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del Sacro Cuore

## Corporate Governance

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### Course aims

The course aim is to provide a key for the interpretation of corporate governance models from a theoretical to an empirical point of view.

Starting from the property composition to the analysis of the stakeholder-management relation the course has the main issue to identify the content of a corporate governance model that looks for the trade-off between the economic return shareholder expectations and the different stakeholders' ones.

The programme is also oriented to provide an analytical description of some emblematic case studies from an international and an Italian perspective.

### Learning outcomes

Acquiring the necessary skills to analyze and explain different international and national corporate governance models and tools.

### Course content

- The stakeholder theory: the stakeholder classification (interest and power classification), involvement stakeholder strategy, tools involvement stakeholder project and plan)
- A bad corporate governance experience: Enron case study
- Benchmarking approach to corporate governance
- Corporate governance: definition, model and tools
- Definition:
- "...the system by which companies are directed and controlled" (The Cadbury Report 1992)
- "...the process of supervision and control intended to ensure that the company's management acts in accordance with the interests of shareholders" (Parkinson 1994)
- "...the governance role is not concerned with the running of the business of the company per se, but with giving overall direction to the enterprise, with overseeing and controlling the executive actions of management and with satisfying legitimate expectations of accountability and regulation by interests beyond the corporate boundaries" (Tricker 1984)
- The different corporate governance models: static vs dynamic assumption and restricted vs open approach
- Two different corporate governance models: financial and stakeholder models
- Italian law corporate governance model
- The relevant point of corporate governance rules for Italian stock exchange companies: "self-assessment code"
- The international best practice in corporate governance model: case analysis



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## Reading list

### Bibliography:

- A. Zattoni, Corporate governance, Bocconi University Press, 2019
- A. Melis, A. Zattoni, A Primer on Corporate Governance Italy, Business Expert Press, 2017

### Adjunct reading

- R. Monks, N. Minow, Corporate Governance, Blackwell Publishing, 2011
- A. Cadbury, Corporate Governance and Chairmanship - A personal View, Oxford, Oxford University Press, 2002;
- R. I. Tricker, Corporate Governance, Aldershot, Dartmouth Publishing, 2000.
- A. Zattoni, Corporate Governance, EGEA, 2015

## Teaching method

Theoretical lectures and practical classes.

## Assessment method and criteria

The exam is structured in different ways for attending and non-attending students.

For attending students who wish to take the exam in the 'attending student' modality, the exam consists of three individual assignments and of a final oral test.

- The first assignment consists in the preparation of a brief report following the reading and interpretation of a corporate governance model. (Maximum score is 5/30).
- The second assignment consists in a redesign of corporate governance tools. (Maximum score is 5/30).

Students may access the final oral test only if they achieve a minimum score of 8/30 in the assignments. The overall mark of the assignments carries a weight of 30% in the final mark.

The oral test consists of three questions concerning the theoretical topics covered during the course. It carries a maximum score of 30/30, and a weight of 70% in the final mark.

For non-attending students or those students who do not wish to take the exam in the 'attending student' modality, the exam is written and consists in the analysis of a corporate governance case study and two or three theoretical questions to assess mastery of course contents and skills in discussing the proposed positions and selecting critical aspects.

The exam has a length of 60 minutes.

## Notes and prerequisites

Information on office hours available on the instructor's personal page at <http://docenti.unicatt.it/>.