

ABSTRACT

This study aims to use some new factors and measurements to explain dividend behaviors or dividend payment decision of the listed firms of Thailand.

This study investigates the dividend payment decision by integrating two sides: demand side (investors) and supply side (CEOs) together. One more important part of this study is focusing on the status of Concentrated Ownership-CEOs' power. Also, this study includes managerial impatience, and loss aversion for both CEO and individual investors to explore more deep on dividend payment decision at firms' level and industrial level. Moreover, the CEO indexes in the current study capture the changing status of CEOs' power either under Concentrated Ownership-CEO and Non-Concentrated Ownership-CEOs across each industry for which the prior research papers rarely did.

According to five years' backward data from year 2011 to 2015 of qualified listed firms in Thailand, the findings can explain dividend payment decision well, and reveal that the firms with Concentrated Ownership-CEOs are scattered in every industry in listed firms of Thailand. Most of such firms are smaller in size and associated with lower profitability. These Concentrated Ownership-CEOs may pay dividends but at a lower levels either because of their managerial impatience or based on their loss aversion behaviors, so, these dividends are rarely met the demand of individual investors who are loss averse. Further, these findings can be used by both regulators to monitor the boards' structural changes which could affect individual investors' benefits directly and indirectly. Individual investors also can use the results to select firms to invest according to their risk preference and tax bracket. Finally, this study fills the gap in academic literatures by using theories in both modern and behavioral finance fields in the logit models.

Key Words: Dividend Payment Decision, CEO Index, Loss Aversion, Concentrated Ownership-CEOs, Managerial Impatience.