

## **International Corporate Governance**

### **SMO-ISS2205**

#### ***Course Description***

The course defines a corporate governance system as the set of constraints on minority shareholder expropriation set by (1) internal corporate control mechanisms (such as the board), (2) external capital market monitoring and pricing, and (3) laws and regulations. Students learn how the design of the corporate governance system determines the ability of individual firms to attract capital on competitive terms. We discuss how and why governance systems differ across countries, and how large institutional investors such as pension funds and certain sovereign wealth funds actively work to increase shareholder rights and develop best governance practices.

#### ***Required Texts***

International Corporate Governance A Comparative Approach, 2<sup>nd</sup> edition by Thomas Clarke

*Additional Reading materials will be provided during lectures*

#### ***Prerequisite***

Financial Accounting

#### ***Course Requirements***

<b>Course Work</b>	<b>Weight</b>
Midterm Exam	30%
Final Exam	40%
Homework	20%
Class Participation	10%

#### ***Learning Outcomes***

Upon the completion of the course, the students are expected to understand:

- The application of agency theory to the challenge of governing an organization;
- The value of applying a fiduciary standard to the relationship between decision makers and shareholders/stakeholders;
- An effective theory/strategy of Corporate Governance

### *Evaluation and Grading*

A	93-100	B-	80-82	D+	67-69
A-	90-92	C+	77-79	D	63-66
B+	87-89	C	73-76	D-	60-62
B	83-86	C-	70-72	F	0-59

### *Course Hours*

The course has 20 class sessions in total. Each class session is 150 minutes in length, for a total of 3000 minutes of in-class time. Students are expected to spend 15-20 hours per week outside of class. The University awards **4** credits for this course. Different universities may count course credits differently. Consult officials at your own home institution.

### *Attendance*

Occasionally, due to illness or other unavoidable circumstance, a student may need to miss a class. The University's policy requires a medical certificate to be excused. Any absence may impact on the student's grade. Moreover, **the University's policy is that a student who has more than 3 absences will fail the course. Arriving late or leaving early will count as a partial absence.**

### *Academic Honesty*

The University expects all students to do their own work. Instructors will fail assignments that show evidence of plagiarism or other forms of cheating and will also report the student's name to the University administration. A student reported to the University for cheating is placed on disciplinary probation; a student reported twice is suspended or expelled.

### *Disability Accommodation*

Any student who needs special accommodation due to the impact of disability should inform the University within 10 days before the program starts.

## *Course Schedule*

Lecture 1

Overview and Expectations

Lecture 2

Cycles of Governance

Lecture 3

Cycles of Governance

Lecture 4

Boards and Directors: The Political Mechanisms of Corporate Governance

Lecture 5

Boards and Directors: The Political Mechanisms of Corporate Governance

Lecture 6

Finance, Law and Markets: The Institutional Elements of Corporate Governance

Lecture 7

Finance, Law and Markets: The Institutional Elements of Corporate Governance

Lecture 8

Anglo-American Corporate Governance

Lecture 9

Anglo-American Corporate Governance

Review for Midterm

Midterm Exam

Lecture 10

Asia-Pacific Corporate Governance

Lecture 11

Asia-Pacific Corporate Governance

Lecture 12

Corporate Governance in the Emerging Economies

Lecture 13

Corporate Governance in the Emerging Economies

Lecture 14

The Globalisation of Corporate Governance

Lecture 15

The Globalisation of Corporate Governance

Lecture 16

Corporate Social Responsibility

Lecture 17

Corporate Social Responsibility

Lecture 18

Corporate Sustainability

Lecture 19

Corporate Sustainability

Lecture 20

Review

Final Exam