

## Corporate Governance Abbreviated Course Syllabus

<u>Course Number:</u>	BX712B
<u>Course Name:</u>	Corporate Governance
<u>Instructors:</u>	Zhou Changbao
<u>Students:</u>	Business Administration 2020
<u>Required Text:</u>	1. CORPORATE GOVERNANCE:BASIC PRINCIPLES AND CHINESE CHARACTERISTICS,JIANG FUXIU, China Renmin University Press, Edition 2022, 7 2. CORPORATE GOVERNANCE,LI WEIAN, Higher Education Press, Edition 2020, 9 3. INTRODUCTION TO KEY LITERATURE ON CORPORATE GOVERNANCE RESEARCH, CHEN DEQIU,China Renmin University Press, Edition 2021, 9

Course Description: The course is a compulsory course for undergraduate students majoring in business administration. It is a discipline that explores the common basic principles, operational norms, and methods in corporate governance practice. The course will first provide a general introduction to the meaning, roots, and system composition of corporate governance, and then delve into the main participants and internal and external governance mechanisms of corporate governance one by one. Finally, on the basis of students' formation of a knowledge system of corporate governance, it will introduce and compare the background and advantages and disadvantages of three typical corporate governance models, further deepening students' understanding of the connotation of corporate governance. Through this semester's teaching content, help students establish a systematic understanding of the basic principles and global practices of corporate governance.

Topic Outline:	Hours/Minutes
I. Introduction	4
A. The core concepts of corporate governance: ① Definition of Corporate Governance ② Corporate Governance and Management	
B. The root causes of corporate governance issues ① Procuratorial relationship ② The Evolution of Enterprise System and the Development of Principal-agent Relationship ③ Agency Problems and Their Causes	
C. The performance of corporate governance issues:	

	① Agency issues between shareholders and managers	
	② Agency issues between large and small shareholders	
	③ Agency issues between shareholders and creditors	
	④ Agency cost	
D.	The Theoretical Framework of Corporate Governance	
II.	The Theoretical Foundation and Institutional Framework of Corporate Governance	6
A.	The Theoretical Basis of Corporate Governance:	
	① Modern Enterprise Theory	
	② Property right theory	
	③ Principal-agent theory	
	④ Stakeholder theory	
B.	System Role Positioning of Corporate Governance	
	① The contractual structure of the company	
	② The core position of shareholders	
	③ Other governance forces	
	④ The Subjects and Objects of Corporate Governance	
C.	Structure construction of corporate governance	
	① Entrusted Responsibility and the Composition of Corporate Governance System	
	② Composition of internal governance system	
	③ Composition of external governance system	
III.	Equity Governance	6
A.	Rights and Obligations of Shareholders	
	① Definition of shareholders	
	② The right of shareholders	
	③ Obligations of shareholders	
	④ Legal status of shareholders	
B.	Shareholders' Meeting System	
	① The Connotation of Shareholders' Meeting	
	② Powers of the shareholders' meeting	
	③ Types of shareholder meetings	
	④ Design of voting mechanism for shareholders' meetings	
C.	Equity Structure and Corporate Governance	
	① Research Dimensions of Equity Structure	
	② Equity concentration and equity balance	
	③ Insider ownership	
	④ Dual equity	
D.	The issue of deprivation based corporate governance	
	① Controlling Shareholders and Deprivation	
	② The Inducing Conditions and Structure of Tunneling	
	③ A combination of strategies to address deprivation issue	
IV.	board governance	6
A.	The functions and positioning of the board of directors	

① The Origin of the Board of Directors	
② The functions of the board of directors	
③ Functional positioning of the board of directors	
B. Overview of Board Governance	
① Organizational structure of the board of directors	
② Rules of Procedure of the Board of Directors	
③ Dimension of Board of Directors System Design	
C. Director Governance	
① Obligations and Responsibilities of Directors	
② Selection and Incentive of Directors	
D. Independent director system:	
① Definition of independent directors	
② Operation of independent director system	
V. Executive team governance	6
A. Theoretical basis: principal-agent theory:	
① Principal-agent relationship	
② Moral hazard	
③ Adverse selection problem	
B. Agency based corporate governance issues:	
① Agency issues and governance objectives	
② A Governance System for Agency Based Corporate Governance Issues	
C. Manager system	
① Overview of Manager System	
② The appointment and selection system for managers	
③ Manager's performance management system	
④ The incentive and constraint system for managers	
VI. External governance mechanism	4
A. Information Intermediary:	
① Information Asymmetry and the Function of Information Intermediary	
② Auditors and Securities Analysts	
③ Credit rating agencies and media	
B. Legal mechanism	
① Overview of Investor Legal Protection	
② The Corporate Governance Role of Investor Legal Protection	
③ International Comparison of Investor Legal Protection	
C. Market mechanism:	
① The Market for Corporate Control	
② Manager market	
③ Product market competition	
VII. Corporate Governance in the Digital Era	4
A. The Impact of Digital Technology on Corporate Governance	
B. Governance of platform based enterprises	
C. Enterprise Digital Governance	
Discussion on Corporate Governance Cases	4

Total Sessions (Coverage Hours)	40
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Summary of UG CPC Topics Covered in this Course:	Hours/Minutes
a. Marketing	0
b. Finance	0
c. Accounting	0
d. Management	30
e. Legal environment of Business	2
f. Economics	0
g. Business Ethics	2
h. Global Dimensions of Business	2
i. Business Communications	0
j. Information System	0
k. Quantitative Techniques and Statistics	0
l. Business Policies	2
m. Comprehensive or Integrating Experience	2
Total Estimated CPC Coverage Hours	40