

BINDURA UNIVERSITY OF SCIENCE EDUCATION

FACULTY OF COMMERCE

DEPARTMENT OF BANKING AND FINANCE

CORPORATE GOVERNANCE (BS 410)

DURATION: 3 HOURS

OCT 2023

INSTRUCTIONS TO CANDIDATES

1. Answer any **four** questions altogether.
 2. All questions carry 25 marks each.
 3. Start answering each question on a new page.
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QUESTION ONE

- a) Assess the role of the board of directors in risk management. (5)
- b) Identify and explain critical business risks that are affecting most companies in Zimbabwe today. (20)

[25 marks]

QUESTION TWO

In terms of King IV report, integrated reporting and disclosure should be integrated with the company's financial reporting as a way of enhancing transparency. Discuss the benefits of integrated reporting to companies. (25)

[25 marks]

QUESTION THREE

The resource dependency theory and the human capital theory are commonly used frameworks to understand the link between board diversity and firm performance. Based on these theories, explain the effects of board diversity on the performance of listed firms in Zimbabwe. (25)

[25 marks]

QUESTION FOUR

Using an example of a company of your choice, examine how the company has engaged with its stakeholders (Corporate Social Responsibility) and demonstrate whether the company is committed to responsible business practice. (25)

[25 marks]

QUESTION FIVE

- a) Explain how corporate governance deficiencies affect foreign direct investment (FDI) in Zimbabwe. (10)
- b) Discuss the core pillars of corporate governance in Zimbabwe. (15)

[25 marks]

QUESTION SIX

- a) Discuss the role of industry expert independent directors in an organization as a remedy to board capture. (15)
- b) Explain the role of the following committees in an organization of your choice;
 - (i) Audit committee
 - (ii) Remuneration committee
 - (iii) Risk committee
 - (iv) Nomination committee
 - (v) Social and Ethics committee(10)

[25 marks]

END OF EXAMINATION