



Shanghai Jiao Tong University

EC320 International Corporate Governance (Online)

Instructor Information	<p>Jean-Yves Corre Home Institution: Xi'an Jiaotong-Liverpool University Email: bestofmanagement@outlook.com Office Hours: every Thursday from 13 to 15 pm (China time) on ZOOM</p>		
Term	<p>June 29, 2020 – July 24, 2020</p>	Credits	4 units
Class Hours	Monday through Friday, 120 mins per teaching day		
Discussion Sessions	2 hours each week, conducted by teaching assistant(s)		
Total Contact Hours	66 contact hours (1 contact hour = 45 mins, 3000 mins in total)		
Required Texts (with ISBN)	<p>Tricker, R.I., Corporate Governance: Principles, Policies, and Practices, 3rd Ed., Oxford University Press, 2015, ISBN-10: 9780198702757 / ISBN-13: 978-0198702757</p> <p>A Comparative Perspective by Thomas Clarke, publisher: Routledge (Ed 2017) ISBN 9780415586467</p> <p>Governance and Risk, George S. Dallas , McGraw-Hill Education; 1 edition (February 11, 2004) ISBN-13: 978-0071429542</p>		
Prerequisite	N/A		



Course Overview

Corporate governance is fundamental to the existence and growth of public corporations as it encompasses the mechanisms which help suppliers of finance assure themselves of getting a return on their investment. However, there are different conceptualizations and theoretical lenses of Corporate Governance.

The course objective is to provide students with a basic understanding of what Corporate Governance is and how it plays out internationally in terms of differences in systems and models. The course analyses how different governance mechanisms prevent managerial flaws and add value to corporations. Why does Corporate Governance matter? What are the different theories and models of Corporate Governance? How can Corporate Governance create value for firms? What is the relation between Corporate Governance and risk? How to measure Corporate Governance?

Specific mechanisms of Corporate Governance covered will include: directors' responsibilities, board structure, regulations, auditing, executive compensation; financial ownership and control, and the role of Ethics as well as Corporate Social Responsibility.

This course aims to foster critical understanding of the concepts, issues and practices in the governance structures of modern corporations in the global context from both Western and Chinese perspectives, as well as to synthesize and apply the knowledge to different situations and contexts. Several governance systems between countries will be compared, including United States, China, France, U.K, Germany and some other Asian countries.

Learning Outcomes

By the end of this course, students will be able to:

- Understand the global best practice knowledge in corporate governance environment, the corporate forms, proper corporate, legal, and regulatory frameworks necessary to perform the duties of the board in protecting the rights of the shareholders;
- Analyse the causes and consequences of agency problems due to inherent conflicts of interest between shareholders, the board of directors, and the executive management and other stakeholders in governance;
- Evaluate the global best practice principles of corporate governance;
- Understand the basic principles of good corporate governance practices, including the role of ethics;
- Understand the relationship between corporate governance, corporate finance, investments and shareholder wealth maximization, and risk;
- Familiarize with tools for assessment and scoring of corporate governance practices for investors.



Grading Policy

Each student will choose a listed company and prepare a presentation of 15-20 mins about the corporate governance of this company; in addition, students will work in teams of 5-6 students to prepare for a case analysis on corporate governance.

Presentation (individual + team score)	60%
Hand-Out (team score)	30%
Attendance & Participation (interactive sessions)	10%

Grading Scale is as follows

Number grade	Letter grade	GPA
90-100	A	4
85-89	A-	3.7
80-84	B+	3.3
75-79	B	3
70-74	B-	2.7
67-69	C+	2.3
65-66	C	2
62-64	C-	1.7
60-61	D	1
≤59	F (Failure)	0



Class Schedule

Date	Topic (pre-recorded video + interactive session)	Readings
Day 1	Introducing governance (and historical perspective)	Chapters 1,2,3 (Tricker) Article ICBC OECD corporate governance principles
Day 2	Governance and Stakeholders	Chapter 3 (Tricker) Case material Infosys
Day 3	Corporate Governance Structure and Mechanisms	Chapter 4 (Tricker)
Day 4	Corporate governance and performance	Case material Bombardier Article Hermes CIMA Enterprise Governance
Day 5	Regulatory frameworks	Chapter 5 (Tricker) CSRC report www.acga-asia.org Examples of reports: Vanke, Focus Media...
Day 6	Corporate Governance and the board. Board Effectiveness	Chapter 7 (Tricker) Chapter 2 (Clarke) Case material: Enron Source: Independentaudit.com
Day 7	Corporate governance and ethics	Chapter 13,14,15,16 (Tricker)
Day 8	The human face of corporate governance	Chapter 13,14,15,16 (Tricker) Video on line Complianceonline.com
Day 9	Risk management and internal audit, audit committees	Chapter 8 (Tricker)
Day 10	Ownership structures and external influences, shareholders rights	Chapter 10,11 (Tricker)
Day 11	Public sector governance	Extra materials will be provided Governance in China OECD report
Day 12	Institutional perspective and legal environment:	CSRC report
Day 13	Investors and Risk. Financial markets	Chapter 3 (Clarke)



Day 14	Governance and Corporate Social Responsibility	Chapter 9 (Tricker)
Day 15	Governance Reporting & Rankings.	ACGA governance ranking Nankai University website – center of governance http://info.worldbank.org/governance/wgi/ http://www.cg.org.cn/english/index.asp Draft Policy Research Working Paper ‘The Worldwide Governance Indicators: Methodology and Analytical Issues’
Day 16	Theoretical models of governance: why they differ	Chapter 6 (Tricker) Article Thomas Clarke
Day 17	Comparative analysis	Chapter 12 (Tricker)
Day 18	Country-level analysis: the example of Vietnam	Extra materials will be provided
Day 19	The Chinese model of governance	ACGA report ‘Awakening governance’ CSRC report
Day 20	Future perspectives of governance	Chapter 18 (Tricker)