



## QURTUBA UNIVERSITY

Of Science and Information Technology

D.I Khan, Peshawar Khyber Pakhtunkhwa, Pakistan.

<b>Course Name</b>	<b>Corporate Governance</b>
<b>Course Code</b>	<b>MGT 510</b>
<b>Semester</b>	<b>Sixth</b>
<b>Credit Hours</b>	<b>03</b>
<b>Total Weeks</b>	<b>16/18</b>
<b>Total Hours</b>	<b>48/54</b>
<b>Total Marks</b>	<b>100</b>
<b>Pre-requisite</b>	<b>None</b>

### Course Objectives

The objective of the course is to provide a study of society, social welfare of individuals (affected by the organization) group behavior within and outside the organization, applying concepts drawn from the behavioral sciences and the field of management.

### Grading Criteria

<b>Distribution</b>	<b>Weight</b>
Quizzes, Assignments, and class participation	10
Mid Term	20
Final Term	70
Total	100

### Recommended Books

- CORPORATE GOVERNANCE FOR PAKISTAN by SAFDAR A. BUTT M.A. JINNAH UNIVERSITY ISLAMABAD

## WEEK WISE BREAKDOWN

<b>Week</b>	<b>Description</b>
<b>1</b>	<ul style="list-style-type: none"> <li>◇ <b>An introduction to Corporate Governance (Chap 1)</b></li> <li>◇ What is it all about?</li> <li>◇ Company</li> <li>◇ Hierarchy of Company</li> <li>◇ Key Players in the Company</li> <li>◇ Stakeholders</li> <li>◇ Approaches to Corporate Governance</li> </ul>
<b>2</b>	<ul style="list-style-type: none"> <li>◇ Key Issues and Importance</li> <li>◇ <b>A brief history of Corp Governance (Chap 2)</b></li> <li>◇ Corp Governance As a field of study</li> <li>◇ Corp Wrongs over the recent past</li> <li>◇ Corp. Tragedies in US, UK.</li> </ul>
<b>3</b>	<ul style="list-style-type: none"> <li>◇ Evolution of Corp Governance</li> <li>◇ Various Models Codes Principles and Guidelines mentioned in Ch:2</li> <li>◇ <b>The Shareholder (Chap 3)</b></li> <li>◇ Who is shareholder</li> <li>◇ Types of shareholders</li> <li>◇ Characteristics of shareholders               <ul style="list-style-type: none"> <li>○ Permanency</li> <li>○ Nominal cost</li> <li>○ Claims</li> </ul> </li> <li>◇ Rights &amp; duties of shareholders</li> <li>◇ Owners</li> </ul>
<b>4</b>	<ul style="list-style-type: none"> <li>◇ Classification of shareholder</li> <li>◇ Capabilities</li> <li>◇ Expectation and Annual General Meeting</li> <li>◇ Communication between board and Shareholders</li> <li>◇ Shareholders Activism</li> <li>◇ <b>Board of directors (Chap 4)</b></li> <li>◇ Types of directors</li> <li>◇ powers and functions of directors</li> </ul>
<b>5</b>	<ul style="list-style-type: none"> <li>◇ Responsibility &amp; accountability</li> <li>◇ Borrowing powers and types of boards Balance in board</li> <li>◇ Causes of absence of balance in board members</li> <li>◇ Board meetings</li> <li>◇ Cadbury code of board of directors</li> <li>◇ good board rooms practices</li> <li>◇ duality of office &amp; appointments</li> </ul>
<b>6</b>	<ul style="list-style-type: none"> <li>◇ <b>The Directors importance (Chap 5)</b></li> <li>◇ Skill and care</li> <li>◇ Responsibility</li> <li>◇ Types of directors</li> <li>◇ Preserving the independence of directors</li> <li>◇ What can Independent Non-Executive Directors (INEDs) do for the company</li> <li>◇ Criticism &amp; Situation in Pakistan Qualities of INEDs</li> <li>◇ Induction</li> </ul>

	<ul style="list-style-type: none"> <li>◇ Register</li> <li>◇ Dealings</li> <li>◇ Insider Trading &amp; Market Abuse</li> <li>◇ Issues of Re-election</li> <li>◇ Succession and Removal</li> <li>◇ <b>Committees on the Board (Chap 6)</b></li> <li>◇ Need issues and problems</li> <li>◇ Common types of committees</li> <li>◇ Situation in Pakistan</li> <li>◇ Nomination</li> <li>◇ Remuneration</li> <li>◇ Fixed Salary and other approaches</li> </ul>
<b>7</b>	<ul style="list-style-type: none"> <li>◇ Need for Balance in the Remuneration</li> <li>◇ Situation in Pakistan on Nom-Rem committees</li> <li>◇ Executive Committees.</li> <li>◇ Questions and Case Study, Care International Hospital</li> <li>◇ <b>Financial Reporting (Chap 7)</b></li> <li>◇ Annual Report</li> <li>◇ Audit Report</li> <li>◇ Director Report</li> <li>◇ Financial Report etc.</li> <li>◇ Need for Publishing financial Statements</li> </ul>
<b>8</b>	<ul style="list-style-type: none"> <li>◇ Control Function</li> <li>◇ The Balance Sheet</li> <li>◇ Income Statement</li> <li>◇ Cash Flow Statement</li> <li>◇ Statement of Changes in Equity</li> <li>◇ Notes to the financial Statements</li> <li>◇ Limitations of financial statements.</li> <li>◇ Qualities of Financial Statements</li> <li>◇ Responsibilities for Health.</li> </ul>
	<b>Two Assignments + Two Test                      Mid Term Exam</b>
<b>9</b>	<ul style="list-style-type: none"> <li>◇ Audit Committee's role</li> <li>◇ Misleading financial statements</li> <li>◇ Consequences of Unreliable financial statements</li> <li>◇ Why a company may deliberately prepare misleading financial statements?</li> <li>◇ Creative Accounting</li> <li>◇ What makes creative Accounting Possible?</li> <li>◇ Role of External Auditor</li> <li>◇ The audit report</li> <li>◇ types of audit report</li> <li>◇ Independence of external auditor</li> <li>◇ Case Study: New Age Informatics</li> </ul>
<b>10</b>	<ul style="list-style-type: none"> <li>◇ <b>Risk Management: What is risk? Why take risk? Who bears the risk? (Chap 8)</b></li> <li>◇ Managing the Risks</li> <li>◇ responsibility for Managing the risks</li> <li>◇ Risk Management Process</li> <li>◇ Risk Technique Selection Risk Avoidance</li> <li>◇ Loss prevention Risk retention Risk Transfer</li> <li>◇ Implementation of Risk Management Plan</li> </ul>

	<ul style="list-style-type: none"> <li>◇ Regular review of risk situation</li> <li>◇ Risk Transfer Techniques <ul style="list-style-type: none"> <li>○ Hedging</li> <li>○ Options</li> <li>○ Insurance</li> </ul> </li> <li>◇ Diversification</li> <li>◇ Common Lapses</li> <li>◇ Disaster Recovery Institutions</li> <li>◇ Reporting and Role.</li> </ul>
<b>11</b>	<ul style="list-style-type: none"> <li>◇ <b>Internal Control Meaning, Objectives, Tools &amp; controls, Duties (Chap 9)</b></li> <li>◇ Advantages, Limitations &amp; Difference</li> <li>◇ Setting Up, Monitoring &amp; Reporting of Internal Controls.</li> <li>◇ Whistleblowing Definition</li> <li>◇ Classification</li> <li>◇ Importance</li> <li>◇ Setting up system of Whistle blowing</li> <li>◇ Procedure &amp; Advantages</li> </ul>
<b>12</b>	<ul style="list-style-type: none"> <li>◇ <b>Business Ethics, Meanings, Concept, (Chap 10)</b></li> <li>◇ Evolution, Need, Areas, Characteristics, Roots &amp; Areas of Ethics</li> <li>◇ Types of Unethical Behavior at Corporate Level</li> <li>◇ Bribery</li> <li>◇ Coercion</li> <li>◇ Conflict of interest</li> <li>◇ Tax Evasion</li> <li>◇ Insider Trading</li> <li>◇ Lack of regards for the society</li> <li>◇ Enforcement of Ethical Conduct in the Company</li> <li>◇ The Pakistani Context of Ethics</li> </ul>
<b>13</b>	<ul style="list-style-type: none"> <li>◇ <b>Corporate Social Responsibility (Chap 11)</b></li> <li>◇ Historical Perspective</li> <li>◇ Scope</li> <li>◇ Philanthropy</li> <li>◇ Doing business responsibility</li> <li>◇ Investment in the community</li> <li>◇ Concern for Environment</li> <li>◇ Good Citizenship</li> <li>◇ Compliance &amp; Environment</li> <li>◇ Environmental Risk Assessment</li> <li>◇ Environmental Protection Laws</li> </ul>
<b>14</b>	<ul style="list-style-type: none"> <li>◇ CSR Shades</li> <li>◇ CSR Steps</li> <li>◇ Reporting</li> <li>◇ Benchmarking CSR</li> <li>◇ CSR in Pakistan &amp; CSR Survey</li> <li>◇ <b>External Factors (Chap 12)</b></li> <li>◇ The Role of Government</li> <li>◇ Regulatory Role</li> <li>◇ Self-Regulation</li> <li>◇ Promotional Role</li> </ul>

	<ul style="list-style-type: none"> <li>◇ Entrepreneurial Role</li> <li>◇ Planning Role</li> <li>◇ Securities &amp; Exchange Commission of Pakistan</li> </ul>
<b>15</b>	<ul style="list-style-type: none"> <li>◇ Professional Associations</li> <li>◇ Impact on Companies' governance</li> <li>◇ Impact of Stock Exchanges on Governance</li> <li>◇ Chamber of Commerce and Trade Associations</li> <li>◇ The Role of Media in Corporate Governance</li> <li>◇ Reporting on Facts</li> <li>◇ Commenting on Events</li> <li>◇ Awareness campaigns Advertisements</li> </ul>
<b>16</b>	<ul style="list-style-type: none"> <li>◇ Ethics in Media</li> <li>◇ Media and Reputational Risk Pressure Groups</li> <li>◇ Situation In Pakistan</li> <li>◇ Case Study of Pakistan Steel Mill</li> <li>◇ Current Issues in Procurement Management</li> </ul>
	<b>Two Assignments + Two Test+ Presentation</b>
	<b>Final Term</b>

### Learning Outcomes:

- Provide a range of definitions of corporate governance
- Identify issues usually addressed by corporate governance structures
- Summarize recent scandals and abuses and the regulatory reaction
- Identify the other drivers of corporate governance, such as capital markets, shareholders and rating agencies.