

# Governance Essentials

Course outline

## Acknowledgements

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# Course Outline

Good corporate governance is integral to an organisation achieving business and strategic objectives. It promotes clear and transparent reporting lines, effective compliance systems and risk management, stakeholder confidence and is built on an organisational culture of ethics and trust.

The role of the company secretary and governance professional, as the 'gatekeepers' of corporate governance, is constantly evolving with changes in the way business is conducted, technology develops, judicial decisions are made, legislation is amended and society's expectations grow and change. It is important to keep up to date with these changes and adopt a whole of organisation governance approach to enhance organisational performance and maintain a compliant and sustainable business.

The aim of this course is to explain what governance means and examine how governance frameworks, structures, operations and processes contribute to enhanced organisational performance and the achievement of business and strategic objectives.

The key objectives are to:

- define 'governance'
- explain why good governance is integral to the achievement of organisational objectives
- highlight the key elements of governance and the 'whole-of-organisation' approach to governance
- discuss case studies that highlight current issues in governance
- identify key legislation, regulations, standards and guidelines that influence corporate governance in Australia
- discuss the role of the board and directors in corporate governance.

# Course content

## **1 Introduction**

- 1.1 What is the background to this course?
- 1.2 What is the aim of this course?

## **2 What is corporate governance?**

- 2.1 Definitions of corporate governance

## **3 Why is governance important?**

- 3.1 Accountability and transparency
- 3.2 Stakeholder confidence
- 3.3 Society's expectations

## **4 Corporate governance principles and components**

- 4.1 Corporate Governance Principles and Recommendations
- 4.2 OECD Corporate Governance Principles
- 4.3 ACNC and APRA
- 4.4 Components of governance
- 4.5 Indigenous governance

## **5 'Whole-of-organisation' approach to governance**

- 5.1 Key elements in 'whole-of-organisation' governance

## **6 The governance framework in Australia**

- 6.1 Constitutional context
- 6.2 Organisational context
- 6.3 Outcomes context

## **7 The regulation of corporate governance**

- 7.1 Prescription versus self-regulation
- 7.2 Key legislation
- 7.3 Key regulators

## **8 The board and governance**

- 8.1 The Tricker model of governance
- 8.2 The board and a risk-based and 'just' culture
- 8.3 Director and executive remuneration
- 8.4 Board and executive performance reviews
- 8.5 Board composition

8.6 Corporate social and environmental responsibility

## **9 Directors' and officers' duties**

9.1 Who is a director?

9.2 Who is an officer?

9.3 What are the duties of directors and officers?

9.4 Responsibilities of directors

9.5 The business judgment rule

9.6 Are the obligations different for officers of government companies?

9.7 What are the duties of officers of government entities or companies?

9.8 Reporting requirements for government organisations

9.9 What are the duties of officers of incorporated associations?

## **10 The role and responsibilities of the governance professional**

10.1 Responsibilities of the company secretary/governance professional

## **11 Case studies and issues in governance**

11.1 Corporate collapses and governance failures

11.2 Increased liabilities imposed on directors

11.3 Shareholder activism

11.4 Auditor independence

## **12 Conclusion**

## **13 Resources**

13.1 Legislation and regulators

13.2 Standards and guidelines

13.3 Governance Institute resources

13.4 Reference books

13.5 Reports and journal articles

13.6 Other resources

## **Appendices**

## **Readings**