Corporate Governance and Auditing

Department assigned to the subject: Department of Business Administration
Coordinating teacher: GARCIA OSMA, BEATRIZ
Type: Electives  ECTS Credits : 5.0
Year : 2 Semester : 1
Academic Year: ( 2018 / 2019 )
Review date: 18-04-2018

STUDENTS ARE EXPECTED TO HAVE COMPLETED
Accounting
The subject is closely related to Accounting Research, students may consider taking that course before this one.

COMPETENCES AND SKILLS THAT WILL BE ACQUIRED AND LEARNING RESULTS.
A student that has successfully completed this class should
- Understand the information contained in the financial statements of a company.
- Understand the role of corporate governance and auditing in capital markets.
- Be able to read and understand a research paper on financial accounting, corporate governance and auditing.
- Be familiar with the different research lines in financial accounting, corporate governance and auditing.

DESCRIPTION OF CONTENTS: PROGRAMME
The focus of the course is the analysis of the different research lines in corporate governance and auditing, with special emphasis on their links with financial accounting.

The class is structured around the following key topics, which will be covered with a mix of lectures (by the instructor), readings and class participation.
- Topic 1. Accounting, corporate governance and auditing
- Topic 2. Corporate boards and committees
- Topic 3. Auditing and monitoring
- Topic 4. Regulation and enforcement
- Topic 5. Managerial incentives and compensation
- Topic 6. Market for corporate control and investors' activism
... and the international evidence on these issues

Readings
The course is fundamentally article-based. Students are encouraged to read the latest issues of top accounting and finance journals.

For each of the topics covered in the course, there is a list of recommended papers that will be discussed in class. All books and papers are listed below. Mandatory readings are marked with an asterisk (*), and signify that these papers will be discussed in detail in class. This means students must be sure they understand the details of the research question asked, the hypotheses formulated, the tests performed, and how to interpret the findings.

Books

Topic 1. Accounting, Corporate Governance and Auditing
Topic 2. Corporate boards and committees

Topic 3. Auditing and monitoring

Topic 4. Regulation and enforcement.

Topic 5. Managerial incentives and compensation.

Othlocharia, V., A. Kumar, and A. Niessen-Ruenzi. Local investors and corporate governance. Journal of Accounting and Economics, 54, 42.67. *

LEARNING ACTIVITIES AND METHODOLOGY
The course methodology will consist of the following elements:
- lectures by the coordinator of the course.
- presentation in class of research papers, both by the coordinator and by the students.
- class discussion of research papers on a weekly basis.
- elaboration of a critical reports of the papers presented during the course.
- final exam or preparation of a research proposal on corporate governance and auditing.

Tutorials will be both in person and by email.
ASSESSMENT SYSTEM

Evaluation criteria

- Students should present at least one of the papers considered in the course outline.
- Resolution (in group) of a case and discussion in class.
- Weekly written individual comments on papers discussed in class.
- Class participation
- Exam or research proposal

Extraordinary examination: If the student does not obtain the minimum grade to pass in the ordinary examination, the student should resubmit all written pieces: i.e., the weekly comments and the research proposal. Class participation grades cannot be retaken and will be carried forward to this assessment.

% end-of-term-examination: 50
% of continuous assessment (assignments, laboratory, practicals...): 50

BASIC BIBLIOGRAPHY

ADDITIONAL BIBLIOGRAPHY