

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 V TM : 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 V TM : <ul style="list-style-type: none"> • Principle 5: Composition of the governing body • Principle 6: Committees of the governing body
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
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 V TM : <ul style="list-style-type: none"> • Principle 1: Leadership

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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. 	<ul style="list-style-type: none"> Principle 2: Ethics Principle 13: Stakeholders

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

- IoDSA King V™ Report on Corporate Governance. Copyright and trademarks are owned by the Institute of Directors in South Africa NPC and all of its rights are reserved.
Download from: https://cdn.ymaws.com/www.iodsa.co.za/resource/collection/7DAE15BF-07FA-4922-879E-6788368F5DB4/KingV_code.pdf

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

- 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/EK1ak9XLo8>
- CIPC: Registering a company: <https://youtu.be/zCQkl5ZQwXq>

Field Code Changed