

## Course E-Syllabus

1	<b>Course title</b>	Corporate Governance
2	<b>Course number</b>	1603706
3	<b>Credit hours</b>	3 Hours
	<b>Contact hours (theory, practical)</b>	3 Hours
4	<b>Prerequisites/corequisites</b>	1603704 Financial Management
5	<b>Program title</b>	Master of Arts in Finance
6	<b>Program code</b>	03
7	<b>Awarding institution</b>	The University of Jordan
8	<b>School</b>	School of Business
9	<b>Department</b>	Department of Finance
10	<b>Level of course</b>	Postgraduate
11	<b>Year of study and semester (s)</b>	
12	<b>Final Qualification</b>	
13	<b>Other department (s) involved in teaching the course</b>	NA
14	<b>Language of Instruction</b>	English
15	<b>Teaching methodology</b>	<input type="checkbox"/> Blended <input checked="" type="checkbox"/> Online
16	<b>Electronic platform(s)</b>	<input checked="" type="checkbox"/> Moodle <input checked="" type="checkbox"/> Microsoft Teams <input type="checkbox"/> Skype <input type="checkbox"/> Zoom <input type="checkbox"/> Others.....
17	<b>Date of production/revision</b>	

### 18 Course Coordinator:

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### 19 Other instructors: NA

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## **20 Course Description:**

This course describes corporate governance mechanisms of corporations as a way for mitigating agency problem between different stakeholders. The course is based upon reviewing corporate governance research, mainly, the channels through which it is exercised: the legal framework and the ownership structure.

## **21 Course aims and outcomes:**

**A- Aims:**

This course aims at introducing students to:

1. the reasons that led to the existence of banks and financial markets.
2. the main difference between the banking system and financial markets as mechanisms of fund channeling.
3. the following concepts: adverse selection; moral hazard; and agency problem and apply them using the context of banking.
4. how the methods by which banking system solve information asymmetry and agency problems.
5. the credit crisis of 2007-2008.
6. the regulatory environment of the banking system.
7. the evolution of the competition in the US banking sector.

**B- Students Learning Outcomes (SLOs):**

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

SLOs	SLO (1)	SLO (2)	SLO (3)	SLO (4)	SLO (5)	SLO (6)	SLO (7)	SLO (8)
SLOs of the course								
1. Demonstrate familiarity with the concept of corporate governance.	X							
2. Identify the relationship between and among shareholders, management and the board of directors in corporations given a particular financial system.		X						
3. Analyze the different regulatory models of conduct for corporate entities.		X						
4. Discuss dividends as a governance mechanism.				X				
5. Recommend corporate governance with universal relevance.				X				

## 22. Topic Outline and Schedule:

Week	Lecture	Topic	Teaching Methods*/platform	Evaluation Methods**	References
1	1	Introduction	Synchronous lecturing/meeting	-	Discussing the outline Introducing the course
2	2	A Review of Agency Problem in Capital Markets	Synchronous lecturing/meeting	Homework & Participation	Readings: Jensen, M., & Meckling, W. (1976). Theory of the firm: Managerial behavior, agency costs, and ownership structure. <i>Journal of Financial Economics</i> , 3, 306-360
3	3	A Review of Corporate Governance Research (part 1)	Synchronous lecturing/meeting	Homework & Participation	Readings: Shleifer, A., Vishny, R., 1997. A Survey of Corporate Governance, <i>Journal of Finance</i> 52, 737-783.
4	4	A Review of Corporate Governance Research (part 2)	Synchronous lecturing/meeting	Homework & Participation	Readings: Denis, D., McConnell, J., 2003. International Corporate governance, <i>Journal of Financial and Quantitative Analysis</i> 38, 1-36. AND Claessens, S., B. Yurtoglu, (2013), "Corporate Governance in Emerging Markets: A Survey", <i>Emerging Markets Review</i> , 15, 1-33.
5	5	Corporate law & Investor protection (1)	Synchronous lecturing/meeting	Homework & Participation	Readings: La Porta, R., Lopez-De-Silanes, F., Shleifer, A., 2006. What Works in Securities Laws. <i>Journal of Finance</i> 61, 1-32. AND La Porta, R., Lopez-De-Silanes, F., Shleifer, A., Vishny, R., 1997. Legal Determinants of External Finance. <i>Journal of Finance</i> 52, 1131-1150.
6	6	Corporate law &	Synchronous	Homework	Readings: La Porta, R.,

		Investor protection (2)	lecturing/ meeting	& Participation	Lopez-De-Silanes, F., Shleifer, A., Vishny, R., 1997. Legal Determinants of External Finance. Journal of Finance 52, 1131-1150. AND La Porta, R., Lopez-De-Silanes, F., Shleifer, A., Vishny, R., 1998. Law and Finance. Journal of Political Economy 106, 1113-1151.
<b>7</b>	7	Corporate Ownership Structure	Synchronous lecturing/ Meeting	Homework & Participation	Readings: La Porta, R., Lopez-De-Silanes, F., Shleifer, A., 1999. Corporate Ownership Around the World. Journal of Finance 54, 471-517. AND Claessens, S., Djankov, S., Lang, L., 2000. The Separation of Ownership and Control in East Asian Corporations. Journal of Financial Economics 58, 81-112.
<b>8</b>	8	Mid Term Exam			
<b>9</b>	9	Corporate Ownership Structure	Synchronous lecturing/ meeting	Presentation	Claessens et al., 2000, The separation of ownership and control in East Asian Corporations & Tayem, 2022, Ownership, Control, Group Affiliations and Wealth Concentration: The Case of a Developing Market
<b>10</b>	10	Corporate Governance and Firm Performance	Synchronous lecturing/ meeting	Presentation	Readings: Morck, R., Shleifer, A. & Vishny, R. W. (1988), "Management Ownership and Market Valuation: An Empirical Analysis", Journal of Financial Economics, Vol. 20 No. January–March, pp. 293-315.
<b>11</b>	11	Corporate governance and Dividend Policy	Synchronous lecturing/ meeting	Presentation	Readings: La Porta, R., Lopez-De-Silanes, F., Shleifer, A., Vishny, R., 2000. Agency Problems and Dividend policies Around

					the world. Journal of Finance 55, 1-33.
12	12	Corporate Governance and Cash Holdings	Synchronous lecturing/meeting	Presentation	Readings: Harford, J., S. A. Mansi, and W. F. Maxwell. 2008. "Corporate Governance and Firm Cash Holdings in the US." Journal of Financial Economics no. 87 (3):535–555.
13	13	Revision			

- Teaching methods include: Synchronous lecturing/meeting; Asynchronous lecturing/meeting
- Evaluation methods include: Homework, Quiz, Exam, pre-lab quiz...etc

### 23 Evaluation Methods:

Opportunities to demonstrate achievement of the ILOs are provided through the following assessment methods and requirements:

Evaluation Activity	Mark	Topic(s)	Period (Week)	Platform
Homework	10%	Shown in Section 22	Shown in Section 22	Elearning
Participation	10%	Shown in Section 22	Shown in Section 22	Meeting
Presentation	10%	Shown in Section 22	Shown in Section 22	Meeting
Mid Term	30%	Shown in Section 22	Shown in Section 22	Elearning/Class Room
Final	40%	All topics	Announced by Registration	Elearning/Class Room

### 24 Course Requirements (e.g: students should have a computer, internet connection, webcam, account on a specific software/platform...etc):

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### 25 Course Policies:

A- Attendance policies:  
Attendance is expected for this course. Your readings/textbook serves mostly as a reference for this course, and a lot of the class materials are drawn from other sources. As a result, you might not be able to understand some of the materials if you miss classes.

Students are not allowed to miss more than 15% of classes during the semester. Failing to meet this requirement will be dealt with according to the university disciplinary rules.

For more details on University regulations visit: <http://www.ju.edu.jo/rules/index.htm>

**B- Absences from exams and submitting assignments on time:**

Homework should be delivered on time. If students failed in submitting homework they will be assigned zero mark.

No make-up exam will be held if students failed in providing approved absence form signed by the dean or the assistant dean for students affairs.

Student's participation will be evaluated as bonus marks hence students should come to class prepared enough to effectively participate. Participation is essential in the classroom. In addition, a student's participation will become a factor when making decision on borderline cases.

**C- Health and safety procedures:**

NA

**D- Honesty policy regarding cheating, plagiarism, misbehavior:**

Any inappropriate behaviour will not be tolerated and students will face consequences based on the University disciplinary rules.

For more details on University regulations visit: <http://www.ju.edu.jo/rules/index.htm>

Students are requested to keep their mobiles on silent mode during the lecture. Any disturbance caused by mobile phones will not be tolerated and mobile owner will be requested to leave the class.

**E- Grading policy:**

Will be discussed during the Introductory Week.

**F- Available university services that support achievement in the course:**

Online platforms such as elearning and Microsoft teams.

## **26 References:**

**A- Required book(s), assigned reading and audio-visuals:**

The course material is mainly based on research papers. The required research papers are outlined in the class schedule and available at the elearning website.

**B- Recommended books, materials and media:**

- The following textbook is useful to be used as reference to understand the theory behind corporate governance. The textbook is: Corporate Governance: Mechanism and Systems, latest edition, by Thomsen, S., and Conyon, M., McGraw Hill.
- Other articles in the field of corporate governance can be accessed via the UJ's library.
- Lecture notes uploaded on e-learning.

- Other material uploaded on e-learning.

**27 Additional information:**

Name of Course Coordinator: Dr. Ghada Tayem                      Signature: ----- Date: -----

Head of Curriculum Committee/Department: ----- Signature: -----

Head of Department: ----- Signature: -----

Head of Curriculum Committee/Faculty: ----- Signature: -----

Dean: ----- Signature: -----