



UNIVERSITI TEKNOLOGI MARA

CRG741: ISSUES IN ETHICS AND GOVERNANCE

Course Name (English)	ISSUES IN ETHICS AND GOVERNANCE APPROVED
Course Code	CRG741
MQF Credit	3
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	1. Apply broad knowledge on corporate governance for stewardship purposes in the context of diverse organizational settings (C3); 2. Demonstrate effective communication skills based on sound reasoning with the view of resolving complex governance issues within the context of diverse organisational settings (A3); 3. Adhere to ethics and professionalism associated with the theories and practice of good governance for enhanced performance in the context of diverse organizational settings (A4)
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 CLO2 Demonstrate effective communication skills based on sound reasoning with the view of resolving complex governance issues within the context of diverse organisational 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. 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) 1.6) 1.2 Applying ethical theories in individual behaviour 1.7) 1.2.1 Normative theories 1.8) 1.2.2 Teleological theories 1.9) 1.2.3 Deontological theories 1.10) 1.2.4 Virtue ethics 1.11) 1.12) 1.3 Issues in ethical decision-making 1.13) 1.3.1 Identifying factors influencing decision-making 1.14) 1.3.2 Exploring ethical decision-making models

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)
- 2.4) 2.1.2 Defining corporate governance
- 2.5)
- 2.6) 2.1.3 Critical elements of corporate governance
- 2.7) 2.1.3.1 Corporations
- 2.8) 2.1.3.2 Shareholders
- 2.9) 2.1.3.3 Board of directors and board committees
- 2.10) 2.1.3.4 Board structure and composition
- 2.11) 2.1.3.5 Roles, duties and responsibilities of a board
- 2.12) 2.1.3.6 Roles of non-executive directors
- 2.13) 2.1.3.7 Independence of non-executive directors
- 2.14)
- 2.15) 2.1.4 Board committees
- 2.16) 2.1.4.1 Audit committee
- 2.17) 2.1.4.2 Remuneration committee
- 2.18) 2.1.4.3 Nomination committee
- 2.19) 2.1.4.4 Other board committees
- 2.20) 2.1.4.5 Enhancing the effectiveness of board committees
- 2.21)
- 2.22) 2.1.5 Principles of corporate governance
- 2.23)
- 2.24) 2.1.6 The impacts of effective corporate governance
- 2.25)
- 2.26) 2.1.7 Corporate governance theories and applications
- 2.27)
- 2.28) 2.1.8 Models of corporate governance
- 2.29) 2.1.8.1 The unitary (Anglo-Saxon) model
- 2.30) 2.1.8.2 The dual (European) model
- 2.31)
- 2.32) 2.1.9 Governance as practised in other sectors
- 2.33) 2.1.9.1 Not-for-profit organisations
- 2.34) 2.1.9.2 Family owned enterprises
- 2.35) 2.1.9.3 Government or statutory bodies
- 2.36) 2.1.9.4 Bumiputera owned businesses

3. International perspectives on 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 Act 2002
- 3.5) 3.1.4 Comparisons of the UK and the US corporate governance systems
- 3.6)
- 3.7) 3.2 Alternative international approaches to governance
- 3.8) 3.2.1 Strengthening the concept of control
- 3.9) 3.2.2 Relying on the market-based system
- 3.10) 3.2.3 Using the relationship-based system
- 3.11) 3.2.4 Depending on the ownership structure and firm performance
- 3.12)
- 3.13) 3.3 International issues and challenges in corporate governance

4. Malaysian perspectives on corporate governance

- 4.1) 4.1 Local development in corporate governance
- 4.2) 4.1.1 The 1997 Asian financial crisis: its causes and effects
- 4.3) 4.1.2 Post 1997 reforms
- 4.4) 4.1.3 The evolution of the Malaysian codes on corporate governance
- 4.5) 4.1.4 Empirical studies on corporate governance in Malaysia
- 4.6) 4.1.5 Governance failures and improvements in Malaysia
- 4.7)
- 4.8) 4.2 Local issues and challenges in corporate governance

5. Contemporary issues in corporate governance

- 5.1) 5.1 Attributes of a high performing board
- 5.2)
- 5.3) 5.2 Corporate accountability
- 5.4)
- 5.5) 5.3 Whistle-blowing and its implications
- 5.6)
- 5.7) 5.4 The rise of Islamic governance
- 5.8)
- 5.9) 5.5 Interlocking / multiple directorships and their consequences
- 5.10)
- 5.11) 5.6 Evolving landscape of corporate governance in Asia
- 5.12)

5.13) 5.7 The issues of integrity
5.14)
5.15) 5.8 Maintaining sustainable governance

Assessment Breakdown	%
Continuous Assessment	60.00%
Final Assessment	40.00%

Details of Continuous Assessment	Assessment Type	Assessment Description	% of Total Mark	CLO
	Assignment	Analysis on annual report on corporate governance.	20%	CLO3
	Group Project	A specific topic for a group of 3 to 5 students to complete and submit and present.	20%	CLO2
	Test	n/a	20%	CLO1

Reading List	Recommended Text
	<ul style="list-style-type: none"> Tricker, Bob 2015, <i>Corporate Governance: Principles, Policies, and Practices</i>, International Third Edition Ed., Oxford University Press Oxford, United Kingdom [ISBN: 9780198747468] Rosli, Mohamad Hafiz; Md Kassim, Aza Azlina; Tamsir, Fazilah 2019, <i>Corporate Governance: Principles and Practices in Malaysia</i>, Oxford Fajar Sdn. Bhd. Shah Alam, Malaysia [ISBN: 9789834728175]

Article/Paper List	This Course does not have any article/paper resources

Other References	
	<ul style="list-style-type: none"> Report Securities Commission Malaysia 2017, <i>Malaysian Code on Corporation Governance</i>, Securities Commission Malaysia, Kuala Lumpur https://www.sc.com.my/api/documentms/download.ashx?id=70a5568b-1937-4d2b-8cbf-3a_efed112c0a Website Organization for Economic Cooperation and Development (OECD) 2019, <i>Corporate Governance in Asia</i>, Organization for Economic Cooperation and Development (OECD) http://www.oecd.org/corporate/corporategovernanceinasia.htm Report Gill.A.; Allen.J.; Yonts.C. 2012, <i>CG Watch 2012</i>, Asian Corporate Governance Association (ACGA) https://www.acga-asia.org/upload/files/CG%20Watch%202012.pdf Report Malaysian Institute of Accountants 2019, <i>By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants</i>, Malaysian Institute of Accountants, Kuala Lumpur, Malaysia https://www.mia.org.my/v2/downloads/handbook/bylaws/2019/06/15/The_Revise_By-Laws_(On_Professional_Ethics,_Conduct_and_Practice).pdf Reference The World Bank 2012, <i>Report on the Observance of Standards and Codes, Corporate Governance Country Assessment</i>, The World Bank http://documents.worldbank.org/curated/en/216211468088741775/pdf/908220ROSC0Box0_laysia0201200PUBLIC0.pdf Reference Muhamad Sori.Z.; Abdul Hamid.M.A.; Mohd. Nasir.A.; Yusoff.A.; Hashim.N.; Mohd Said.R.; Mat Daud.Z 2008, <i>Accountability in the Post Malaysian Code on Corporate Governance The Role of Audit Committee</i>, European Journal of Economics, Finance and Admin Sciences, 13 http://psasir.upm.edu.my/id/eprint/12915/ Reference Ponnu. C.H 2008, <i>Corporate Governance Structures and the Performance of Malaysian Public Listed Companies</i>, International Reviews of Business Research Papers, 4, Issue 2 https://pdfs.semanticscholar.org/6dda/ac19182e0fabeb9622fa4430d97a3c3b8233.pdf