## COE 3213 CORPORATE GOVERNANCE

**Course Description**

This course examines the nature of corporate governance from several perspectives including economics, law, accounting, ethics, and moral reasoning. This course explores critical board issues including implications of different practices in corporate governance, legal and regulator structures, financial policies and reporting, evaluating the leadership and accountability within an organization, the stakeholder theory; compensation, and strategies for effective oversight. The course examines the evolution of corporate governance mechanisms from the theoretical and practical view point, the concepts of corporate governance, mechanisms of corporate governance and accountability.

**Course Objectives**

* The course aims at introducing students to the roles and functions of corporations and
* to provide a context within which to evaluate corporate activity, accountability and impact.
* The course is designed to provide an introduction to theories of corporate governance and the practical means of regulating and controlling corporations.

**Learning Outcomes**

* an understanding of corporate governance
* explain the interaction of corporate governance with business ethics and company law
* explain the effects of corporate governance on directors’ behaviour and their duties of skill and care.
* explain different board structures, the role of the board and corporate governance issues;
* describe the types of policies and procedures that best practice companies introduce; explain the regulatory governance framework for companies.

**Intellectual, Practical and Transferable Skills**

The course provides students with the opportunity to develop cognitive skills to a level where they can contribute to the demands of practice. With regard to practical skills include: application of knowledge and skills to new settings, being proactive, being adaptable, managing time and operating effectively, being self directed and taking personal responsibility.

**Teaching and Learning Pattern**

The mode of learning involves direct contact with students in form of lectures, group discussions and presentations.

**Indicative Content**

The course looks at the concept of the corporation; key parties and organizational structure; separation of ownership and control, roles of shareholders and directors; institutional investors; directors' remuneration; accountability and financial aspects; role of statutory auditors; non-executive directors and audit committees, responsibilities, remuneration and rights of employees. The course also examines the behavior of directors in relation to corporate governance and duty of care towards their stakeholders, the theories of governance - agency, stewardship, stakeholder theory, the policies and procedures for ‘best practice’ companies, regulatory governance framework and the current developments in corporate governance.

**Assessment Method**

The assessment method is structured to include coursework and final examination. Coursework consists of assignments, presentations and tests. The student shall also undertake research and develop a research report as part of purposes of assessment.

Each course in the programme shall be assessed on the basis course work and final examination represented as follows:

Course work assessment 30%

Final Examination 70%

100%

The minimum cumulative mark required to pass is 50%, is required to pass this unit. This includes course work and final examination. Each course in the programme is allowed a maximum of three hours for final examination.

**Indicative Sources**

1. Charkham J (2001) *Keeping Good Company - A Study of* corporate governance *in Five Countries* (Oxford: Oxford University Press)
2. Mallin C (2004) corporate governance(Oxford: Oxford University Press)
3. Elliott B & Elliott J (2005) corporate governance in *Financial Accounting and Reporting* (Harlow: Pearson Education Ltd)
4. Gray I & Manson S (2004) The audit expectations gap and corporate governance in *The Audit Process - Principles, Practice and Cases* (London: Thomson Learning)
5. McAvoy P & Millstein I (2003) *The Recurrent Crisis in* corporate governance (Basingstoke: Palgrave Macmillan)
6. *Report of the Committee on the Financial Aspects of* corporate governance *(Cadbury Committee Report)* (1992) London: Gee Publishing
7. *Directors' Remuneration: Report of a Study Group Chaired by Sir Richard Greenbury (Greenbury Committee Report)* (1995) London: Gee Publishing
8. *Committee on* corporate governance*: Final Report (Hampel Committee Report)* (1998) London: Gee Publishing
9. *Committee on* corporate governance *The Combined Code (revised)* (2003) London: Gee Publishing