

CORPORATE GOVERNANCE: PRINCIPLES AND PRACTICE

Credits	THREE
Faculty Name	B.P.PATRA
Program	MBA-BM
Academic Year and Term	2020-21/Term V

Course Description

Corporate governance as an area of study has been getting prominence very rapidly for last few decades. Because lack of transparency, accountability, disclosure, control and care for human dignities at the highest level of governance process are the root cause of down fall of many corporations. In order to ensure confidence of investors, customers, competitors, employees, technology, and markets and adapting to continuous changes .requires good governance. Thus every corporation bound to maintains transparency, accountability, empowerment, and respect for stake holders. Another aspect of corporate governance looks at how the board of directors relate to their owners, the investors who bought shares in the corporation and claim, through the legitimacy of their property rights, to have some sort of say over the affairs of the corporation. Presently two areas the relationship between boards and managers and the relationship between investors, other stakeholders and board is dominating the thinking and writing about corporate governance. This course is designed to demonstrate the importance of corporate governance for stability and long term sustainability of corporations. The main objective of the course is to clearly understand the core concept and role and responsibility of Board of Directors to primary stake holders, secondary stakeholders and the community in general.

Learning Outcomes:

1. To be able to undertake suitable steps to hence the assets and maintain the stability and sustainability of organization.
2. To be able to understand better the role and responsibility company's top management, the board of directors, shareholders, and other stakeholders..
3. To be able to ensure that the company is functioning in the best interests of all the stakeholder
4. To be able to promote transparency, accountability, and respect to increase efficiency in the organization

Text book:

Christine A. Mallin, (2010), *Corporate Governance 2nd* edition, Oxford , Indian ed. New Delhi

Sessions Plan:

Sl.	Title	Learning
1	Introducing corporate governance	What is corporate governance?
2	The problems of corporate governance	Corporate malfeasance
3	Principles of corporate governance	Theories of corporate governance
4	Mechanisms of corporate governance	How corporate governance works
5	Corporate governance in a global economy	Corporate governance in different settings
6	Codes of corporate governance	Codes of corporate governance
7	Issues on the board's agenda	Issues within the board
8	Issues between boards and management	The agency problem in action
9	Issues between boards and owners	Shareholder value
10	Issues between owners	Shareholder activism as politics
11-12	Issues between the company and its publics	Responsibilities of the corporation
13-14	Transparency & accountability	Disclosure – good for markets

15-16	Ethical foundation of Corporate Governance	<p>Endeavor to encourage transparency, accountability, empowerment and human dignity</p> <p>Whether the auditors have put into practice the responsibility entrusted on them. Is it necessary for implementation of an appropriate internal control system within the company? In today's competitive business environment, whether directors identify the risks associated with their business.</p>
17	How corporate governance has grown during the last decade in India vis-a-vis other countries around the world.	<p>Both developed and developing countries are determined for good corporate governance and developing codes which companies are expected to abide. First of all the codes emphasize the importance of transparency, accountability, human dignity, internal controls, board composition and structure, role of independent directors, and performance based executive pay.</p>
18	Socially responsible investment (SRI)	<p>How much emphasis is given to shareholders especially institutional investors, to protect the rights of shareholders. This work will highlight that corporate governance plays a vital role in the changing</p>

		business environment where investor becoming more socially responsible.
19-20	Assignment presentation	<i>#relevant case studies will be discussed in the class</i>

Evaluation:

Quizzes – 20%

Case Analysis -20%

Assignment -20%

End-Term – 40%

Quizzes will be of objective (MCQ) type and will be based on lecture notes and class discussion.

The End Term will be case based. It will application oriented (i.e. analysis of cases) and few subjective questions.

6. Academic Integrity

The nature of the course is such that much of the learning comes from the students' participation in the class discussion. Basically it is a critical thinking class. Better understanding of the course is possible through your thoughtful deliberations in the class.

Attendance is compulsory.

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Any disturbance in the class may lead to “F” grade in the course

It may be noted that any kind of copying/plagiarism by any student in examinations will be subject to strict disciplinary action under XIMB manual Policy. If a student is found guilty in any such case(s), she/he will get F grade in the course.

References book:

Cadbury, Sir Adrian (1999), Corporate Governance Overview, World Bank Report. OECD (1999), principles of corporate governance, OECD, Paris

Donald Nordberg (2011) Corporate Governance, Sage , New Delh

Jean Jacques du Plessis *et.al*(2011) Principles of Contemporary Corporate Governance, 2nd ed, Cambridge University Press,

John C.Coffer Jr.(2006) Gate Keepers: The Profession and Corporate Governance, OUP.

Satheesh Kumar (2010)Corporate Governance, OUP

Shleifer, A. and Vishny, R. (1997), ‘ A Survey of Corporate Governance’, Journal of Finance, Vol. LII, No.2.

All the best

ALL THE BEST

You can't stop the vigorous changes happening around you. Customers, competitors, technology, and markets constantly keep changing. To adapt swiftly and confidently, plant your foot firmly on a support, to strengthen the governance system to create a dynamic organization.