

# Corporate Governance: Principles, Policies and Best Practices

( 5 Days Training Course )



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## Why Attend

Corporate governance is a very important topic that started getting more attention in business schools and among legislatures a few years ago, with this trend only increasing. There are different models for corporate governance but all aim at organizing the relation between company and stakeholders. Governance models start with Shareholder Wealth Maximization (SWM) that stresses owners rights, as applied mainly in the US and UK. Other methods of governance, applied in Germany or Japan for example, bring other stakeholders strongly into play: mainly the workforce and the bankers. In addition to these models, this course also covers the reasons why board membership may be one tier or two tiers, and includes discussions about board structure, committees, their functions and duties, especially the audit committee and the appointment and remuneration committee. Other topics discussed are the role of the chairman and effect of institutional investors.

## Course Methodology

The training is built on presentations by the instructor and the participants. It also includes exercises and case studies to be discussed in the training.

## Course Objectives

By the end of the course, participants will be able to:

List the essential fundamentals and significance of corporate governance

Analyze corporate governance models and suggest improvements

Assess the ethical and policy considerations underpinning shareholders, board of directors (BOD), auditors, senior management and executives

Decide on corporate governance structure that is best suitable for the business model

Deploy corporate governance best practices

Apply disclosures and transparency requirements issued by IFRS and other authorities

## Target Audience

Board members, chief financial officers, senior management, directors, finance managers, financial controllers, accounting and finance personnel, legal counsel, corporate legal advisors, corporate secretaries, lawyers, external and internal auditors, HR managers, and department heads.

## Target Competencies

Understand BOD structure

Analyze board committees

Assess board power

Defend shareholder rights and responsibilities

Employ the control environment

Evaluate wealth maximization

Identify stakeholders rights

## Overview of Corporate Governance (CG)

- Definition of corporate governance
- The scope of corporate governance
- Essential corporate governance principles
- The macro governance picture
- Philosophies affecting corporate governance
- CG code of conduct and global principles

## Models and mechanism of CG

- Shareholder Wealth Maximization model (SWM)
- Corporate Wealth Maximization model (CWM)

## International models of corporate governance

- The board of directors
- Audit committee
- Environment for corporate control
- Stakeholders in corporate governance
- Stakeholders
- Shareholders rights
- Different types of directors
- Directors' duties and rights
- Role of chairman and corporate officers
- Internal auditors and external auditors
- Institutional investors and minority stakeholders
- Organization for Economic Cooperation and Development (OECD) view on stakeholders
- Deloitte governance framework
- KPMG professional judgment process
- Risk based decision making
- CG failure effects
- The efficient board

## Functions and structures of corporate governance

- Starting from board of directors
- Alternative board structures
- Unitary and two tier board models
- Independence of the board
- Selection, remuneration and evaluation of the board
- Analyzing current company's CG system
- Planning and organizing CG objectives and resources
- Communicating and implementing CG principles

## Practical corporate governance best practices

- International Corporate Governance Network (ICGN)
- OECD corporate governance principles

## Disclosure and transparency

- Financial and operating results versus company objectives
- Remuneration policy for board members and key executives
- Related party transactions
- Timely, accurate and cost efficient access to information by users