



ZIMBABWE EZEKIEL GUTI UNIVERSITY

FACULTY OF LAW, BUSINESS INTELLIGENCE AND ECONOMICS

DEPARTMENT OF ECONOMICS, MARKETING AND ENTREPRENEURSHIP

EXAMINATION PAPER

COURSE CODE : CBM402
COURSE TITLE : CORPORATE GOVERNANCE
DURATION : 3 Hours
LEVEL : 4.1
DATE : 13 APR 2023

INSTRUCTIONS TO CANDIDATES:

1. No cell phones are allowed in the examination venue.
2. Question one compulsory
3. Answer any **THREE (3)** questions.
4. Begin each question on a new page.
5. The number of marks for each question or part question is shown in brackets []

SECTION A: ANSWER ALL QUESTIONS IN THIS SECTION

CASE STUDY

You have recently bought a new motor car called the Flamboyant from the Beforward Japan Motor Company.

During the first month, you did not have any engine problems with the vehicle but you experienced the following problems: the boot jammed and you could not open it; one of the mirrors fell off when you were driving on the highway; the indicators do not always work; the leather on the driver's seat has split open on the side; the rear tail lights do not work.

The local dealership in Harare where you purchased the vehicle has not been very helpful when you have gone back to them to explain your problems.

QUESTION ONE

- a) Write a letter to the manager of the Beforward Japan Motor Company in an appropriate tone and modern format to describe your experiences with your new Beforward and to ask for his comments. **[15 marks]**

- b) Each member of a committee has particular duties to carry out before, during and after a meeting. Give FIVE duties that the Chairperson has to undertake during a meeting. **[10 marks]**

SECTION B

QUESTION TWO

Excessive executive pay remains a highly contentious issue and has been for many years. Reflect on how chief executive remuneration has been addressed on state owned enterprises. Suggest improvements which would alter status quo. **[25 marks]**

QUESTION THREE

Discuss the applicability of a stakeholder theory to a company of your choice. **[25 marks]**

QUESTION FOUR

a) How do you nominate a company's board members? **[15 marks]**

b) How do you remunerate company board members? **[10 marks]**

QUESTION FIVE

Discuss the functions of executive directors on the board according to the state owned enterprises to the corporate governance code of 2019? **[25marks]**

THE END

15/20 pm