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## The Relation between Managerial Overconfidence with Corporate Governance

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### Abstract

The aim of this research is to investigate the relation between managerial overconfidence with accounting conservatism and corporate governance in chemical and pharmaceutical in listed firms of Tehran Stock Exchange.

The study period is ۲۰۱۳-۲۰۱۸ and ۳۹ firms were selected as statistical sample.

The pool/panel multivariable regression models and logistic regression in econometric software EViews were applied to analyze of research data.

In this study, the corporate governance is dependent variable and the managerial overconfidence independent variable. Also, the market value to book value ratio, financial leverage, firm size, cash flows from operations, standard deviation of revenues, and sales growth were exerted as control variable. The panel multivariable regression models and logistic regression in econometric software EViews were applied to analyze of research data.

The findings indicate that the relation between in both levels managerial overconfidence with the corporate governance with it is negative (inverse) and significant.

**Key Words:** the managerial overconfidence, the corporate governance, the over investment, the capital expenditure and the chemical industry and petroleum products.