



SYLLABUS

CORPORATE GOVERNANCE

Objective: After going through the syllabus the student is expected to have appreciated the need to practice good corporate governance in public and private companies.

PART ONE WHAT IS CORPORATE GOVERNANCE?

Definitions and issues in corporate governance-Development of corporate governance - Stakeholders in a company-Key objectives in corporate governance-Key issues in corporate governance-Approaches to corporate governance-Concepts, ethics and roles-Concepts in corporate governance-Ethics and corporate governance-Corporate social responsibilities- Whistleblowers-The company Lawyer and corporate governance- The company secretary and corporate governance

PART TWO DIRECTORS AND SHAREHOLDERS

The powers of directors and rights of shareholders- The powers of directors
The duties of directors to their company-Fiduciary duties of directors-A director's duty of skill and care- Fair dealing by directors-Directors' legal responsibilities to employees and other stakeholders- Shareholders' rights- Other restraining measures against directors-Shadow directors and alternative directors-Balance of power on the board-Suitability-Character and qualities-The board and decision-making-The roles of chairman and chief executive officer-Non-executive directors-Board appointments-Board succession-Training directors-The lessons of Enron-Two-tier boards-Non executive directors-Independent and non- independent non-executive directors- The number of non-executive directors-The role of non-executive directors-Criticisms on non-executive directors-The Higgins Report-Relations with shareholders- The relationship between the board and the shareholders- The shareholders-Shareholder expectations- Regulatory requirements for shareholder involvement-Measures by the board to improve relations- Measures by Shareholders to improve relations- Electronic

communications and electronic voting-The OECD corporate governance principles and shareholder rights

PART THREE FINANCIAL REPORTING, REWARDS AND RISKS

Financial reporting and auditing-Financial reporting and corporate governance-Misleading financial statements-The role of the external auditors: the audit report-Auditor independence-Controls over the audit profession-The audit committee-Directors' responsibilities for financial statements-Directors' remuneration-Public attitudes-Elements of remuneration for executive directors-Share options (stock options)-The remuneration of non executive directors-The remuneration committee-Disclosure and approval of remuneration details-Shareholder approval of directors' remuneration-Remuneration policy- Directors' service contracts- The Greenbury Report and recommendations-Developments in the United States-

Risk management and corporate governance-The nature of risk-Internal control system-The Turnbull Committee Report on internal control- The role of internal audit-Risk management-The board's statement on internal control-Developments in risk management as governance issue

PART FOUR A HISTORY OF CORPORATE GOVERNANCE

A history of corporate governance in the United Kingdom- The Cadbury code- The Greenbury Report-The Hampel Report-The Combined code-The Higgs Report and the Smith Report-Future changes in UK company law- An international history of corporate governance- The OECD principles of corporate governance-Corporate governance and the Commonwealth countries-The King reports (South Africa)-Corporate governance in the United States

Recommended study material

A. Essential

B Supplementary

1. Internet Documentary Literature
2. Corporate Governance (Ned) By Dube Cf (2008)