



UNIVERSITI TEKNOLOGI MARA

CRG740: Issues in Ethics and Governance

Course Name (English)	Issues in Ethics and Governance APPROVED
Course Code	CRG740
MQF Credit	2
Course Description	This course provides detailed knowledge on organizational ethics and governance. The major issues in corporate governance both locally and internationally are useful to be comprehended critically examined and debated. There are a number of important concepts embedded such as the role of family, institutional ownerships, shareholders activism, board composition and performance that are discussed using a variety of learning methods that provide opportunities for critical appraisal of theories and methods to advance debate on ethics and corporate governance in general.
Transferable Skills	Apply broad knowledge on corporate governance. Demonstrate effective communication skills. Adhere to ethics and professionalism.
Teaching Methodologies	Lectures, Demonstrations, Reading Activity, Discussion
CLO	CLO1 Apply broad knowledge on corporate governance for stewardship purposes in the context of diverse organizational settings. (C3) CLO2 Demonstrate effective communication skills based on sound reasoning with the view of resolving complex governance issues within the context of diverse organizational settings. CLO3 Adhere to ethics and professionalism associated with the theories and practice of good governance for enhanced performance in the context of diverse organizational settings.
Pre-Requisite Courses	No course recommendations
Topics	1. 1. Ethics in Practice 1.1) 1.1 Overview of professional ethics 1.2) 1.1.1 General Ideas on professional ethics 1.3) 1.1.2 Ethics in the accounting profession 1.4) 1.1.3 Applying ethics in the accounting work environment 1.5) 1.2 Applying ethical theories in individual behavior 1.6) 1.2.1 Normative theories 1.7) 1.2.2 Teleological theories 1.8) 1.2.3 Deontological theories 1.9) 1.2.4 Virtue ethics 1.10) 1.3 Issues in ethical decision-making 1.11) 1.3.1 Identifying factors influencing decision-making 1.12) 1.3.2 Exploring ethical decision-making models 2. 2. Essential Principles of governance 2.1) 2.1 Overview of corporate governance 2.2) 2.1.1 Evolution of corporate governance internationally 2.3) 2.1.2 Defining corporate governance 2.4) 2.1.3 Critical elements of corporate governance 2.5) 2.1.3.1 Corporations 2.6) 2.1.3.2 Shareholders 2.7) 2.1.3.3 Board of Directors and board committees 2.8) 2.1.3.4 Board Structure and composition 2.9) 2.1.3.5 Roles, duties and responsibilities of a board 2.10) 2.1.3.6 Roles of non-executive directors

- 2.11) 2.1.3.7 Independence of non-executive directors
- 2.12) 2.1.4 Board Committees
- 2.13) 2.1.4.1 Audit committees
- 2.14) 2.1.4.2 Remuneration committees
- 2.15) 2.1.4.3 Nomination committees
- 2.16) 2.1.4.4 Other board committees
- 2.17) 2.1.4.5 Enhancing the effectiveness of board committees
- 2.18) 2.1.5 Principles of Corporate Governance
- 2.19) 2.1.6 The impacts of effective corporate governance
- 2.20) 2.1.7 Corporate governance theories and applications
- 2.21) 2.1.8 Models of Corporate Governance
- 2.22) 2.1.8.1 The unitary (Anglo-Saxon) model
- 2.23) 2.1.8.2 The Dual (European) model
- 2.24) 2.1.9 Governance as practised in other sectors
- 2.25) 2.1.9.1 Not-for-profit organizations
- 2.26) 2.1.9.2 Family owned enterprises
- 2.27) 2.1.9.3 Government or statutory bodies
- 2.28) 2.1.9.4 Bumiputera owned businesses

3. 3. International perspectives of Corporate Governance

- 3.1) 3.1 Global development in corporate governance
- 3.2) 3.1.1 Development of Corporate Governance in the US.
- 3.3) 3.1.2 Development of Corporate Governance in the UK.
- 3.4) 3.1.3 Introduction to Sarbanes-Oxley/SOX Act of 2002
- 3.5) 3.1.4 Comparisons the UK vs. the US. Corporate Governance Systems
- 3.6) 3.2 Alternative international approaches to governance
- 3.7) 3.2.1 Strengthening the concept of control
- 3.8) 3.2.2 Relying on the market-based system
- 3.9) 3.2.3 Using the relationship-based system
- 3.10) 3.2.4 Depending on the ownership structure and firm performance
- 3.11) 3.3 International issues and challenges in corporate governance

4. 4. Malaysian perspective on Corporate Governance

- 4.1) 4.1 Local development
- 4.2) 4.1.1 The 1997 financial crisis, its causes and effects
- 4.3) 4.1.2 Post – 1997 reforms
- 4.4) 4.1.3 The Evolution of the Malaysian Code on Corporate Governance
- 4.5) 4.1.4 Empirical studies of Corporate Governance in Malaysia
- 4.6) 4.1.5 Governance failure and improvement in Malaysia
- 4.7) 4.2 Local issues and challenges in corporate governance

5. 5. Contemporary Issues in Corporate Governance

- 5.1) 5.1 Attributes of a high performing board
- 5.2) 5.2 Corporate accountability
- 5.3) 5.3 Whistle-blowing and its implications
- 5.4) 5.4 The rise of Islamic governance
- 5.5) 5.5 Interlocking / multiple directorships and their consequences
- 5.6) 5.6 Evolution landscape of corporate governance in Asia
- 5.7) 5.7 The issues of integrity
- 5.8) 5.8 Maintaining sustainability governance

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
	Group Project	Group presentation on specific topics and Journal article critique	20%	CLO2
	Test	Individual test on specific topics	20%	CLO1

Reading List	Recommended Text	Abdul Rahman, R. and Salim M.R. 2010, <i>Corporate Governance in Malaysia, Theory, Law and Context</i> , 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, 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 Malaysia

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, 217 • 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: 1450-227]
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Other References	<ul style="list-style-type: none"> • website Bursa Malaysia Government of Malaysia 2012, <i>Malaysian Code on Corporate Governance (Revised 2012)</i> , Malaysia • website The World Bank 2012, <i>Corporate Governance Country Assessment (2012), Report on the observance on Standards and Codes, Corporate Governance</i> •) Internet webpage: http://www.oecd.org/corporate/ OECD Organization for economic cooperation and development (OECD) • http://www.bursamalaysia.com/ ACGA (Asian Corporate Governance Association), (2012). <i>CG Watch 2012</i>.
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