

Syllabus Outline: Introduction to Corporate Governance

NQF Level 5

Prescribed textbook: Wiese, T. 2017. Corporate Governance in South Africa, Juta

The overall aim of the module is to provide an introduction to corporate governance and lay the foundations for further study of governance issues.

Syllabus topics	Syllabus detailed content	Textbook and readings
Learning Outcome 1: Demonstrate an understanding of the nature of corporate governance		
The nature of corporate governance	<ul style="list-style-type: none"> • A brief history of corporate governance • International developments • The need for corporate governance • The Johannesburg Stock Exchange • The King Reports on corporate governance 	Wiese: Chapter 1: Introduction Chapter 2: The South African Regulatory Framework <ul style="list-style-type: none"> • Annexure A: Comparing corporate governance frameworks King IV: Fundamental concepts
Learning Outcome 2: Demonstrate an understanding of the legal framework for business operations in the South African context		
The forms of business ownership	<ul style="list-style-type: none"> • Sole trader; partnership; close corporation; profit companies; private company; public company; not-for-profit companies • Formalities for establishment; taxation matters, ownership/membership • Advantages and disadvantages of each form. 	CGISA: Company formation: download from student portal
Learning Outcome 3: Demonstrate an understanding of how governance functions within an organisation		
Boards of directors and board committees	<ul style="list-style-type: none"> • Composition and selection: executive, non-executive, chairman, CEO, prescribed officer • Directors' responsibilities, common law and statutory duties, rights and liability • How a board functions: effectiveness, rules, charters, role of the chairman, role of the CEO and executive management; role of the company secretary; board evaluations; board training and induction • Board committees 	Wiese: Chapter 3: The role of the board of directors in corporate governance Chapter 4: Individual directors and corporate governance Chapter 5: The duties and liabilities of directors King IV: Part 5.3: Governing Structures and Delegation
Learning Outcome 4: Demonstrate an understanding of good governance in the private sector		
Corporate governance in SMEs	<ul style="list-style-type: none"> • Corporate governance principles for small organisations • The dangers of poor corporate governance • Fixing remuneration • Non-profit companies 	Wiese: Chapter 1: Introduction Chapter 4: Individual directors and corporate governance King IV: Sector supplement 6.5
Learning Outcome 5: Demonstrate an understanding of business ethics		
Business ethics	<ul style="list-style-type: none"> • The concept of social responsibility and its implications for both business and communities. • The framework of professional values, ethics and attitudes for exercising professional judgement and acting in an ethical manner, that is in the best interests of society: integrity, objectivity, professional competence, due care; confidentiality; accountability 	Wiese: Chapter 8: Corporate ethics Chapter 9: Corporate social responsibility Chapter 10: Responsible investing King IV: Part 5.1: Leadership, ethics and corporate citizenship

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	<ul style="list-style-type: none">• The consequences of unethical behaviour for the individual, the profession and society,• Situations where ethical dilemmas and conflicts of interest occur, with specific emphasis on corruption• Resolution of ethical dilemmas and conflicts of interest.• Human Rights issues for business. Range: sexual harassment, employment equity, HIV/AIDS	
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Practical and work competencies

- Given different scenarios, complete forms downloaded from the Companies and Intellectual Property Commission (CIPC) website.
- Complete procedures relating to the registration of small companies

Prescribed readings

- King IV Report on Corporate Governance 2016 (IODSA)

Additional readings and resources: for downloading or reading/viewing:

- The Governing Body - King IV: Introduction Prof Matthew Lester – Rhodes Business School (2016) https://youtu.be/Te_4XkSa3dk
- Responsibilities and rights of directors and office bearers Prof Matthew Lester – Rhodes Business School (2016)
 - Part 1 <https://youtu.be/acYmplkwo0w>
 - Part 2 https://youtu.be/DBOB_s9-DiM
- Business ethics – Tutor2u: <https://youtu.be/EK1ak9IXLo8>
- CIPC: Registering a company: <https://youtu.be/zCQkI5ZQwXg>