

## Abstract

Title: Research on Managerial Power, Internal Control and Enterprises' R&D Investment

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This paper studies the relationship among the managerial power, internal control and R&D investment. By using the data of A-share listed companies from 2009-2014 which reveal continuous R&D investment, we build a mathematical model using GLS regression, and do principal component analysis and other methods of empirical analysis.

The study found: ①The executive power research has a significant positive correlation with R&D investment. Especially, the ratio of executive ownership has a inverse U-correlation with the R&D investment; ②Compared to the non-state-owned enterprises, state-owned corporate executives has stronger affect to R&D investment; ③The quality of company' s internal control will affect the correlation between executive power and R&D investment; ④The larger asset size, the lower the debt ratio and the higher the level of revenue will make more R&D investment. This article puts eyes inside the enterprise environment, taking the impact of internal quality control to executive power into account, and does a deeply analysis of the impact of executive power to R&D investment. Based on the internal environment, especially the factor of "man", articles provide technical support and scientific basis for enhancing the core competitiveness of Chinese listed companies,

accelerating enterprise technological innovation and promoting industrial upgrading and transformation.

**Keywords: Managerial Power Internal Control R&D Investment**