

**VICTORIA INTERNATIONAL APPLIED FINANCE PROGRAMME**  
**School of Economics and Finance**

**MMAF 530 Special Topic: APPLIED CORPORATE GOVERNANCE**

Trimester Three 2013

**COURSE OUTLINE**

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**Names and Contact Details**

The course lecturer is Kasper Meisner Nielsen.

Email: nielsen@ust.hk

The administrator for this course is Rachel Zhang, Room RH307.

Email: viaf-programme@vuw.ac.nz

Phone: 04 4636148

**Trimester Dates**

Study Period Monday 18 November 2013 – Monday 17 February 2014

**Withdrawal from Course**

1. Your fees will be refunded if you withdraw from this course on or before Friday November 29, 2013.
2. The standard last date for withdrawal from this course is Friday February 14. After this date, students forced to withdraw by circumstances beyond their control must apply for permission on an *'Application for Associate Dean's Permission to Withdraw Late'* including supporting documentation

The application form is available from either of the Faculty's Student Customer Service Desks.

**Block Release Times and Room Numbers**

Block 1 9:00am Saturday December 14 – 12:30pm Monday 16 December, 2013

Block 2 9:00am Saturday February 15 – 12:30pm Monday 17 February 2014

Classes will take place at the Kelburn Campus. A detailed schedule of each block release course including room numbers will be supplied closer to the September and October sessions.

**Attendance at all sessions of both block releases is compulsory**

**Course Prescription**

A study of the key concepts, structures and dynamics of corporate governance. The course will focus on the roles and interests of shareholders, managers, and directors. Topics include choices of organisational form, executive compensation, boards of directors, institutional investors, shareholder activism and corporate governance reforms.

### **Course Content**

The course reviews the key concepts, structures, and dynamics of corporate governance. The course will focus on the roles and interests of shareholders, managers, and directors. Topics include choices of organizational form, executive compensation, board of directors, institutional investors, shareholder activism and corporate governance reforms.

### **Course Learning Objectives**

The course provides a comprehensive overview of the history and theory of corporate governance. The course provides the tools needed to recognize an effective corporate governance system and manage corporate governance in a modern corporation.

### **Course Delivery**

The course will be delivered during two intensive 3-day teaching periods. The lectures will consist of a mix of formal lecture, group discussions, and class discussions of cases.

### **Expected Workload**

The expected workload is about 14 hours per week. The readings will be concentrated in the first study period (4 out of 5 chapters), while the second study period focuses on academic papers and business cases.

### **Group Work**

There will be group discussions in class, but no group work outside of class.

### **Readings**

Textbook:

“*Corporate Governance*” (5<sup>th</sup> edition) by Robert A. G. Monks and Nell Minow, John Wiley & Sons.

Articles and reports:

“*Disentangling the incentive and entrenchment effects of large shareholdings*” by Stijn Claessens, Simon Djankov, Joseph Fan, and Larry Lang in *Journal of Finance*, December 2002, 2741-2771.

“*Governance of family business owners*”, Harvard Business School.

“*Inherited control and firm performance*” by Francisco Perez-Gonzalez in *American Economic Review*, December 2006, pages 1559-1588.

“*Corporate governance in New Zealand, Principles and Guidelines*” by Security Commission New Zealand, 2004.

“*New Zealand Corporate Boards in Transition: Composition, Activity and Incentives Between 1995 and 2010*” by Glenn Boyle and Xu Ji, Working paper, University of Canterbury, 2011.

“*Wolves in the Hen-House? The Consequences of Formal CEO Involvement in the Executive Pay-Setting Process*” by Glenn Boyle and Helen Roberts, Working paper, University of Canterbury, 2010.

Cases:

Wrigley, Mini-case

“*New York Times*”, Harvard Business School

## **Materials and Equipment**

Students are required to bring the teaching material to class as we will be discussing lots of cases.

## **Assessment Requirements**

Course grades are based on two assignments and two tests. The overall course grade will be determined by the following weighting scheme:

Assignment 1:	Tuesday January 17 <sup>th</sup> 2014	20%
Test 1:	Monday December 16 <sup>th</sup> 2013	30%
Assignment 2:	Friday February 14 <sup>th</sup> 2014	20%
Test 2:	Monday February 17 <sup>th</sup> 2014	30%

Assignments have to be typed and may contain graphs, tables, appendices where appropriate. In order for the assignments to be checked for plagiarism using Turnitin (see below for details), they **have to be submitted electronically (online) on Blackboard**, in either pdf, doc, docx, or rtf format.

## **Examinations**

There is no examination for this class, however there are two internal tests.

## **Penalties**

Late assignments will face a 5% grade penalty for each day.

## **Mandatory Course Requirements**

Students must attend all sessions of both Block Releases. Class participation is required and needed.

If you have, or become aware of, any health condition that could prevent your attending a VIAF compulsory block release, then you should notify the Programme Director immediately, preferably by email [dawn.lorimer@vuw.ac.nz](mailto:dawn.lorimer@vuw.ac.nz) and copy the email to [viaf.programme@vuw.ac.nz](mailto:viaf.programme@vuw.ac.nz)

If you cannot complete an assignment or sit a test or examination, refer to [www.victoria.ac.nz/home/study/exams-and-assessments/aegrotat](http://www.victoria.ac.nz/home/study/exams-and-assessments/aegrotat)

## **Communication of Additional Information**

Communication is by email, and announcements will be sent out electronically through email and via posting on the electronic delivery system, Blackboard.

## **Student feedback**

Student feedback on University courses may be found at [www.cad.vuw.ac.nz/feedback/feedback\\_display.php](http://www.cad.vuw.ac.nz/feedback/feedback_display.php)

## **Link to general information**

For general information about course-related matters, go to <http://www.victoria.ac.nz/vbs/studenthelp/general-course-information>

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