



Leading the risk profession

IRM INTERNATIONAL DIPLOMA IN RISK MANAGEMENT

Specialist Module - Governance

Syllabus and Learning Objectives

Unit One: The Development of Corporate Governance in the UK

At the end of this unit students should be able to understand:

- The historic, legal and economic background to the development of joint stock companies.
- Limited liability and the separation of ownership and control of organisations
- The development of corporate governance
- Corporate Governance theories
- The importance of governance to wealth generation of the nation

Unit Two: Corporate Governance in the UK: The development of governance codes and the relationship with risk management

At the end of this unit students should be able to understand:

- The history and development of governance codes in the UK
- The approach of 'comply and explain' in relation to corporate governance.
- The significance of the Turnbull Reports
- The structure of the UK Corporate Governance Code and changes from the New Combined Code
- Corporate Governance reporting requirements

Unit Three: Corporate Governance in the UK: Legal obligations and legislation

At the end of this unit students should be able to understand:

- Company law: incorporation of a company
- Directors and officers duties at law and the relationship with Corporate Governance
- Position of shareholders
- The Government White Paper on reform of Company Law and the impact on Corporate Governance
- Miscellaneous legislation: Whistleblowing and the Public Interest Disclosure Act 1998
- The Companies Act 1985 (Operating and Financial Review and Directors' Report etc.) Regulations 2005

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Unit Four: Corporate Governance in the UK: Roles and responsibilities for risk management and internal control

At the end of this unit students should be able to understand:

- The role of the board of directors and non-executive directors and the board
- The role of managers and employees
- The role of the Company Secretary
- The role of the Audit and or Risk Management Committee
- The role of Internal Auditors, External Auditors and the Risk Manager
- The role of Institutional Investors

Unit Five: Corporate Governance in the UK: The public sector

At the end of this unit students should have knowledge of:

- The role of the Executive
- The Nolan Principles
- The development of governance and risk management in the public sector
- The ethical differences between the public and private sectors
- Central Government guidelines on Public Finance Initiatives and Public Private Partnerships
- Local Government guidelines: a keystone for community governance
- Governance in the other key areas such as the National Health Service

Unit Six: Corporate Governance in the USA

At the end of this unit students should be able to understand:

- History of the Securities and Exchange Commission
- The Enron and WorldCom scandals
- The Sarbanes Oxley Act
- The New York Stock Exchange rules of Corporate Governance
- The potential global impact of Sarbanes Oxley

Unit Seven: Corporate Governance in Europe

At the end of this unit students should be able to explain:

- European ownership and control structures
- Variations in governance approaches
- The influence of the European Union
- Two Tier Board system
- Governance in France: The Bouton Report
- Governance in Central and Eastern Europe

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Unit Eight: International Corporate Governance

At the end of this unit students should be able to explain:

- The development of the global economy, global investment and the demand of capital and their need for good governance systems
- The different roles of boards, their composition and modus operandi across the globe
- The OECD and ICGN approach and the adoption governance globally by national governments
- Governance in Asia
- Governance in Latin America

Study Area Nine: Corporate Governance, Internal Control and Risk Management

At the end of this unit students should be able to understand:

- The convergence of regulation and risk management
- The development of Internal Control in the USA and the UK
- The work and membership of COSO
- The USA and UK scope and approach to Internal Control
- The convergence of internal control and risk management
- UK risk emphasis on Internal Control; Turnbull and the IIA
- COSO and Enterprise Risk Management
- Risk management techniques and Corporate Governance

Unit Ten: Corporate Governance, Strategy and Ethics

At the end of this unit students should be able to understand:

- Strategy: How the directions and purposes of an organisation can be determined.
- Corporate Governance and Corporate Social Responsibility.
- The Corporate Governance framework.
- The potential impact of an organisation's decision making on society.
- The various forces that can influence or have to be taken into account in the development of corporate strategy.
- Where corporate governance sits within corporate strategy.
- The wider role corporate governance plays in influencing the development of corporate strategy through the governance framework.
- Stakeholder expectations and level of interest/power and how stakeholders can influence an organisation through the governance framework.
- Issues of corporate social responsibility (Business Ethics) and corporate governance.
- Corporate governance within a cultural context.

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