

THE EDUCATION UNIVERSITY OF HONG KONG

Course Outline

Part I

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| Programme Title | : All undergraduate programmes |
| Programme QF Level | : 5 |
| Course Title | : Issues in Corporate Governance and Responsibility |
| Course Code | : SSC3238 |
| Department | : Social Sciences and Policy Studies |
| Credit Points | : 3 |
| Contact Hours | : 39 |
| Pre-requisite(s) | : Nil |
| Medium of Instruction | : English |
| Course Level | : 3 |

Part II

The University's Graduate Attributes and seven Generic Intended Learning Outcomes (GILOs) represent the attributes of ideal EdUHK graduates and their expected qualities respectively. Learning outcomes work coherently at the University (GILOs), programme (Programme Intended Learning Outcomes) and course (Course Intended Learning Outcomes) levels to achieve the goal of nurturing students with important graduate attributes.

In gist, the Graduate Attributes for Sub-degree, Undergraduate, Taught Postgraduate, Professional Doctorate and Research Postgraduate students consist of the following three domains (i.e. in short "PEER & I"):

- Professional Excellence;
- Ethical Responsibility; &
- Innovation.

The descriptors under these three domains are different for the three groups of students in order to reflect the respective level of Graduate Attributes.

The seven GILOs are:

1. Problem Solving Skills
2. Critical Thinking Skills
3. Creative Thinking Skills
- 4a. Oral Communication Skills
- 4b. Written Communication Skills
5. Social Interaction Skills
6. Ethical Decision Making
7. Global Perspectives

1. Course Synopsis

Nowadays, business activities are commonly conducted through companies (or corporations), and their importance in our economy is ever increasing. As such, it is of great interest to the business community as well as the society at large to see that companies are governed properly and behave in a socially responsible manner. In this course, students will be introduced to the major concepts and principles regarding corporate governance (CG) and corporate social responsibility (CSR). Moreover, through the study of real-life cases, they will learn how CG and/or CSR initiatives have shaped the contemporary business environment.

2. Course Intended Learning Outcomes (CILOs)

Upon completion of this course, students will be able to:

- CILO₁ demonstrate a solid understanding of the key concepts in corporate governance (CR) and corporate social responsibility (CSR).
- CILO₂ identify the institutional, organizational, and operational problems that inhibit the practice of CG and CSR, and examine their implications to business decision-making.
- CILO₃ distinguish different stakeholders' interests, and define the types of social responsibilities which owe to them by the corporation.
- CILO₄ evaluate the effectiveness of various rules, codes and strategies in enhancing the standard of CG and CSR.
- CILO₅ analyze the interplay of CG and CSR, and its impact on the global and local business environment.

3. Content, CILOs and Teaching & Learning Activities

| Course Content | CILOs | Suggested Teaching & Learning Activities |
|--|-------------------------------|--|
| Introduction to CG and CSR <ul style="list-style-type: none">• Essential characteristics of corporations; definitions and theories of CG; stockholder view vs. stakeholder view; development of and debates on the concept of CSR; notions of corporate citizenship and social performance; business case for CSR; impact of globalization. | <i>CILO_{1,2,3,5}</i> | <ul style="list-style-type: none">• Lecture• Class discussion• Literature review |

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| <p>Agency problems and control mechanisms</p> <ul style="list-style-type: none"> • Directors’ role and duties; board structure and accountability; functions of independent non-executive directors; executive compensation; ownership structure and protection of minority shareholders; shareholder activism and institutional investors; financial reporting and corporate disclosures; CG models across the world. | <p><i>CILO</i>_{1,2,4}</p> | <ul style="list-style-type: none"> • Lecture • Class discussion • Case analysis |
| <p>Stakeholder relations and managing CSR</p> <ul style="list-style-type: none"> • Identifying stakeholders; sustainable development; globalization and CSR; socially responsible investment; human rights and CSR; ethical sourcing; CSR reporting and auditing. | <p><i>CILO</i>_{1,2,3,4,5}</p> | <ul style="list-style-type: none"> • Lecture • Class discussion • Case analysis |
| <p>Institutional and regulatory environment of CR and CSR</p> <ul style="list-style-type: none"> • Disciplinary role of the stock market; listed vs. unlisted corporations; major market regulators (e.g. HKEx, SFC, HKMA); role of professionals as gatekeepers; market misconducts; CG & CSR codes; overview of the legal and regulatory framework; recent reform initiatives in CG and CSR in Hong Kong. | <p><i>CILO</i>_{2,4, 5}</p> | <ul style="list-style-type: none"> • Lecture • Class discussion • Examination of policy and regulatory documents |

4. Assessment

| Assessment Tasks | Weighting (%) | CILO |
|--|---------------|--|
| <p>An individual research paper of 1,500 words investigating a specific CG/CSR issue. Students are expected to develop their essays from the topics of their class presentation.</p> | <p>40%</p> | <p><i>CILO</i>_{1,2,3,4,5}</p> |
| <p>Class Participation – which will consist of 2 parts:</p> <ul style="list-style-type: none"> • Class presentation; and • Continuous assessment. | <p>40%</p> | <p><i>CILO</i>_{1,2,3,4,5}</p> |

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| Online tasks (which may take the form of an online lesson or other online activities). | 20% | <i>CILO</i> _{1,2,3,4,5} |
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5. Required Text(s)

Nil.

6. Recommending Readings

Corporate Governance

Clarke, T., ed. (2004). *Theories of corporate governance: the philosophical foundations of corporate governance*. New York: Routledge.

Clark, T. and Branson, D., eds. (2012). *The SAGE handbook of corporate governance*. London: SAGE.

Goergen, M. (2012). *International corporate governance*. New York: Prentice Hall.

Jones, G. (2015). *Corporate governance and compliance in Hong Kong*. (2nd ed.). Hong Kong: LexisNexis.

Larcker, D. and Tayan, B. (2016). *Corporate governance matters: a closer look at organizational choices and their consequences*. (2nd ed.). New Jersey: Pearson.

Tricker, B. (2019). *Corporate governance: principles, policies, and practices*. (4th ed.). Oxford: OUP.

Mallin, Christine A. (2018). *Corporate governance*. (6th ed.). Oxford: OUP.

Stott, V. (2020). *Hong Kong Company Law*. (15th ed.). Hong Kong: Pearson.

Wright, M., et al., eds., (2013). *The Oxford Handbook of Corporate Governance*. Oxford: OUP.

Young, A. (2014). *Family business and corporate governance in Hong Kong*. Hong Kong: Wolters Kluwer.

Corporate Social Responsibility

Blowfield, M. and Murray, A. (2019). *Corporate responsibility*. (4th ed.). Oxford: OUP.

Crane, A and Matten D. (2019). *Business ethics: managing corporate citizenship and sustainability in the age of globalization*. (5th ed.). Oxford: OUP.

Crane, A., Matten D. and Spence, L. (2014). *Corporate social responsibility: readings and cases in a global context*. (2nd ed.). New York: Routledge.

Crane, A. et al., eds. (2008). *The Oxford handbook of corporate social responsibility*. Oxford: OUP.

Fleming, P. and Jones, Marc T. (2013). *The end of corporate social responsibility: crisis & critique*. London: SAGE.

Hanlon, R. J. (2014). *Corporate social responsibility and human rights in Asia*. New York: Routledge.

Idowu, S.O., et al., eds. (2015). *Dictionary of Corporate Social Responsibility*. Cham: Springer.

Moon, J. (2014). *Corporate social responsibility: a very short introduction*. Oxford: OUP.

Tsutsui, K. and Lim., A., eds. (2015). *Corporate social responsibility in a globalizing world*. Cambridge: CUP.

7. Related Web Resources

The Asian Corporate Governance Association (ACGA)
<http://www.acga-asia.org/index.cfm>

CSR Europe
<http://www.csreurope.org/>

CSR Newswire
<http://www.csrwire.com/>

Global Reporting Initiative (GRI)
<https://www.globalreporting.org/Pages/default.aspx>

Hong Kong Exchanges and Clearing Limited (HKEx)
<http://www.hkex.com.hk/eng/exchange/exchange.htm>

The Hong Kong Institute of Chartered Secretaries (HKICS)
https://www.hkics.org.hk/index.php?_room=1

International Centre for Corporate Social Responsibility (ICCSR)
<http://www.nottingham.ac.uk/business/ICCSR/>

International Corporate Governance Network (ICGN)
<https://www.icgn.org/>

The Organisation for Economic Co-operation and Development (OECD)

<http://www.oecd.org/corporate/>

8. Related Journals

Academy of Management Journal

Business and Society

Business and Society Review

Business Ethics - A European Review

Business Ethics Quarterly

Corporate Governance: An International Review

Corporate Governance: The international journal of business in society

Corporate Social Responsibility and Environmental Management

Harvard Business Review

Journal of Business Ethics

Journal of Corporate Finance

Journal of Management Studies

The Journal of Corporate Citizenship

9. Academic Honesty

The University upholds the principles of honesty in all areas of academic work. We expect our students to carry out all academic activities honestly and in good faith. Please refer to the Policy on Academic Honesty, Responsibility and Integrity (<https://www.eduhk.hk/re/uploads/docs/00000000016336798924548BbN5>).

Students should familiarize themselves with the Policy.

10. Others

Nil

August 2023