



Shanghai Jiao Tong University

EC320 International Corporate Governance (Online)

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| Instructor Information | <p style="text-align: center;">Jun Zhan Home Institution: Shanghai Maritime University Email: eurogent@163.com</p> | | |
| Term | December 17, 2020 - January 8, 2021 | Credits | 4 units |
| Course Delivery | <p>The class will be delivered in the format of online instruction. Besides recorded lecture videos, the instructor will arrange 3-6 hours' real-time interactions with students per week (via discussion forum, zoom meeting, and WeChat). The workload students are expected to complete to properly pass this course is about 15 hours per week.</p> | | |
| Required Texts (with ISBN) | <ul style="list-style-type: none"> • David Larcker and Brian Tayan: Corporate Governance Matters: A Closer Look at Organizational Choices and Their Consequences. Second Edition. 2015, ISBN-10: 0-13-403156-3; ISBN-13: 978-0-13-403156-9 • Tom Cannon: Corporate Responsibility: Governance, Compliance and Ethics in a sustainable Environment Second edition, ISBN 978-0-273-73873-2,2012 • Clarke, T., International Corporate Governance: A Comparative Approach, 2nd Ed., Routledge, 2017, ISBN-10: 0415586453 / ISBN-13: 978-0415586450 • Larcker & Tayan, A Real Look at Real World Corporate Governance, 2013 • Tricker, R.I., Corporate Governance: Principles, Policies, and Practices, 3rd Ed., Oxford University Press, 2015, ISBN-10: 9780198702757 / ISBN-13: 978-0198702757 | | |
| Prerequisite | N/A | | |



Course Overview

This course is designed to introducing the concept of corporate governance from the perspectives of organization and social responsibility and putting it in an international context. With regard to the latter, students learn about different corporate governance systems and models across the world and focusing on specific country examples. In addition, this course also discusses a number of cases where corporate governance failed to provide students with insights on the actual importance of proper corporate governance.

As a course requirement, students need to present (usually in teams of two or three) a specific corporate governance topic and prepare well-organized handouts on key facts (max. 3-4 pages) for their colleagues.

Learning Outcomes

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. Additional case studies should further deepen the understanding of corporate governance and what happens when it fails at a company, causing a global impact in the worst case.

Course Structure

Part1: Introduction to Corporate Governance

Part2: International Corporate Governance

Part3: Board of Directors: Duties and Liability

Part4: Board of Directors: Selection, Compensation, and Removal

Part5: Presentation or Exam (1)

Part6: Board of Directors: Structure and Consequences

Part7: Strategy, Performance Measurement, and Risk Management

Part8: Labor Market for Executives and CEO Succession Planning

Part9: Executive Compensation and Incentives

Part10: Presentation or Exam (2)

Part11: Executive Equity Ownership

Part12: Financial Reporting and External Audit

Part13: The Market for Corporate Control

Part14: Institutional Shareholders and Activist Investors

Part15: Presentation or Exam (4)

Part16: Corporate Governance Ratings

Part17: Alternative Models of Governance

Part18: Final Hand-Outs, Presentation or Exam

This full online module consists of 15 pre-recorded lectures, each around 90 to 120 minutes (Max. 23



hours in total). The remaining 17 hours are divided into online interaction through:

1. Key knowledge explanation, practice instructions, and questions answering (12 hours or more) via zoom meeting and Wechat
 - Tutorial tasks and online interaction for the parts of the first week (3-6 hours)
 - Tutorial tasks and online interaction for the parts of the second week (3-6 hours)
 - Tutorial tasks and online interaction for the parts of the third week (3-6 hours)
 - Tutorial tasks and online interaction for the parts of the fourth week (3-6 hours)
2. Online exam (5 hours)
 - Presentation or Exam (1) (1.5 hours)
 - Presentation or exam (2) (1.5 hours)
 - Presentation or exam (3) (2 hours)

The arrangements above are subject to possible changes

Grading Policy

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| Exam or Presentation (individual + team score) | 40% |
| Hand-Outs (individual team score), Exam | 40% |
| Attendance, participation, and performance | 20% |

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 | Lecture | Readings | Online schedule |
|-------------|--|--|--|
| Day 1 | Introduction to Corporate Governance | The role and function of business in society | approximately 90 minutes watching video lectures plus 45 minutes online interaction via Zoom and Wechat |
| Day 2 | International Corporate Governance | | approximately 90 minutes watching video lectures plus 45 minutes online interaction via Zoom and Wechat |
| Day 3 | Board of Directors: Duties and Liability | Defining corporate social responsibility | approximately 90 minutes watching video lectures plus 45 minutes of online interaction via Zoom and Wechat |
| Day 4 | Board of Directors: Selection, Compensation, and Removal | The nature and evolution of corporate governance | |
| Day 5 | Presentation or Exam (1) | | Online exam (closed book) |
| Day 6 | Board of Directors: Structure and Consequences | | approximately 90 minutes watching video lectures plus 45 minutes online interaction via Zoom and Wechat |
| Day 7 | Strategy, Performance Measurement, and Risk Management | | approximately 90 minutes watching video lectures plus 45 minutes online interaction via Zoom and Wechat |
| Day 8 | Labor Market for Executives and CEO Succession Planning | Corporate social responsibility: the emerging agenda | approximately 90 minutes watching video lectures plus 45 minutes online interaction via Zoom and Wechat |
| Day 9 | Executive Compensation and Incentives | | approximately 90 minutes watching video lectures plus 45 minutes online interaction via Zoom and Wechat |
| Day 10 | Presentation or Exam (2) | | Online exam (closed book) |
| Day 11 | Executive Equity Ownership | | approximately 90 minutes watching video lectures plus 45 minutes online interaction via Zoom and Wechat |



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| Day 12 | Financial Reporting and External Audit | Business ethics | approximately 90 minutes watching video lectures plus 45 minutes online interaction via Zoom and Wechat |
| Day 13 | The Market for Corporate Control | | approximately 90 minutes watching video lectures plus 45 minutes online interaction via Zoom and Wechat |
| Day 14 | Institutional Shareholders and Activist Investors | | approximately 90 minutes watching video lectures plus 45 minutes online interaction via Zoom and Wechat |
| Day 15 | Presentation or Exam (4) | | Online exam (closed book) |
| Day 16 | Corporate Governance Ratings | Sustainability – the opportunities and challenges | approximately 90 minutes watching video lectures plus 45 minutes online interaction via Zoom and Wechat |
| Day 17 | Alternative Models of Governance | | approximately 90 minutes watching video lectures plus 45 minutes online interaction via Zoom and Wechat |
| Day 18 | Final Hand-Outs, Presentation or Exam | | Online exam (closed book) |