



ZIMBABWE EZEKIEL GUTI UNIVERSITY

FACULTY OF LAW, BUSINESS INTELLIGENCE AND ECONOMICS

DEPARTMENT OF ECONOMICS, MARKETING AND ENTREPRENEURSHIP

COURSE CODE : CBM402/412
COURSE TITLE : CORPORATE GOVERNANCE
SPECIAL REQUIREMENTS : NONE
DURATION : 3 Hours
LEVEL : 4.1
DATE 13 FEB 2024

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.
6. The number of marks for each question or part question is shown in brackets []

CASE STUDY

SECTION A

QUESTION 1

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; and 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.

- 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. Explain **FIVE** duties that the Chairperson has to undertake during a meeting.

[10 marks]

SECTION B

QUESTION 2

Excessive executive pay remains a highly contentious issue and has been for many years.

- a) Reflect on how chief executive remuneration has been addressed on state owned enterprises. [10 marks]
- b) Suggest improvements which would alter status quo. [15 marks]

QUESTION 3

Discuss the applicability of a stakeholder theory to a company of your choice.

[25 marks]

QUESTION 4

a) Explain how one nominate a company's board members?

[15 marks]

b) Explain how board members are remunerated.

[10 marks]

QUESTION 5

Discuss the functions of executive directors according to the state owned enterprises as explained in the corporate governance code of 2019.

[25marks]