

## **CORPORATE GOVERNANCE, INTERNAL CONTROL AND INEFFICIENT INVESTMENT BASED ON THE EXPERIENCE OF A SHARE MANUFACTURING LISTED COMPANIES IN CHINA**

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### **ABSTRACT**

Investment is the key of the development of an enterprise, and it is also an important driving force for the economic development of country. In this paper, a sample of A-share manufacturing listed companies in China from 2012 to 2016 is taken as a sample to empirically analyze how manufacturing listed companies affect their investment behavior in terms of corporate governance and internal control. The study found that corporate governance can effectively inhibit the company's inefficient investment, especially the suppression of voluntary investment is better, but the internal control does not play a role in the investment behavior. Combined with the results of empirical analysis, this paper puts forward countermeasures and suggestions for reducing inefficient investment from the perspectives of corporate governance and internal control.

**Keywords:** Corporate Governance; Internal Control; Inefficient Investment.