisms of corporate governance, the relationship between investment opportunities and dividend policy, approved alternative model is an assumption cannot be confirmed, but the effect is due. Asadi and Basir Azizi

(2008) examined the relationship between profitability and liquidity and its impact on the dividend paid. The period from 1998 to 2003 and study sample consisted of 49 companies are listed on the Tehran Stock Exchange. In this study, the earnings per share as an indicator of profitability and net cash flow plus dividends paid as a measure of liquidity are included in the regression equations. The results of this study suggest a strong correlation between profitability and dividend, but there is a poor correlation between liquidity and dividend policy.

Izadi and Lynqyan (2011) showed that the uncertainty of cash flows, company's life cycle, investment opportunities and profitability are impacted by dividend payments and after model, to calculate the marginal effect, it's life cycle and company profitability are among the factors most impact. Arabsalehi and moral (2011) to investigate the effect of investment opportunities, financial resources and tax on dividend policy on manufacturing companies listed in Tehran Stock Exchange during the period 2002 to 2009 using panel data showed the negative relationship between investment opportunities with dividend payout policy there. The external financing between financial leverage and dividend negative relationship between debt maturities with a dividend payout policy there is a positive relationship. However, test results confirmed the hypothesis in some industries and some were rejected.

4- Society and statistical model:

All the information required to accomplish this information banks Tehran Stock Exchange, software present new stock and publications will be collected. Space research, including all the territory of the companies listed in Tehran Stock Exchange.

When the territory of years to research 2005- 2012 (8) a year. The statistical community, according to the conditions are selected as follows:

1. 2005 before the year in Tehran Stock Exchange have been accepted.
2. 2005 years to 2012, the symbol of deals them for more than six months, has not been closed.
3. Company its fiscal year for change during the period.
4. Required financial information available to them.
5. ’s investment companies and financial intermediation and also among the banks and credit and financial institutions.

Here to determine the statistical community to examine the screening methods used to qualify for the companies is high and other companies are eliminated.

It is worth mentioning that the statistical model in the present study, the statistical community. According to the aforementioned 109, for example, the number of companies and selection.

5- Research question.

1. Investment opportunities as well as the impact on the policy of divide company profits?
2. The impact of corporate governance mechanisms on the relationship between investment opportunities and policy profit sharing companies, how is it?

6- Research hypotheses

This research has 2 Main hypothesis and 3 sub - hypothesis is as follows:

1. Investment opportunities on the policy of profit sharing companies.
2. - corporate governance mechanisms on the relationship between investment opportunities and policy profit sharing companies.

2-1. board size on the relationship between capitalism opportunities and the policy of profit sharing companies.

2-2. board independence on the relationship between investment opportunities and policy profit sharing companies.

2-3. owned entity on the relationship between investment opportunities and policy profit sharing companies.

7- Method of research and analysis of data

This research types of empirical research event after half in the field of research proof is that accounting using regression method Multivariate and econometric models will be carried out. Research hypotheses based on data fusion / combination test. This technique that time series data and May - combination of cross - sectional together, today, is widely used by the researchers. Of this method for those who cannot be issues in the face of the time series or IL, or when the number of the data is low. data integration time series and the necessity of cross - sectional and use it more , because of an increase in the number of observations, raising the degrees of freedom, reducing the variance differentiation and reduce the variables , too .

8- Research variables measuring patterns:

8-1. independent variables

The study of the independent variables:

1. Investment opportunities in the study of the market - to - book value of equity investment opportunities as well as the criterion is used.

8-2. dependent variables

Dependent variable, the present study is sharing the policy to calculate the ratio of profit sharing per share per share profits.

8-3. control variable

The study control variables as other factors influencing policy company profits divided include:

1. Profitability in order to measure this criterion of Property returns the proportion of the total net profit to the company's assets will be used.
2. Company size: In order to calculate the size of the companies of the natural log of the total assets will be used.
3. Financial leverage: In order to test the financial leverage ratio of the total debts to total assets of the company will be used.

8-4. moderating variable

Moderating variables this research, corporate governance mechanisms, including the following:

1. Board size: this variable through the entire board members at the end of the period.
2. Board independence, this variable through Non-executive members of the board of directors of the General Board members at the end of the period.
3. Per cent institutional ownership of ownership, will include a number of institutional common stock companies that are in the hands of institutional investors (major investors such as banks, insurance companies and investment companies). To compute owned agency in each company, the number of shares on the total number of institutional ownership of common stock of the company, in the end of the period will be divided.

9-The overall patterns research hypotheses:

For the first major test Hypothesis research at the level of the total number of companies, following the regression model in fusion / Fusion is estimated to be as follows:

1. $DIV_{it} = \beta_0 + \beta_1 MVBV_{it} + \beta_1 LEV_{it} + \beta_1 SIZE_{it} + \beta_1 ROA_{it}$

The model that :

= 〖 DIV 〗 _ it profit sharing policy in year t to participate under study i

= 〖 MVBV 〗 _ it market - to - book ratio as a measure of investment opportunities in year t to participate under study i

= 〖 LEV 〗 _ it financial leverage in year t to participate under study i

= 〖 ROA 〗 _ it profitability rates in year t to participate under study i
= 〖 〗 _ SIZE IT company size in year t to participate under study i
In the present study, also to test the hypothesis and the second major research hypotheses related by on the surface of the total number of companies, 3 following regression model in fusion / Fusion is estimated to be as follows:

1. $DIV_{it} = \beta_0 + \beta_1 MVBV_{it} BS_{it} + \beta_1 LEV_{it} + \beta_1 SIZE_{it} + \beta_1 ROA_{it}$

2. $DIV_{it} = \beta_0 + \beta_1 MVBV_{it} BI_{it} + \beta_1 LEV_{it} + \beta_1 SIZE_{it} + \beta_1 ROA_{it}$

3. $DIV_{it} = \beta_0 + \beta_1 MVBV_{it} IO_{it} + \beta_1 LEV_{it} + \beta_1 SIZE_{it} + \beta_1 ROA_{it}$

BS $_{IT}$= Board size in year t to participate under study i
BI $_{it}$ = independence in year t board to participate under study i
IO $_{it}$ = the institutional ownership in year t to participate under study i
The other variables are defined above.
In all statistical techniques and Eviews EXCEL software.

10- Data analysis and research findings:

10-1. test of stability and the descriptive statistics research variables

The results of the reliability of research variables in the level of the whole company - are presented in Table 1. To determine the reliability of research variables test Levine, Lin and Chu is used. The results imply that research variables in the level of stable - that the amount of p - value for the test less - than 5 %. Stability means that the mean and variance of the variables in the length of time and the covariance variables between different - year has been fixed.

Table 1. Research variables reliability test

The probability statistic Levin, Lin and Chu	The statistic Levin, Lin and Chu	kind of test / variables
0.0000	-137.51	Dividend policy DIV
0.0000	-81.24	investment opportunities MVBV
0.0000	-17.60	ROA profitable
0.0000	-21.95	size of the company SIZE
0.0000	-22.47	Financial Leverage LEV
0.0000	-3.73	the size of the board of directors BS
0.0000	-19.32	Board independence BI
0.0000	-12.96	owned by institutional IO ٪

The descriptive statistics research variables in Table 2.
dependent variable results show that the policy of profit sharing in comparison with the independent variable investment opportunities coefficient (standard deviation changes divided on average)and lower dispersion and consequently more stability in the period . This shows that the policy of profit sharing in addition to the investment opportunities influenced by other factors during the course of study, which was in the study of a number of them under the control variables and damper use has been made.
Coefficient of variation moderating variables in Table 2 during the course of study shows that in between the variables, board size compared with other moderating variables coefficient changes and less dispersion and consequently more stability. This suggests that the companies in terms of the number of members of the board of directors of the non - Bound and also in terms of per cent institutional ownership during the course of study, a significant difference with each other, but the number of members of the Board of Directors, there was a significant difference together.

Changes factor control variables in Table 2 research shows that in between the variables, company size compared with other control variables, low - distribution and thus more stability. While the company's profitability significant difference with. It is to be mentioned that the companies , an average of financial leverage against 67 % of the total assets , with interest payments 60 / 0 per share profits , as well as the average of the percentage of members of the board of directors of the Non-executive 60% and institutional % owned by 33 / 0 - has . Statistics indicate that the results of the quarter for normality variable profit sharing policy during the course of study. Normality dependent variable, one of the assumptions of ordinary least squares regression models.

Table2. The descriptive statistics research variables in the level of the total number of companies

likely Jarek bra	JarkBra statistics	changes factor	the standa rd deviati on	The minim um	maximu m	mid dling	averag e	numbe r	Criteria / Variable s
0.278	2.56	0.57	0.34	0	0.94	0.72	0.60	872	**profit sharing policy DIV**
0.000	606	0.82	1.77	-1.44	9.00	1.64	2.16	872	**investment opportunities MVBV**
0.000	292	1	0.12	-0.31	0.67	0.09	0.12	872	**ROA profitability**
0.000	132	0.10	1.41	9.80	19.62	13.2	13.36	872	**company SIZE**
0.000	40.58	0.26	0.17	0.12	0/96	0.67	0.65	872	**financial leverage LEV**
0.000	758	0.13	0.69	5	7	5	5.29	872	**the size of the board of directors BS**
0.000	90.73	0.33	0.20	0	0.86	0.60	0.60	872	**Board independence BI**
0.000	90.11	0.73	0.24	0	0.68	0.24	0.33	872	**owned by institutional IO** ٪

2-1. Research hypotheses test

Before the test Hypothesis - to choose the pattern of the study, suitable for the regression model. The possibility of the statistics F limber in the first major assumption of significant level 5 %, and so to test them using the method of integrated data. In theory sub - first, second and third sub - sub - second major assumption of the possibility of the statistics F limber less than 5 % , then the use of an integrated data . Given the result statistics Haussmann possibility that less than meaningful 5 %, to test Hypothesis 3 Use Pattern fixed effects.

regression model random effects combined effect of investment opportunities on the policy of profit sharing in Table 3 pointed out that the impact of the investment opportunities on the policy of profit sharing , positive (45 / 0), and considering the possibility of t - statistics (0. 0035) is meaningful . This shows that investment opportunities on the policy of profit sharing, the direct impact. In other words, firms with more investment opportunities (more) market value, sharing is also more. Have a positive impact on investment opportunities in line with the policy of sharing the alternative model LA porta et al. (2006). so that cash profits as a substitute for the legal protection of shareholders, and in countries with the support of the weak shareholders ' rights, firms with high growth , more cash to pay its popularity among the stakeholders .

Results indicate that the other positive effect profitability and financial leverage as well as the negative impact on the policy of divide profits. This indicates that profit - making companies during the course of study, more cash profits have paid to stockholders, with an increase in the level of debt in the structure of the company's capital, pay cash benefit significantly reduced. Results related to the statistics F shows that the model, in general, and according to the statistics camera - Watson lacks autocorrelation problem. In addition, the results pertaining to determine the adjusted coefficient shows that in total research period about 9 /16 % of the variation profit sharing companies under the influence of the investment opportunities and control variables are particularly profitability and financial leverage. The remaining

amount of the regression model has statistics for Jarek against 11 / 2 probability and statistics 0/35 Jarek for equal to that of normality remains is regressing. Given the significant effect on the policy of investment opportunities, sharing the main hypotheses first research at the level of the total number of companies is approved.

Table 3 regression model the impact of the investment opportunities on the policy of profit sharing

the possibility of the statistics t	Value Statistics t	regression coefficients	statistics / Variable s
0.4950	0.68	0.005	a constant value C
0.0035	2.93	0.45	investment opportunities MVBV
0.000	8.4	1.05	ROA profitability
0.285	1.13	0.01	company SIZE
0.0122	-2.51	-0.22	financial leverage LEV

Watson statistics camera	the possibility of the statistics F	the possibility of the remaining quarter for	the amount of the remaining quarter for	adjusted determining factor	determining factor
1.582	0.000	0.35	2.11	0.169	0.713

Random effects regression model the impact of board size on the relationship between investment opportunities and dividend policy of firms in Table 4 shows that the effect of the size of the Board interactive investment opportunities on dividend policy profit, positive (0.001), but according to the probability statistic t (0.4353) gets involved Not significant. This shows that the size of the board on the relationship between investment opportunities and dividend policy of firms have no effect.

The results suggest a positive effect on the profitability and financial leverage, dividend policy is also a negative impact. Results of the F statistic indicates that the model was significant in general, and given the Durbin-Watson autocorrelation problem is lacking. In addition, the results of the adjusted coefficient of determination shows that the total study period of about 9/16% of firms affected by changes in dividend interactive investment opportunities in the size of the board and control variables profitability and financial leverage is special. Given the lack of significant interactive effect of investment opportunities on dividend policy in board size, board size on the relationship between investment opportunities and dividend policy of firms have no effect. Thus, the first hypothesis of the second main hypothesis it is not confirmed at the level of firms.

Table 4 shows the regression model, the impact of board size on the relationship between investment opportunities and dividend policy of firms

the possibility of the statistics t	Value Statistics t	regression coefficients	Statistics / Variable s
0/0037	2/91	0/44	a constant value C
0/4353	0/78	0/001	Investment Opportunities in board size MVBV*BS
0/0000	8/43	1/04	regression coefficients ROA
0/2504	1/15	0/01	company SIZE
0/0108	-2/56	-0/23	financial leverage LEV

Watson statistics	possibility of the	the possibility of the	the amount of the remaining	adjusted determining	determining factor

camera	statistics F	remaining quarter for	quarter for	factor	
1.583	0.0000	0.39	1.83	0.169	0.172

regression model random effects combined effect of independence on board the relationship between investment opportunities and policy profit sharing companies in Table 5 shows that the impact of the interactive effect investment opportunities in the independence of the board of directors of the policy of profit sharing, negative (45 / 0) - and with regard to the possibility of t - statistics (0034 / 0) is meaningful. This shows that the board of directors of independence on the relationship between investment opportunities and policy profit sharing companies reverse effect. In other words, the number of companies have more members of the board of directors of the Non-executive, with an increase of investment opportunities, and profit - sharing between shareholders. The result was in line with the model work Laporta et al. (2000), which is based on the hypothesis, pay cash profits as a result of the legal effective protection of shareholders. ; If stakeholders to come to the conclusion of their rights will be protected from receiving cash profits to avoid the firm to cash in the lucrative investment projects. In fact, shareholders more Non-executive members in the board of directors in line with the legal protection of their rights and investment opportunities for the benefit of sharing. Results indicate that the other positive effect profitability and financial leverage as well as the negative impact on the policy of divide profits. Results related to the statistics F shows that the model, in general, and according to the statistics camera - Watson lacks autocorrelation problem . In addition, the results pertaining to determine the adjusted coefficient shows that in total research period about 27 % of the variation profit sharing companies under the influence of the interactive effect investment opportunities in the independence of the board and control variables are particularly profitability and financial leverage .

The remaining amount of the regression model has statistics Jarek for against 16 / 2 probability and statistics Jarek 0/34 for equal to that of normality remains is regressing. Given the significant effect interactive effect investment opportunities in the independence on policy board of directors, board of directors sharing independence on the relationship between investment opportunities and policy profit sharing companies. Hence, the second sub - hypothesis second major assumption of research at the level of the total number of companies is approved.

Table 5 regression model board independence impact on the relationship between the investment opportunities and policy profit sharing companies

the possibility of the statistics t	Value Statistics t	regression coefficients	Statistics Variable s
0/3084	1/02	0/01	a constant value C
0/0034	-2/94	-0/45	Investment Opportunities in board size MVBV*BI
0/0000	8/42	1/03	regression coefficients ROA
0/2416	1/17	0/01	the company 's independence SIZE
0/0079	-2/66	-0/23	financial leverage LEV

Watson statistics camera	possibility of the statistics F	the possibility of the remaining quarter for	the amount of the remaining quarter for	adjusted determining factor	determining factor
1.579	0.000	0.34	2.62	0.2700.	0.273

regression model combined effect of institutional % owned by random effects on the relationship between investment opportunities and policy profit sharing companies in Table 6 shows that the impact of the interactive effect investment opportunities in % owned by institutional policy profit sharing , negative (0/46) - and with regard to the possibility of t - statistics (0/0029) is meaningful . This shows that the percentage of institutional ownership on the relationship between investment opportunities and policy profit sharing companies reverse effect. In other words, the company has more institutional ownership, with an increase in investment opportunities, and profit - sharing between shareholders. The consequence was in line with the model work Laporta et al. (2000), which is based on the hypothesis, pay cash profits as a result of the legal effective protection of shareholders. ; If stakeholders to come to the conclusion of their rights will be protected from receiving cash profits to avoid the firm to cash in the lucrative investment projects. In fact, the owners of the institutional shareholders more in line with the legal protection of their rights and investment opportunities for the benefit of sharing.

Results indicate that the other positive effect profitability and financial leverage as well as the negative impact on the policy of divide profits. Results related to the statistics F shows that the model, in general, and according to the statistics camera - Watson lacks autocorrelation problem. In addition, the results pertaining to determine the adjusted coefficient shows that in total research period about 9 . 27 % of the variation profit sharing companies under the influence of the interactive effect investment opportunities in owned by institutional and control variables are particularly profitability and financial leverage . The remaining amount of the regression model has statistics Jarek for against 23 . 2 % probability and statistics Jarek 0/33 for equal to that of normality remains is regressing. Given the significant effect interactive effect investment opportunities in % owned by institutional policy profit sharing, the percentage of institutional ownership on the relationship between investment opportunities and policy profit sharing companies. Hence, the third side hypothesis second major assumption of research on the surface of the total number of companies is approved.

Table 6 regression model institutional % owned impact on the relationship between investment opportunities and policy profit sharing companies

the possibility of the statistics t	**Value Statistics t**	**regression coefficients**	**Statistics Variable s**
0/8940	0/13	0/002	**a constant value C**
0/0029	-2/98	-0/46	Investment Opportunities in board size MVBV*BI
0/0000	9/13	1/10	Profitability . ROA
0/3203	0/99	0/01	The company's independence SIZE
0/0237	-2/27	-0/19	financial leverage LEV

Watson statistics camera	possibility of the statistics F	the possibility of the remaining quarter for	amount of the remaining quarter for	adjusted determining factor the	determining factor
1.584	0.000	0.33	2.23	0.279	0.313

11-Discussion and conclusions.

The main objective of this research to examine the influence of corporate governance, the relationship between investment opportunities and policy profit sharing of shares. For this purpose, the number of 109 accepted companies in the Stock Exchange Tehran during the same period 2012 - 2005 and relevant hypotheses using regression models / Fusion hybrid testing .

11 - 1 - Discussion first hypothesis

Investment opportunities as well as the impact on the policy of profit sharing, positive and significant. This shows that investment opportunities on the policy of profit sharing, the direct impact. In other words, firms with more investment opportunities (more) market value, sharing more interest payments. Hence, the first major hypothesis research at the level of the total number of companies is confirmed. Results indicate that the other positive effect profitability and financial leverage as well as the negative impact on the policy of divide profits. This indicates that profit - making companies during the course of study, more cash profits have paid to stockholders, with an increase in the level of debt in the structure of the company's capital, pay cash benefit significantly reduced. About 9 / 16 % of the variation profit sharing under the influence of the investment opportunities and control variables are particularly profitability and financial leverage.

Since that investment opportunities have a direct impact on the policy of profit sharing, it may be concluded that in the company of portfolios, investment opportunities, factor in profit sharing policy companies and investment opportunities before them, not only limiting factor interest payments to shareholders in cash, but in the firms with more investment opportunities (more) market value, more cash is divided between shareholders. Have a positive impact on investment opportunities in line with the policy of sharing the alternative model Laporta et al. (2000). so that cash profits as a substitute for the legal protection of shareholders, and in countries with the support of the weak shareholders ' rights, firms with high growth , more cash to pay its popularity among the stakeholders . In other words, shareholders in Tehran Stock Exchange generally believe that the only means of supporting the legitimate rights of them pay cash profits as the shares in companies with investment opportunities, more interest payments more cash in have ratified the convention. The results also indicate that the bourse companies instead of picking approach re - investment of profit that led to the growth of economic units, the distribution of profits approach to attract potential shareholders.

11-1-2 Discussion and conclusions second hypothesis

The impact of the interactive effect investment opportunities in the size of the board of directors of the policy of profit sharing, positive but not significant. This indicates that the size of the board of directors on the relationship between investment opportunities and corporate profit sharing policy. Hence, the first sub - hypothesis of a second major research hypothesis is upheld and about 9 / 16 % of the variation profit sharing companies under the influence of the interactive effect investment opportunities in the size of the board of directors and control variables are particularly profitability and financial leverage .

The impact of the interactive effect investment opportunities in the independence of the board of directors of the policy of profit sharing, negative and significant. This shows that the board of directors of independence on the relationship between investment opportunities and policy profit sharing companies reverse effect. In other words, the number of companies have more members of the board of directors of the Non-executive, with an increase of investment opportunities, and profit - sharing between shareholders. Hence, the second sub - hypothesis of a second major research hypothesis is upheld and about 27 % of the variation profit sharing companies under the influence of the interactive effect investment opportunities in the independence of the board and control variables are particularly profitability and financial leverage .

The impact of the interactive effect investment opportunities in owned by the institutional policy, sharing the negative and significant. This shows that the percentage of institutional ownership is also on the relationship between the investment opportunities and policy profit sharing companies reverse effect. In other words, the company has more institutional ownership, with an increase in investment opportunities, and profit - sharing between shareholders. Hence , the third side of a second major research hypothesis also approved is located about 9/27 % of the variation profit sharing companies under the influence of the interactive effect investment opportunities in owned by institutional and control variables are particularly profitability and financial leverage .

Since the size of the board of directors, board on the relationship between investment opportunities and corporate profit sharing policy does not influence, it can be concluded that in the company of portfolios, the number of members of the Board of Directors, factor and coordinator in the relationship between investment opportunities and politics, not profit sharing companies. In other words, shareholders in the Stock Exchange Tehran are generally more members of the board of director's factor and control in support of their legal rights. On the other hand , with regard to the number of members of the board of directors of the portfolios and its variation between 5 and 7 people, the size of the company's board of directors of the bourse also separable and while the investment opportunities and policy profit sharing companies of fluctuations and many changes . So, one of the reasons of the impact of the size of the board of directors on the relationship between investment opportunities and policy profit sharing companies, could be the result of the relative stability of the number of members of the Board of Directors companies .

Since independence, the board of directors on the relationship between investment opportunities and policy profit sharing companies reverse impact, it can be concluded that in the company of portfolios, the number of members of the board of directors, more Non-executive factor and coordinator in the relationship between investment opportunities and policy profit sharing companies. The result was in line with the model work Laporta et al. (2000), which is based on the hypothesis, pay cash profits as a result of legal effective protection of shareholders. ; If stakeholders to come to the conclusion that the rights of those who support will be of benefit to avoid the firm cash to cash in the lucrative investment projects . In fact, shareholders more Non-executive members in the board of directors in line with the legal protection of their rights and investment opportunities for the benefit of sharing.

impact of institutional % owned by on the relationship between investment opportunities and policy profit sharing companies shows that in the company of portfolios , ownership , more institutional factor and coordinator in the relationship between investment opportunities and policy profit sharing companies . The consequence was in line with the model work Laporta et al. (2000). In fact, the owners of the institutional shareholders more in line with the legal protection of their rights and investment opportunities for the benefit of sharing.

The study compared with the previous research is as follows:

1. results of this study on investment opportunities as well as the positive effect on the policy of profit sharing at the level of the total number of companies, in line with the results of a previous research Barkley et al. (1995), Boehner (2002), Dickens et al. (2003), Conover (2003) ,Arestani et al. (2012) and Arab Salehi and moral (1390)and inconsistent with the results of the previous research and Water and Good Friend(2010) .

2. results of this research in financial leverage negative impact on the policy of profit sharing at the level of the total number of companies, in line with the results of a previous research Fama and French (2001), (2003) Foreign and Arab Salehi and moral (2011)and inconsistent with the results of the previous research Arestani et al. (2012).

3. results of this research on the positive impact on the policy of profitability profit sharing at the level of the total number of companies, agrees with the results of the previous research Fama and French (2001), Anil and Kapoor (2008), Aburi and Arestani (2010) ,Goodfriend et al. (2012) and Basir Azizi , Asadi (2008) , Lynqyan and the Divine (2011).

4. the results of the present study on the impact of the independence of the board and institutional % owned by on the relationship between investment opportunities and the policy of profit sharing companies, agrees with the results of the previous research Laporta et al. (2000)and inconsistent with the results of the previous research Lin and Shane (2012).

12-Proposals as a result of the findings of research

1 - With regard to investment opportunities in the direct impact on the policy of profit sharing at the level of the total number of companies, it seems the company portfolios, investment opportunities to not

interest and investment opportunities, more cash profits are divided between shareholders. Therefore, to shareholders especially big shareholders and institutional accepted companies in the Stock Exchange Tehran is suggested that in order to increase their capital efficiency, the possibility of receiving cash profits and managers in investment opportunities to advise ahead.

2 - Due to the impact of the financial leverage on the policy of profit sharing at the level of the total number of companies, it seems financing companies from creditors and other suppliers, if the company's financial restrictions on sharing interest payments to shareholders. Therefore, to shareholders especially shareholders foot retail companies listed in the Stock Exchange Tehran is suggested that in order to ensure the receiving cash and relatively high profits from investment in firms with high debt ratio.

3 - According to direct relationship profitability and policy profit sharing at the level of the total number of companies , it appears that the bourse profit - making companies , more cash profits and pay cash profits , represents good performance and profitability of higher - quality of these companies (more profitable to coincide with the cash received more). Therefore, to shareholders especially small shareholders at the foot of the companies registered on the Stock Exchange Tehran is suggested that in order to ensure the decisive receive cash profits in the bourse of profit - making companies to invest.

4 - due to the impact of institutional and owned by members of the Board (Non-executive) board independence on the relationship between investment opportunities and policy profit sharing companies, it seems that shareholders, most of the owners of the institutional and also percent more members of the board of directors of the Non-executive in line with the legal protection of their rights and investment opportunities for the benefit of sharing. Therefore, managers of the companies listed on the Stock Exchange proposed that Tehran is in line with the choice approach re - investment of profit growth economic unit of the owners of the institutional and members of the board of directors of the Non-executive to welcome. As well as the Securities and Exchange Organization recommends that Tehran - in order to strengthen institutional owners and most members of the board of directors of the Non-executive in the company - portfolios, to provide the necessary requirements.

13- Proposals for future

1 - Other measures policy profit sharing including interest in cash or in part, to investigate the relationship between investment opportunities and policy profit sharing.

2 - Examine the impact of the economic, cultural and political conditions on the relationship between investment opportunities and policy profit sharing.

3 - Testing the relationship between investment opportunities and politics in sharing the loss - making companies in comparison with the profit - making companies in the next couple of research.

4 - Repeat this research using interval of time and examine the effect of increasing gap to improve the relationship between investment opportunities and policy profit sharing.

5 - Do a similar levels of different industries in the bourse.

6 - Using other mechanism of corporate governance including stake floating free, independent auditor and in the study of the future.

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