



**LUND**  
UNIVERSITY

School of Economics and Management

## **BUSN10, Corporate Governance in Theory and Practice, 7.5 credits**

*Corporate Governance in Theory and Practice, 7,5 högskolepoäng*  
Second Cycle / Avancerad nivå

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### **Details of approval**

The syllabus was approved by The Board of the Department of Business Administration on 2011-05-20 and was last revised on 2016-04-25 by Academic Director of Studies at Department of Business Administration. The revised syllabus applies from 2016-04-25, autumn semester 2016.

### **General Information**

BUSN10 is a course on Business Administration at the advanced level.

*Language of instruction:* English

*Main field of studies*

Business Administration

*Depth of study relative to the degree requirements*

A1N, Second cycle, has only first-cycle course/s as entry requirements

### **Learning outcomes**

A passing grade on the course will be awarded to students who:

#### **Knowledge and understanding**

Have demonstrated wide knowledge and understanding of models of corporate governance systems and their application in various contexts, with particular emphasis on:

- Contemporary theories of corporate governance.
- Forms of regulation of the corporate governance system on national European, and international level.
- Different international actors involved in regulation of the corporate governance system and the areas of concern for the different actors.

- The role of capital markets for governing firms.
- Contextual differences regarding the role of shareholders.
- Contextual differences regarding different stakeholders influence regarding the government of firms.
- Role and function of the auditor in the corporate governance system and its interaction with shareholder and top management.
- Role and functions of the board of directors in a company and its interaction with shareholder and top management.

### **Competence and skills**

- Have demonstrated ability to independently find and access information regarding different actors in the corporate governance system and regarding national corporate governance systems.
- Have demonstrated ability to apply theories and models to analyze corporate governance systems and the role of different actors in the corporate governance system.
- Have demonstrated ability to apply theories and models to analyze the role and function of different actors in the government of firms.
- Are able to present their analyses and conclusions, clearly and accurately

### **Judgement and approach**

- Demonstrate and ability to make assessments within the field of Corporate Governance, taking into account relevant scientific, social and ethical aspects, and demonstrate an awareness of ethical aspects of research and developmental works.

### **Course content**

The objectives of this course are to promote theoretical perspectives as well as empirical knowledge about the corporate governance system and its parts; capital markets and ownership structures, the managerial labour market, the board of directors, auditors, and legal institutions, and how these parts of the corporate governance system interact through different governance mechanisms and exert the overall control of corporations. The aim is further to penetrate more in detail some of these parts, namely the board of directors and the auditors and how these bodies are interacting with the top management of the corporation. An international comparative approach is taken on corporate governance.

Empirical knowledge includes knowledge about legislation, codes of conduct, norm setting institutions (such as OECD), etc in different empirical settings. The objective is also to provide the students with specific empirical case studies, which can serve both as empirical illustrations and as bases for theoretical analysis. The theoretical perspective should thereby prepare the students for analyzing and evaluating corporate governance in corporations.

The course is divided into four parts:

1. Definitions of corporate governance and the corporate governance system and corporate governance mechanisms.
2. The different parts of the corporate governance system with emphasis on how boards of directors and auditors work, and the interplay between the governance system, owners and the management of the corporation.

3. Comparative corporate governance, where corporate governance in different countries and similarities and differences are explained.
4. Corporate governance in empirical settings including guest lectures by actors in the corporate society.

## Course design

The course is based on lectures and classroom discussions about the articles used in the course. Different perspectives, both theoretical and practical encompassing for example owners, directors of boards or managers, will be included. Guest lecturers with experience of corporate governance in the business society will participate.

The examination is carried out both in group and individually. During the course, the students will work with case studies describing and evaluating the governance of a corporation. The course design is based on active student participation and students are expected to attend all activities. A written individual examination concludes the course.

## Assessment

Assessment of students' overall performance is made by aggregating the results from the written individual examination and the results from the group assignment. The aggregated result is for every student graded according to the marking scale Fail, E, D, C, B, A. The results from the group assignment (3.7 hp) and the written examination (3.8 hp) are both graded according the marking scale Fail, E, D, C, B, A.

See appendix including examination moments

*Subcourses that are part of this course can be found in an appendix at the end of this document.*

## Grades

Marking scale: Fail, E, D, C, B, A.

**Grade** (Definition) Points or % out of maximum points. Characteristic.

**A** (Excellent) 85-100. A distinguished result that is excellent with regard to theoretical depth, practical relevance, analytical ability and independent thought.

**B** (Very good) 75-84. A very good result with regard to theoretical depth, practical relevance, analytical ability and independent thought.

**C** (Good) 65-74. The result is of a good standard with regard to theoretical depth, practical relevance, analytical ability and independent thought and lives up to expectations.

**D** (Satisfactory) 55-64. The result is of a satisfactory standard with regard to theoretical depth, practical relevance, analytical ability and independent thought.

**E** (Sufficient) 50-54. The result satisfies the minimum requirements with regard to theoretical depth, practical relevance, analytical ability and independent thought, but not more.

**F** (U) (Fail) 0-49. The result does not meet the minimum requirements with regard to theoretical depth, practical relevance, analytical ability and independent thought.

Some occasional examination elements of the course may have the grading scale: Pass (D) / Fail U(F).

*Plagiarism is considered to be a very serious academic offence. The University will take disciplinary actions against any kind of attempted malpractice in examinations and assessments. The penalty that may be imposed for this, and other improper practices in examinations or assessments, includes suspension from the University for a specific period of time.*

## **Entry requirements**

Students admitted to a Master Programme where this course is either a compulsory or elective part, are qualified for the course. For other students, at least 60 UCP or ECTS-cr in Business Administration is required. These must include a course in basic Business Administration (e.g. FEKA90 Business Administration: Introductory course in Business Administration).

## **Further information**

The course BUSN10 Corporate Governance in Theory and Practice cannot be combined with BUSM33 or FEK370 in a degree.

In case of closure of the course: Within three semesters after the course closure there will be offered three additional occasions for examination of respective examination part of the course, for students with no successful result. Note that after this you can get a certificate only regarding completed examination parts.

## Subcourses in BUSN10, Corporate Governance in Theory and Practice

Applies from H16

- 1603 Written exam, 4,5 hp  
Grading scale: Fail, E, D, C, B, A
- 1604 Group assignment, 3,0 hp  
Grading scale: Fail, E, D, C, B, A

Applies from H11

- 1101 Exam, 3,8 hp  
Grading scale: Fail, Pass
- 1102 PM, 3,7 hp  
Grading scale: Fail, E, D, C, B, A