



REFORMED CHURCH UNIVERSITY

FACULTY OF COMMERCE

CORPORATE GOVERNANCE

HBUM 404\HHRM 425

PART 4 SEMESTER 1

TOTAL MARKS [100]

DATE: DECEMBER 2024

Time: 3 Hours

INSTRUCTIONS

1. This paper has four questions
2. Answer question all questions
3. Each question carries **25 marks**
4. Start each question on a new page

1. 'The primary duty of the board of directors is to maximize shareholder value.'
Discuss. (25)
2. Discuss the differences between shareholder-oriented and stakeholder-oriented corporate governance models highlighting the strengths and weaknesses of each approach. (25)
3. Assess the statement: 'Executive compensation should be intrinsically linked to long-term corporate performance.' (25)
4. 'Corporate Social Responsibility (CSR) is just a public relations exercise.'
Discuss. (25)
5. Explain the role of external auditors in ensuring financial reporting transparency in an organization of your choice. (25)
6. Analyze how failures in corporate governance practices contributed to a well-known corporate scandal. (25)

END OF PAPER