



UNIVERSITI TEKNOLOGI MARA

ACG704: DEVELOPMENT IN CORPORATE GOVERNANCE

Course Name (English)	DEVELOPMENT IN CORPORATE GOVERNANCE APPROVED
Course Code	ACG704
MQF Credit	3
Course Description	This course provides detailed knowledge on corporate governance. The major developments in corporate governance are useful to understand and critically examine the current debate on corporate governance. There are several important topics such as role of family, institutional ownerships, shareholders activism, board composition and performance that are discussed using variety of learning methods that provide opportunity for critical appraisal of theories and methods to advance debate on corporate governance in general.
Transferable Skills	Reflective learner, Resourceful and responsible, Effective communicator, Responsive, Adaptable, Creative and Innovative, Ethically and social sensitive, Independent and critical thinking, Confident, Solution provider, Experienced collaborator
Teaching Methodologies	Lectures, Case Study, Reading Activity, Discussion, Presentation, Journal/Article Critique, Supervision
CLO	CLO1 evaluate the developments that have taken place in the multi-disciplinary area of Corporate Governance including in the UK, US and Malaysia CLO2 discuss the philosophical and theoretical foundations of corporate governance CLO3 discuss the influences of the Stakeholders and Shareholders on the corporate governance mechanism and the impact of Family firms and Institutional investors on the running of the organizations CLO4 explain the various roles and responsibilities of the board of directors in modern organizations and how Board performance is evaluated highlighting the critical issues in the measurement of performance CLO5 evaluate any contemporary issues in Corporate Governance
Pre-Requisite Courses	No course recommendations
Topics	
1. An Overview of Corporate Governance 1.1) Evolution of Corporate Governance 1.2) Scope of Corporate Governance 1.3) Defining Corporate Governance 1.4) Principles of Corporate Governance 1.5) Beneficiaries of Effective Corporate Governance	
2. Theories and Models of Corporate Governance 2.1) Theories in Corporate Governance 2.2) Agency theory 2.3) Stewardship theory 2.4) Transaction costs theory 2.5) Stakeholders theory 2.6) Managerial hegemony theory 2.7) Convergence theory 2.8) Institutional theory 2.9) 2.10) Models of Corporate Governance 2.11) The Unitary (Anglo-Saxon) Model 2.12) The Dual (European Model)	

<p>3. Development of Corporate Governance in the UK and US</p> <p>3.1) Development of Corporate Governance in the US. 3.2) Development of Corporate Governance in the UK. 3.3) Introduction to Sarbanes-Oxley/SOX Act of 2002 3.4) Comparisons the UK vs. the US. Corporate Governance Systems</p>
<p>4. An Overview of Corporate Governance in Malaysia.</p> <p>4.1) Introduction 4.2) The 1997 financial crisis, its causes and effects 4.3) Post – 1997 reforms 4.4) The Evolution of the Malaysian Code on Corporate Governance 4.5) Empirical studies of Corporate Governance in Malaysia 4.6) Financial fraud in Malaysia</p>
<p>5. Corporate Ownership Structures</p> <p>5.1) The Concept of Control 5.2) Outsider and Insider Systems 5.3) Diversified Ownership 5.4) Concentrated Ownership 5.5) Family Ownership 5.6) Government Ownership 5.7) Bumiputera Ownership 5.8) Ownership Structure and firm performance</p>
<p>6. Board of Directors and Board Committees</p> <p>6.1) Board of Directors 6.2) Board structure and composition 6.3) Roles, duties and responsibilities of a board 6.4) The role of the non-executive directors 6.5) Independence of the non-executive directors 6.6) 6.7) Board Committees 6.8) Audit committee 6.9) Remuneration committee 6.10) Nomination committee 6.11) Other board committees 6.12) Enhancing the effectiveness of board committees</p>
<p>7. Attributes of a High-Performance Board</p> <p>7.1) Board independence 7.2) Empowerment 7.3) Knowledge of the firm 7.4) Access to information 7.5) Preparation for meetings 7.6) Board and director evaluation</p>
<p>8. Contemporary Issues in Corporate Governance</p> <p>8.1) Whistle-blowing 8.2) Islamic governance 8.3) Interlocking / Multiple directorships 8.4) Evolving landscape of corporate governance in Asia 8.5) Note: Depending on current issues on Corporate Governance in Malaysia</p>

Assessment Breakdown	%
Continuous Assessment	60.00%
Final Assessment	40.00%

Details of Continuous Assessment	Assessment Type	Assessment Description	% of Total Mark	CLO
	Case Study	Group case study on assigned organization. Student are required to present their finding and submit a report.	20%	CLO3 , CLO4 , CLO5
	Presentation	Group presentation on specific topics and Journal article critique	20%	CLO1 , CLO2 , CLO3 , CLO4 , CLO5
	Test	Individual test on specific topics	20%	CLO1 , CLO2 , CLO3

Reading List	Recommended Text	<ul style="list-style-type: none"> Abdul Rahman, R. and Salim M.R. 2010, <i>Corporate Governance in Malaysia, Theory, Law and Context</i>, First Ed., All, Sweet & Maxwell Asia Malaysia
	Reference Book Resources	<ul style="list-style-type: none"> Bain, Neville & Barker, Roger 2010, <i>The Effective Board</i>, Kogan London Bainbridge, S.M. 2011, <i>Corporate Governance After the Financial Crisis</i>, Oxford University Press, New York Baker, H.K. & Anderson, R., eds 2010, <i>Corporate Governance: A Synthesis of Theory, Research, and Practice.</i>, Wiley & Sons Hoboken, NJ Braiotta Jr., A., et al 2010, <i>The Audit Committee Handbook</i>, 5th Ed., Wiley & Sons, 2010 Hoboken, NJ Clarke, T. & Branson, D 2012, <i>The SAGE Handbook of Corporate Governance. Thousand Oaks</i>, Sage CA Goergen, M., et al 2010, <i>Corporate Governance and Complexity Theory</i>, Edward Elgar Cheltenham, UK Saloman, J 2010, <i>Corporate Governance and Accountability</i>, 3rd Ed., Wiley & Sons Chichester, West Sussex, UK Abdul Rahman, R 2006, <i>Effective Corporate Governance</i>, UPENA Publication

Article/Paper List	Reference Article/Paper Resources	<ul style="list-style-type: none"> Ponnu 2008, Corporate Governance Structures and Performance of Malaysian Listed Companies, <i>International Reviews of Business Research Papers</i>, Vol. 4, No.2, pg 21 Zulkarnain et., al 2008, Accountability in the Post Malaysian Code on Corporate Governance The Role of Audit Committee, <i>European Journal of Economics, Finance and Admin Sciences</i> [ISSN: 1450-2275]
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Other References	<ul style="list-style-type: none"> website Government of Malaysia 2012, <i>Malaysian Code on Corporate Governance (Revised 2012)</i> , Malaysia website 2012 <i>Corporate Governance Country Assessment (2012), Report on the observance on Standards and Codes, Corporate Governance, The world Bank</i> , World Bank Internet webpage: http://www.oecd.org/corporate/co Organization for economic cooperation and development (OECD) / http://www.bur 2012 <i>ACGA (Asian Corporate Governance Association), (2012). CG Watch 2012</i>
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