

# AC4393: BOARDROOM DYNAMICS

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## Effective Term

Semester A 2023/24

## Part I Course Overview

### Course Title

Boardroom Dynamics

### Subject Code

AC - Accountancy

### Course Number

4393

### Academic Unit

Accountancy (AC)

### College/School

College of Business (CB)

### Course Duration

One Semester

### Credit Units

3

### Level

B1, B2, B3, B4 - Bachelor's Degree

### Medium of Instruction

English

### Medium of Assessment

English

### Prerequisites

Nil

### Precursors

Nil

### Equivalent Courses

Nil

### Exclusive Courses

Nil

## Part II Course Details

### Abstract

This course aims to equip students with an understanding of the interaction between board members individually and collectively in corporate settings. It enables students to acknowledge the dynamic roles of company secretary and its

transformation from compliance and administrative function to active contribution to effective corporate governance. Upon completion of the course, students will be equipped with knowledge and skills in evaluating various factors influencing board effectiveness and suggesting solutions for boardroom improvements.

### Course Intended Learning Outcomes (CILOs)

CILOs		Weighting (if app.)	DEC-A1	DEC-A2	DEC-A3
1	DESCRIBE and EXPLAIN the changing role of company secretary from the traditional compliance and administration role to an active role in good and effective corporate governance	25	x	x	
2	EXPLAIN and EVALUATE boardroom dynamics in terms of the interaction between board members individually and collectively and how these influences, and are influenced by, their wider stakeholder system	25	x	x	
3	APPLY methods to move away from governance structural factors, which do not guarantee good governance, and to focus on how attitudes and behaviours of directors, including factors such as cohesion, decision-making, stakeholder conversations, culture, diversity and board environment, affect board performance	25		x	x
4	COMPARE the UK standards with the HK standards, and UNDERSTAND corporate governance in the local context, with insights and comments from the UK and PRC corporate governance code and practices	25	x	x	

#### A1: Attitude

Develop an attitude of discovery/innovation/creativity, as demonstrated by students possessing a strong sense of curiosity, asking questions actively, challenging assumptions or engaging in inquiry together with teachers.

#### A2: Ability

Develop the ability/skill needed to discover/innovate/create, as demonstrated by students possessing critical thinking skills to assess ideas, acquiring research skills, synthesizing knowledge across disciplines or applying academic knowledge to real-life problems.

#### A3: Accomplishments

Demonstrate accomplishment of discovery/innovation/creativity through producing /constructing creative works/new artefacts, effective solutions to real-life problems or new processes.

**Teaching and Learning Activities (TLAs)**

TLAs	Brief Description	CILO No.	Hours/week (if applicable)	
1	Interactive lectures*	Discussions and case studies (based on disciplinary cases published by HKEX, listed companies' internal policies on ethics, diversity and culture etc) will be conducted in each lesson to stimulate participation and thinking from the students.	1, 2, 4	3 hrs/week
2	Written assignment on boardroom dynamics issues and suggested solutions and improvements*	Select a board effectiveness topic (e.g. director independence issue, board evaluation, evidence-based decision-making issue, resilience etc), analyse, discuss and suggest solutions for boardroom improvements.	2, 3	Each student has to select a topic for approval before writing the paper. Supervision will be provided to the students from time to time when they write the paper.

**Additional Information for TLAs**

\* DEC TLA element

**Assessment Tasks / Activities (ATs)**

ATs	CILO No.	Weighting (%)	Remarks (e.g. Parameter for GenAI use)	
1	Short written test (1.5 hours)# : Students will be assessed via the short test on their knowledge on certain compliance and governance aspects of the HK Listing Rules (including the HK CG Code) and the interaction between board members individually and collectively and how these influences, and are influenced by, their wider stakeholder system will be given to the students for analyse	1, 2	15	

2	Written assignment# : Students will choose a boardroom dynamics topic and submit a written assignment analysing the governance issues identified and suggesting solutions/improvements for the governance.	2, 3	35	
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**Continuous Assessment (%)**

50

**Examination (%)**

50

**Examination Duration (Hours)**

3

**Additional Information for ATs**

# DEC AT element

Final examination [Closed-book examination] :

Students will be assessed via written examination of their understanding of the governance concepts and theories learnt in class.

Students are required to pass both coursework and examination components to guarantee to pass the course. Failing either component may lead to failure in the course. The passing mark is generally 50.

**Assessment Rubrics (AR)****Assessment Task**

Short written test (1.5 hours)

**Criterion**

Develop an understanding and awareness of compliance and governance aspects of the HK Listing Rules and the meaning of boardroom dynamics and analyse the issues

**Excellent (A+, A, A-)**

High

**Good (B+, B, B-)**

Significant

**Fair (C+, C, C-)**

Moderate

**Marginal (D)**

Basic

**Failure (F)**

Not even reaching marginal levels

### Assessment Task

Written assignment

#### Criterion

Develop the ability to identify and analyse a boardroom dynamics topic (such as decision-making, diversity, stakeholder conversations etc) and to suggest solutions for the governance issues identified

#### Excellent (A+, A, A-)

High

#### Good (B+, B, B-)

Significant

#### Fair (C+, C, C-)

Moderate

#### Marginal (D)

Basic

#### Failure (F)

Not even reaching marginal levels

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### Assessment Task

Final examination (3 hours)

#### Criterion

Test students' learning and understanding of boardroom dynamics and the structural compliance issues in the HK and international contexts and suggestions for improvement.

#### Excellent (A+, A, A-)

High

#### Good (B+, B, B-)

Significant

#### Fair (C+, C, C-)

Moderate

#### Marginal (D)

Basic

#### Failure (F)

Not even reaching marginal levels

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## Part III Other Information

### Keyword Syllabus

- boardroom dynamics; board effectiveness; regulatory compliance;
- human factors; shifts in approach to leadership; ethical considerations; the changing role of company secretary;
- board structure; corporate governance; board attributes;
- board cohesion/challenge; diversity; stakeholder conversations.

## Reading List

### Compulsory Readings

	Title
1	Boardroom Dynamics, ICSA qualifying programme, Jeremy Cross
2	UK Corporate Governance Code 2018 edition
3	Guidance on Board Effectiveness, FRC, 2018
4	HK Corporate Governance Code
5	Culture report: Corporate Culture and the Role of Boards, FRC, 2015
6	The Stakeholder Voice in Board Decision Making, ICSA & The Investment Institute, Sept 2017
7	Guidance for Boards and Directors, 2018, HKEx
8	Consultation papers and conclusions (on corporate governance and diversity) published by HKEx
9	Analysis of Corporate Governance Practice Disclosure in Annual Reports (for previous financial years) published by HKEx
10	《上市公司治理准则（2018修订）》

### Additional Readings

	Title
1	The Company Secretary: Building trust through governance, ICSA & Hensley Business School
2	Reporting Lines for the Company Secretary of a Listed Company, HKICS, June 2007
3	The Essential Company Secretary, HKICS
4	G20/OECD Principles of Corporate Governance, 2015
5	The changing role of the company secretary, Deloitte, 2019
6	Chapter 3, “Director’ s Duties” , A Practitioner’ s Guide to Directors’ Duties and Responsibilities, 4th Edition, City & Financial Publishing
7	Chambers’ Corporate Governance Handbook, 7th Edition, Professor Andrew Chambers, Bloomsbury
8	Report on Improving Corporate Governance in Hong Kong: A comparative based study, Johnstone and Goo, Hong Kong Institute of Certified Public Accountants
9	2018德勤中国上市公司独立董事调研报告，Deloitte