



UNIVERSITI TEKNOLOGI MARA

CRG818: CORPORATE GOVERNANCE

Course Name (English)	CORPORATE GOVERNANCE APPROVED
Course Code	CRG818
MQF Credit	9
Course Description	Corporate Governance has emerged on the global agenda in pursuit of proper and efficient practice in the administration of the business entity. The objective is probity in business activity, compliance with law and regulation, and the securing of reputation and confidence towards the attraction of inward investment. The Chartered Secretary is the key corporate player and the global Profession has emerged as a benchmark for the development of best practice. The aim of the module is to instill the knowledge and key skills necessary for the Chartered Secretary to act as chief adviser to the Board on best practice in corporate governance, and as the catalyst for systematic application in the major global forms of organization.
Transferable Skills	Demonstrate ability to analyse issues/problems from multiple angles and make suggestions Demonstrate practical and contemporary knowledge of relevant professional, ethical and legal frameworks
Teaching Methodologies	Lectures, Tutorial, Presentation, Small Group Sessions
CLO	<p>CLO1 Research and apply the growing global information sources on corporate governance.</p> <p>CLO2 Promote awareness of, and be responsible for continuing self and personnel development on corporate governance themes.</p> <p>CLO3 Promulgate corporate governance principles and best practice in the employing or client organization.</p> <p>CLO4 Apply professional knowledge and skills to the resolution of practical issues and problems in the proper governance of the employing or client organisation.</p> <p>CLO5 Understand and apply the concepts of probity and ethical standards in governance.</p> <p>CLO6 Understand and advise on the impact of corporate governance principles on the role of Directors, the Secretary, and the audit function.</p> <p>CLO7 Understand the corporate governance mechanisms and regulatory framework in the Malaysian context.</p> <p>CLO8 Apply professional knowledge and skills to the resolution of practical issues and problems in the proper governance of the employing or client organization within the context of Malaysian corporate governance and regulatory framework.</p>
Pre-Requisite Courses	No course recommendations
Topics	<p>1. The Definitions and Objectives of Corporate Governance</p> <p>1.1) The corporate entity; legality, separation of ownership and operation. The concepts of ownership and accountability, ethics and performance. The “enlightened shareholder and stakeholder” concepts. The state as shareholder. Models of hierarchic and functional relationships in sound governance. One-tier and two-tier Boards. The external and internal pressures for sound governance. History and ongoing developments in corporate governance. The Reports: from Cadbury and King onwards; national and international sources. The Combined Code. Corporate governance guidelines: OECD; the Commonwealth Association. The governance agenda in the developing and developed economies. International networking.</p>

2. The Regulatory and Ethical Framework

2.1) The role of legislation and regulation in corporate governance. The nature and importance of compliance. Compliance statements. The ethical dimension: codes and practices. The assessment of corporate performance: yardsticks and measurement; corporate review; disclosure. Key concepts: inclusion; openness; honesty; transparency; probity; accountability; judgement; reputation; social and environmental responsibility.

3. Sound Governance

3.1) The concept of best practice in governance: in companies, statutory corporations and trusts. Understanding the distinct and separate roles, duties and responsibilities of corporate officers and stakeholders: chairman, chief executive officer, directors, secretary and shareholders/members. Shareholders: majority control; minority rights; the rights of members in guarantee companies. The importance of the proper mix of appointments to the Board. Service contracts. Induction, orientation and training. Responsibilities of the Board. Committees and their role: Audit, Remuneration, Nomination. Internal controls. Overall business risk management and review. Internal structural relationships in the organisation.

4. The Secretary and Corporate Governance

4.1) The importance and special position of the secretary; the role in sound and effective governance. Appointment and qualification. Control of corporate information and corporate reporting: the annual report; the website. Communication with stakeholders. The "whistleblowing" concept: issues and problems, protection.

5. Directors

5.1) Enhanced duties of independent non-executive directors under
5.2) Amendment Code 2007. Executive and non-executive directors.
5.3) Chairman, managing Director. Shadow and alternate directors. The concept of independent directors. Commonality of legal duty.
5.4) Comparison of roles, needs, powers and duties; appointment, reappointment and rotation, remuneration, removal, retirement and disqualification. Directors' liabilities, indemnity and insurance. Borrowing powers. Conflict and disclosure of interest. Share dealing; model codes; insider dealing. Company records. Directors' disclosures, service contracts and agreements.

6. Audit

6.1) Enhanced role of internal auditors for public listed companies. Under amended code 2007. The contribution of internal and external audit to sound governance. Audit reports and their use. Appointment, removal. Independence and remuneration: rights, powers and duties in the governance framework:
6.2) # Overseeing the financial reporting and disclosure process;
6.3) # Monitoring choice of accounting policies and principles;
6.4) # Overseeing hiring performance and independence of external
6.5) auditors;
6.6) # Oversight of regulatory compliance, ethics and whistleblowing
6.7) process;
6.8) # Overseeing the performance of the internal audit function;
6.9) # Discussing risk management policies and practices with
6.10) management.

7. Corporate Governance in Malaysia

7.1) Corporate regulatory framework in Malaysia i.e. Registrar of Companies (ROC), Bursa Malaysia Berhad, Securities Commission (SC) etc. Comparative perspectives of corporate regulatory framework between UK & Malaysia. Malaysian Code of Corporate Governance (amended code 2007). Roles, Responsibilities and Powers of SC. Roles, Responsibilities and Powers of the Bursa Malaysia Bhd. Revamped listing requirements of Bursa Malaysia Berhad.

8. Public Companies Accounting Oversight Board

8.1) The Oversight Board was set up mainly for monitoring all the key
8.2) Players and independence of auditors as well as independent non-Executive directors. The Oversight Board is also given the task under the revised code to see the Audit Committee responsibilities.

Assessment Breakdown		%	
Final Assessment		100.00%	

Details of Continuous Assessment	Assessment Type	Assessment Description	% of Total Mark	CLO
	Reading List	Recommended Text	<ul style="list-style-type: none"> • MAICSA Study Manual – Corporate Governance, <i>MAICSA</i> • MAICSA, <i>MAICSA Series, Directors and Corporate Officers Case Summaries</i>, CCH • ICSA, <i>Corporate Governance</i>”, <i>ICSA Professional Development Series</i>, ICSA Publishing Ltd London. 	
Article/Paper List	This Course does not have any article/paper resources			
Other References	<ul style="list-style-type: none"> • Code <i>Malaysian Code of Corporate Governance</i> • Website <i>Bursa Listing Requirement</i> 			