

# Family Firms and Cash Dividend

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## ABSTRACT

Objectives of this thesis intend to examine whether there are distinctive differences existed in cash dividend distributions between family business and non-family business. Moreover whether this relevancy is impacted by external supervision is also examined as well. This thesis relies upon Logit Model to proceed to empirical analysis. Research period encompasses 10 years between 2002 and 2011 with 217 companies as well as 2170 samples collected from our listed companies. Findings of empirical analyses indicated that there existed negative correlations between the cash dividend dispensing and family business which supported the supposition one. With further distinctions made on level of family share surplus deviation, one can learn that family businesses with different share deviations, under the impacts from supervisions stemmed from independent directors and 3 major institutional holdings, exhibit positive correlations with cash dividend dispensing; which supports supposition two and part of this supports supposition three. Hence, through summarization of the above one can learn that independent director, three major institutional holdings do have the supervision effectiveness toward family business and cash dividend dispensing.

Keywords : Family business、cash dividend policy、independent directors、corporate holding

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