



REFORMED CHURCH UNIVERSITY

FACULTY OF COMMERCE

Bachelor of Commerce Honours Degree in Public Administration

Ethics and Corporate Governance

HPAD 432 409

Part 4 Semester 2 Examination

Total Marks [100]

Date: January 2022

Time: 3 Hours

INSTRUCTIONS

1. This paper has *six (6)* questions
2. Answer question *one (1)* and *any other three (3)*
3. Each question carries *25 marks*
4. Start each question on a new page

1. The current debates on corporate governance and ethics have been constrained by the continuous conflict between the shareholders (or board of directors, BOD) and the senior management team. Discuss the sources and possible remedies that can be taken to neutralize this conflict of interest between these two sets of key stakeholders of a company. (25)

2. The requirement of personal integrity applies not just to individual directors but to the board of directors (BOD) of a company as a whole. Analyse this statement in light of duties of the BOD and best conduct expected of it in its day to day running of corporate affairs. (25)

3. Justify the roles and functions of the remuneration committee in an organization. (25)

4. Discuss the specific corporate governance principles and ethics that the Zimbabwean government must include in its foreign policy to make the country a first choice for both local and foreign investment? (25 marks)

5. Explain the following terms in the context of ethics and corporate governance:

- a) Reputation. (5)
- b) Sound decision making. (5)
- c) Transparency. (5)
- d) Whistleblowing. (5)
- e) Policies and procedures. (5)

6. (a) Explain any five (5) common unethical acts and practices found in today's business operations. (10 marks)

(b) Evaluate any five (5) actions that you would take to combat the unethical business practices you identified in part (a) above. (15 marks)