

I Syllabus

1. General information on the course	
Full course name	International standards of corporate governance
Full official name of a higher education institution	Sumy State University
Full name of a structural unit	Educational and scientific institute of business technologies “UAB”
Author	V.O. Shcherbachenko
Cycle/higher education level	NFQ of Ukraine – 6 th level, FQ-EHEA – First Cycle, QF-LLL – 6 th level
Semester	6
Credit value	150/5
Language(s)	English
2. Place in the study programme	
Relation to curriculum	Optional
Prerequisites	The course “International standards of corporate governance” is tightly connected with such courses as “International Business”, “International Economic Relations”, “European Integration”, “International Economic Law”.
Additional requirements	None
Restrictions	None
3. Aims of the course	
<p>The aim of the International Standards of Corporate Governance module is to equip students with the knowledge and key skills necessary to act as adviser to governing authorities across the private, public and voluntary sectors. The course will include all aspects of the governance obligations of organizations, covering not only legal duties, but also applicable and recommended standards of best practice.</p> <p>The task of learning is to enable the development of a sound understanding of corporate governance law and practice in a national and international context. It will also enable students to support the development of good governance and stakeholder dialogue throughout the organization, irrespective of sector, being aware of legal obligations and best practice.</p>	

4. Contents

TOPIC 1 INTRODUCTION TO CORPORATE GOVERNANCE

Governance. Corporate Governance: origin and evolution. History of corporations. Governance systems and corporate social responsibility. Relating corporate governance and corporate social responsibility.

TOPIC 2 THE PRINCIPLES OF CORPORATE GOVERNANCE

The principles of governance. Good governance and corporate behaviour. Corporate Governance Principles. Good Governance and Sustainability. Comparative governance practices: Anglo-Saxon model, Continental model, Japanese model.

TOPIC 3 DEVELOPMENT OF CODES OF GOVERNANCE AND INTERNATIONAL COMPARISONS

Systems of governance. Developing a framework for corporate governance. Company management. System of corporate law and regulation. Codes of best practice. Supra-national corporate codes. Corporate governance codes in Central and Eastern Europe.

TOPIC 4 STAKEHOLDERS & THE SOCIAL CONTRACT: A BROADER VIEW OF CORPORATE GOVERNANCE

The Social Contract. What is a stakeholder? Multiple stake holdings. The classification of stakeholders. Stakeholder Theory. Governance and stakeholders: rights and responsibilities. Relating corporate governance and corporate social responsibility. Relating social responsibility with governance: the evidence.

TOPIC 5 ETHICS, CORPORATE GOVERNANCE AND CORPORATE BEHAVIOR

Defining ethics. Ethical philosophies. Corruption. Culture. The Gaia Theory. Corporate Behaviour. Governance, Ethics and Corporate Behaviour. Corporate Reputation

TOPIC 6 RISK MANAGEMENT AND CORPORATE GOVERNANCE

Attitudes to risk. Managing risk. A Typology of risk. Risk Management Strategies. Transaction attributes and corporate governance solution.

TOPIC 7 THE AUDIT FUNCTION AND THE ROLE OF REGULATION

The role of audit. The Audit Committee. The board of directors: types, role, board committee, board meetings. Directors: selection, remuneration. Agency theory and asymmetric power. Conclusions concerning the theory. Rating Agencies. Regulation. Failures in regulation.

TOPIC 8 CORPORATE GOVERNANCE IN NON-COMMERCIAL ORGANISATIONS

The role of NGOs. Inflation and NGOs. Distinguishing features of sector. Types of NFP organisation. Motivation for NFPs. Implications for managers. Available resources. Structure of a charity. Accounting issues. Governance issues in NFPs

TOPIC 9 GLOBALISATION AND CORPORATE GOVERNANCE

The concept of global governance. Global perspectives. How Globalisation Affects Governance. Globalisation, Corporate Failures and Corporate Governance. Standards of corporate governance in China, Brazil, UK, USA etc.

5. Intended learning outcomes of the course	
After successful study of the course, the student will be able to:	
LO1.	appraise the frameworks underlying governance law and practice in a national and international context
LO2.	distinguish between and compare the legal obligations for governance and recommended best practice
LO3.	analyse and evaluate situations in which governance problems arise and provide recommendations for solutions
LO4.	assess the relationship between governance and performance within organisations
LO5.	compare the responsibilities of organisations to different stakeholder groups, and advise on issues of ethical conduct and the application of principles of corporate responsibility or corporate citizenship
6. Role of the course in the achievement of programme learning outcomes	
7. Teaching and learning activities	
7.1 Types of training	
There are two types of training – lectures (L) and practical classes (P)	
TOPIC 1	
L1. Introduction to corporate governance	
Governance. Corporate Governance: origin and evolution. History of corporations. Governance systems and corporate social responsibility. Relating corporate governance and corporate social responsibility.	
P1. The essence of corporate governance	
What does governance mean? What does corporate governance mean? Which is the dominant model of governance? What is the relationship between corporate governance and corporate social responsibility? What has caused the current interest in corporate governance?	
TOPIC 2	
L2. The principles of corporate governance	
The principles of governance. Good governance and corporate behaviour. Corporate Governance Principles. Good Governance and Sustainability.	
L3. Comparative governance practices	
Anglo-Saxon model, Continental model, Japanese model.	
P2. The principles of corporate governance. International Governance	
What are the 4 principles of corporate governance? What does the rule of law mean? Explain transparency. What is meant by stewardship? Why will good governance mechanisms create competitive advantage? Corporate governance in the USA, in the UK, Australia, Canada, Brazil, Nigeria, Germany, Belgium, France and etc.	
TOPIC 3	
L4. Development of codes of governance and international comparisons	
Systems of governance. Developing a framework for corporate governance. Company management. System of corporate law and regulation.	
P3. Codes of best practice	

Supra-national corporate codes. Corporate governance codes in Central and Eastern Europe.

P4. International standards of corporate governance

When did the UK Combined code come into effect? What is the requirement regarding compliance in the UK? Explain the difference between the Anglo Saxon approach and the Latin approach. What is the role of the Board of Directors? Outline the main difference between the 3 forms of governance.

TOPIC 4

L5. Stakeholders & the social contract: a broader view of corporate governance

The Social Contract. What is a stakeholder? Multiple stake holdings. The classification of stakeholders. Stakeholder Theory. Governance and stakeholders: rights and responsibilities.

L6. Relating corporate governance and corporate social responsibility

Relating social responsibility with governance: the evidence. Inside and outside stakeholders.

P5. Stakeholder Theory

What justification does Stakeholder Theory use for considering stakeholders? How can we classify stakeholders? Name a multi-dimensional performance measurement framework. What are the origins of the Social Contract? What evidence is there of a broader approach to corporate governance by firms? Benefits, criticism and implication of stakeholder theory.

TOPIC 5

L7. Ethics, corporate governance and corporate behaviour

Defining ethics. Ethical philosophies. Corruption. Culture. The Gaia Theory.

P6. Corporate Behaviour. Governance, Ethics and Corporate Behaviour. Corporate Reputation

P7. Ethical issues of corporate governance

What are the responsibilities of business in their corporate decisions? Why does a company have to be ethical? What is the relationship between CSR and corporate behaviour? Is corporate governance a legal necessity? Why is corruption a problem for corporations?

TOPIC 6

L8. Risk management and corporate governance

Attitudes to risk. Managing risk. A Typology of risk. Risk Management Strategies. Transaction attributes. Corporate governance solution. Empirical applications. Summary and conclusions.

P8. Transaction attributes and corporate governance solution

Trace the reasons for the existence of the firm and identify the relative merits and demerits of the market governance structure. Describe the types of assets specificity and clarify why it is considered as the key transaction attribute.

P9. Managing of corporate governance risk

What is the relationship between a beta value and the level of risk? How many risk management strategies are there? Name them. Describe the different attitudes to risk. How does corporate governance affect the cost of capital? List the different types of risk to which a corporation is exposed.

TOPIC 7

L9. The audit function and the role of regulation

The role of audit. The Audit Committee. The board of directors: types, role, board committee, board meetings. Directors: selection, remuneration. Agency theory and asymmetric power. Conclusions concerning the theory. Rating Agencies. Regulation. Failures in regulation.

P10. The role of audit in corporation

What is meant by information asymmetry? What is the main purpose of audit and how does

the Audit Committee help this purpose? How do rating agencies help to solve information asymmetry? What is the purpose of regulation? What is the difference between moral hazard and adverse selection?

TOPIC 8

L10. Corporate governance in non-commercial organisations

The role of NGOs. Inflation and NGOs. Distinguishing features of sector. Types of NFP organisation. Motivation for NFPs. Implications for managers. Available resources. Structure of a charity. Accounting issues. Governance issues in NFPs

P11. Corporate governance in non-commercial organisations

What is ultra vires? What types of NFP exist? What governance issues exist for NFPs? What measures of performance are typically used by these organisations? How can we define a NGO?

TOPIC 9

L11. Globalisation and corporate governance

The concept of global governance. Global perspectives. How Globalisation Affects Governance. Globalisation, Corporate Failures and Corporate Governance.

L12. Standards of corporate governance in China, Brazil, UK, USA etc.

Features, structure, advantages and disadvantages.

P12. Influence of globalisation process on corporate governance

What is the main indicator of globalization? How does globalization affect corporate governance? Why is global governance an issue and what form might it take? Is the reason for the big corporate scandals irresponsible management? What is the relationship between crises and regulation?

7.2 Learning activities

LA 1. doing a written work within topics 1–9;

LA 2. interrogation within topic 1-9;

LA 3. case-studies related to the topics 3, 4, 6, 8 ;

LA 4. preparing reports and presentations within topics 1–9;

LA 5. watching educational videos (topics 1, 4, 5, 6, 9);

LA 6. article review on Corporate Governance Standards: The Importance of Compliance and Main Issues in Germany by Christian Strenger (topic 9).

8. Teaching methods

The discipline implies studying through:

TM 1: lectures-discussions;

TM 2: lectures-visualizations;

TM 3: practical lessons;

TM 4: case-studies.

Lectures give the students materials (in a form of slides, clips, films etc.) related to the bases of the corporate governance and its standards which are the motivation for the independent and audience studies of the receivers of higher education (LO1, LO2). Lectures are complemented with *practical lessons* which give students ability to use basis categories and newest theories, concepts, technologies and methods in the area of international corporate governance (LO5).

The use of case-studies provides for the students the ability for problem-oriented thinking and acquisition of decision-making skills based on the analysis of the difficult real situations,

finding out of problems and possibilities, analysis of alternative variants and choice of the best of them (LO3, LO4).

The main methods of teaching are:

- lectures (introductory, topical, review, summary). Lectures include: theoretical substantiation; review lectures based on lecture notes;lectures-visualizations based on multi-media technologies;
- practical lessons:problem-based tasks; preparing presentations;
- organization of self-study: implies independent analysis of lectures; preparing for the practical lessons due to methodological guidance for the practical lessons and self-study recommendations;
- control: module control in a form of tests and open questions .

Methods of teaching and learning

- Demonstration
- Creative method
- Structural-analytical
- Problem-based method
- Discussion / debates
- Case-study /situation analysis

Technologies of teaching and learning

- Imitational
- Writing article review
- Report with presentation
- Case-study
- Problem-based lecture, visual-based lecture

Basic types of interactive technologies of teaching and learning

- *Module-based learning* – use of knowledge, skills etc. in a form of separate modules, autonomic parts of the course, which are integrated with different parts of the course;
- *Context learning* – motivation of the receivers of higher education to mastering the knowledge, skills etc. through reveal of relations among certain knowledge, skill etc. and its applicability.
- *Critical thinking development* – academic activity aimed at the development for the receivers of higher education smart, reflexive thinking, capable to generate new ideas and to see new possibilities.
- *Problem-based learning* – motivation of the receivers of higher education to independent mastering of knowledge etc. needed for solving certain task, problem.

Inter-disciplinary learning – use of knowledge from different fields, its grouping and concentration in the context of the task being solved.

9. Methods and criteria for assessment

9.1. Assessment criteria

Definition	National scale	Rating score-based scale of assessment
Excellent performance with several insignificant mistakes	5 (excellent)	$90 \leq RD \leq 100$
Upper average level with several mistakes	4 (good)	$82 \leq RD < 89$
Almost correct work with several mistakes		$74 \leq RD < 81$
Not bad but with significant defects	3 (satisfactory)	$64 \leq RD < 73$
Work satisfies minimal criteria		$60 \leq RD < 63$
Repeated performance is possible	2 (unsatisfactory)	$35 \leq RD < 59$
Repeated learning of the course is needed		$RD < 34$

9.2 Formative assessment

The discipline implies the following methods of assessment:

- interrogation;
- checking and assessment of the written tasks;
- defense of presentations (done tasks, case-studies).

Methods of formative assessment: interrogation and oral teacher's comments on its results, teacher's manual in the process of doing practical tasks, discussion.

9.3 Summative assessment

Learning outcome	Assessment method	Assessment object
appraise the frameworks underlying governance law and practice in a national and international context	Interrogation Checking and assessment of the written tasks	Understanding of different systems of corporate law and regulation Analysis of the manifestations of globalization
distinguish between and compare the legal obligations for governance and recommended best practice	Interrogation Checking and assessment of the written tasks	Knowledge of codes of best practices Opt for appropriate to the situation one
analyse and evaluate situations in which governance problems arise and provide recommendations for solutions	Checking and assessment of the written tasks Defense of presentations (done tasks, case-studies).	Opt for appropriate decision to the situation one
assess the relationship between governance and performance within organisations	Checking and assessment of the written tasks	Risk assessment, audit, understanding the role of regulation
compare the responsibilities of organisations to different stakeholder groups, and advise on issues of ethical conduct and	Defense of presentations (done tasks, case-studies).	Understand and distinguish between functions of different stakeholders group and their relations

the application of principles of corporate responsibility or corporate citizenship		
Control measures		
Summative assessment		Maximum points
Visiting lectures		1 x 12= 12 points
Written task for solving situational tasks		12x2 = 24points
Report with presentation		10 points
Case-studies		10 points
Complex written module control		2 x 22 points = 44 points
Total		100
Final control: diff. credit		
Total		100
10. Learning resources		
10.1 Material and technical support	Multimedia-, video- and sound-based equipment (video cameras, <i>projects</i> , <i>smart-boards etc.</i>) Computers, computer systems and Internet	
10.2 Information and methodical support	Printed scientific, learning, methodical, electronic issues; open governmental registers; public documents and official statistical sites; open databases.	

Course literature

№ п/п	Name of the literature	Type	Number of samples	Percentage of the support the course
1	International Finance Corporation. Case Studies of Good Corporate Governance Practices. 2nd Edition. – 94 p.	electronic source	–	100%
2	Corporate Governance Guidance and Principles for Unlisted Companies in the UK. 2019 Published by: Institute of Directors	electronic source	–	100%
3	Crowther D. Corporative Governance and International Business /D. Crowther, Shahla Seifi, 2011. – 109 p.	electronic source	–	100%
4	Principles of Corporate Governance/ OECD Report to G20 Finance Ministers and Central Bank Governors. September 2015	electronic source	–	100%
5	Monks, Robert A. G. Corporate governance / Robert A.G. Monks and Nell Minow. — 5th ed. – 544 p.	electronic source	–	100%
6	Kostyuk A, Braendle U., Apreda R. Corporate Governance. Virtus interpress, 2007. – 379 p.	printed	1	100%
7	Kostyuk A, Beuerle C., Apreda R. Corporate Governance: an International Outlook. Virtus	printed	1	100%

	interpress, 2011. – 401 p.			
8	Corporate Ownership and Control, journal 2019	electronic source	-	100%