

## Syllabus Outline: Introduction to Corporate Governance

**NQF Level 5**  
**Textbook: Corporate Governance<sup>1</sup>**  
**Wixley and Everingham (W/E)**  
**King IV Report on Corporate Governance\***  
**Supplementary notes on Business Ethics**

Disclaimer: Please note the following:

- A prescribed textbook may not necessarily cover every aspect of a syllabus. The Institute examines the syllabus and any omissions should be researched personally or be provided by your tuition provider.
- ISBN numbers may have changed since the publication of this list. Our policy is that you should always use the latest edition of the textbook.
- Many publishers are no longer publishing hard copies and have switched to e-books.
- Some modules require prescribed readings which can be downloaded for personal use from the internet or the CSSA student portal.

The overall aim of the module is to provide an introduction to corporate governance and company secretaryship

Syllabus topics	Syllabus detailed content	Textbook and readings
<b>Learning Outcome 1: Demonstrate an understanding of the nature of corporate governance</b>		
The nature of corporate governance	<ul style="list-style-type: none"> <li>• A brief history of corporate governance</li> <li>• International developments</li> <li>• The need for corporate governance</li> <li>• The King reports</li> <li>• The Johannesburg Stock Exchange</li> </ul>	W/E Chapters 1, 2 King IV
<b>Learning Outcome 2: Demonstrate an understanding of the legal framework for business operations in the South African context</b>		
The forms of business ownership	<ul style="list-style-type: none"> <li>• Sole trader; partnership; close corporation; profit companies: private company; public company; not-for-profit companies</li> <li>• Formalities for establishment; taxation matters, ownership/membership</li> <li>• Advantages and disadvantages of each form.</li> </ul>	W/E Chapter 3
<b>Learning Outcome 3: Demonstrate an understanding of how governance functions within an organisation</b>		
Boards of directors	<ul style="list-style-type: none"> <li>• Composition and selection: executive, non-executive, chairman, CEO, prescribed officer</li> <li>• Directors' responsibilities, common law and statutory duties, rights and liability</li> <li>• How a board functions: effectiveness, rules, charters, role of the chairman, role of the CEO and executive management; role of the company secretary; board evaluations; board training and induction</li> <li>• Board committees</li> </ul>	W/E Chapters 5, 6, 7, 8, 10, 11 King IV
<b>Learning Outcome 4: Demonstrate an understanding of good governance in the private sector</b>		

<sup>1</sup> Also used for Principles of Corporate Governance NQF Level 6

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Corporate governance in SMEs	<ul style="list-style-type: none"> <li>• Corporate governance principles for small organisations</li> <li>• The dangers of poor corporate governance</li> <li>• Principles of partnership</li> <li>• Fixing remuneration</li> <li>• Non-executive directors</li> <li>• Non-profit companies</li> </ul>	W/E Chapter 20 King IV
<b>Learning Outcome 5: Demonstrate an understanding of business ethics</b>		
Business ethics	<ul style="list-style-type: none"> <li>• The concept of social responsibility and its implications for both business and communities.</li> <li>• The framework of professional values, ethics and attitudes for exercising professional judgement and acting in an ethical manner, that is in the best interests of society: integrity, objectivity, professional competence, due care; confidentiality; accountability</li> <li>• The consequences of unethical behaviour for the individual, the profession and society.</li> <li>• Situations where ethical dilemmas and conflicts of interest occur.</li> <li>• Resolution of ethical dilemmas and conflicts of interest.</li> <li>• Human Rights issues for business. Range: sexual harassment, employment equity, HIV/AIDS</li> </ul>	Supplementary Notes King IV

### Practical work

Given different scenarios, complete forms downloaded from the Companies and Intellectual Property Commission (CIPC) website.

### Online resources

- King IV: Introduction [https://youtu.be/Te\\_4XkSa3dk](https://youtu.be/Te_4XkSa3dk)
- King IV: Boards of directors/governing bodies <https://youtu.be/acYmplkwo0w>
- Business ethics: <https://youtu.be/EK1ak9IXLo8>
- CIPC: Registering a company: <https://youtu.be/zCQkI5ZQwXg>