MAN 3085/3086/3087/3088 Board of Directors and Board Work

Programme
Final Master of Management Program, Master of Management Program

Responsible for the course
Tore Bråthen, Knut Sogner

Department
Department of Innovation and Economic Organisation

Term
According to study plan

ECTS Credits
30

Language of instruction
Norwegian

Introduction
The students will be able to increase their understanding of the board's diversity, significance and challenges, and will in the course of the programme develop their in-depth knowledge of boards and board work. The course focuses on issues related to development phases, processes, the composition of the board, legislation, ethics, crises, company structure and type of ownership.

With a growing focus on the board's significance for business development, there is an increased need for improved board competence. This includes an understanding of the board's role and the work methods of everyone impacted by board functions, such as the owners, the public policy makers, employee representatives, banks and financial institutions, consultants, the top management of organisations, politicians, etc. Active board members, potential board members and people who need to relate to boards make up the target group for this programme.

Learning outcome
This programme will provide the students with a greater understanding of the diversity, significance and challenges of boards as regards developing "the value-creating board". Based on research, theory and literature, and through discussions and debate, the participants will together develop their knowledge of various aspects of a board, its processes and structure. Networks will be developed, and opportunities will be created for greater participation in international board work.

Acquired Knowledge
The participants should be able to identify the differences in the way the Board works in various types of companies
The participants should be able to identify the different challenges that a Board may face
The participants should be able to evaluate what actions the Board may initiate to advance results for a value creating Board
The participants should be familiar with the judicial framework for Board work

Acquired Skills
The participants should be able to carry out observation studies of a Board
The participants should be able to execute the role as a Board member
The participants should be able to assist Board members, so that the accumulated knowledge in the Board room is useful in the Boards work

Reflection
The participants should acquire knowledge so that good practice of Board work develops
The participants should acquire knowledge so that good ethical standards are enforced in a good way in the work of the Board
The participants should acquire knowledge so that the Board work reflects the company values

Prerequisites

Bachelor degree or equivalent and 4 years work experience. Please read our Student regulations.

Compulsory reading

Books:

Bråthen, Tore. 2008. Selskapsrett. 3. utg. Focus : Universitetsforlaget

Bøhren, Øyvind. 2011. Eieren, styret og ledelsen: Corporate Governance i Norge. Fagbokforlaget

Chris Mallinn. 2012. Handbook of Corporate Governance, Country Analyses

Huse, Morten. 2007. Boards, governance and value creation : the human side of corporate governance. Cambridge : Cambridge University Press

Høivik, Heidi von Weltzien, ed. 2002. Moral leadership in action : building and sustaining moral competence in European organizations. Cheltenham : Edward Elgar

Articles:

Bøhren, Øyvind og Bernt Arne Ødegaard. 2003. Norske eierskap : Særtrekk og sære trekk. Praktisk Økonomi og Finans. 20 (2). 3-17

Bøhren, Øyvind. 2005. Eierskap og lønnsomhet. Økonomisk Forum. nr. 5

Eisenhardt, K.M.. 1989. Agency theory: An assessment and review?. Academy of Management Review 14 (1): 57-74

Gabrielsson, Jonas, Morten Huse and Alessandro Minichilli. 2007. Understanding the leadership role of the board chairperson through a team production approach. International Journal of Leadership Studies. Vol 3 (1). p. 21-39

Geletkanycz Marta A. and Brian K. Boyd. 2011. Ceo outside directorships and firm performance: A reconciliation of agency and embeddedness views. Academy of Management journal

Hermalin, B.E. and M.S. Weisbach. 2003. Boards of directors as an endogenously determined institution. A survey of the economic literature. Economic Policy Review, 9: 7-26

Hooghiemstra, R. and J.van Manen. 2004. The independence paradox: (im)possibilities facing non-executive directors in The Netherlands. Corporate Governance: An International Review. 12: 314-324

Huse, Hoskisson, Zattoni and Vigano. 2003. New Perspectives on boards research. Journal of Management and Governance

Kaufman, A. and E. Englander. A team production model of corporate governance. Academy of Management Executive. 19. p. 9-22

McDonald Michael L. and James D. Westphal. 2010. A little help here? Board control, ceo identification with the corporate elite, and strategic help provided to ceos at other firms. Academy of Management Journal

Minichilli, Alessandro, Jonas Gabrielsson and Morten Huse. 2007. Board evaluations : making a fit between the purpose and the system. Corporate Governance an International Review. 15 (4). 0964-8410. 609-622

Mitchell, R.K., B.R. Agle and D.J. Wood. 1997. Towards a theory of stakeholder identification and salience : defining the principle of who and what counts. Academy of Management Review. 22 (4). 853-886

Randøy, Trond and Sanjay Goel. 2003. Ownership Structure, Founding Family Leadership, and Performance in Norwegian SMEs. Journal of business venturing. 18 (5). s. 619-637

Randøy, Trond og Steen Koekebakker. 2002. Verdiskapende eierstyring i norske børsnoterte selskaper. Praktisk økonomi & finans. s. 57 - 64

Ruud, Flemming. 2000. Assurance services: nye muligheter for revisors yrkesutøvelse. Revisjon og Regnskap. nr. 8 (og nr. 3 2001)

Shropshire, Christine. 2010. The role of the interlocking director and board receptivity in the diffusion of practices. Academy of Management Review

Tuggle S. Christopher, Karen Schnatterly and Richard A. Johnson. 2010. Attention patterns in the boardroom: How board composition and processes affect discussion of Entrepreneurial issues. Academy of Management Journal

Warren McFarlan, F. 1999. Working on nonprofit boards: Don't assume the shoe fits. Harvard Business Review. Nov/Dec. s. 65-80

Westphal, J.D. and P. Khanna. 2003. Keeping directors in line: Social distancing as a control mechanism in the corporate elite. Administrative Science Quarterly. 48. 361-398

Williams, Karel. 2000. From shareholder value to present-day capitalism. Economy and Society. 29(1). s. 1-12

Recommended reading

Books:

Bråthen, Tore. 2009. Styremedlem og aksjonær. 2. utg. Bergen: Fagbokforlaget
Huse, Morten, ed. 2009. The value creating board : corporate governance and organizational behaviour. London : Routledge
Huse, Morten. 2007. Styret : tante, barbar eller klan?. 3. utg. Bergen : Fagbokforlaget
Levorsen, Stein O. 2009. Styrearbeid i praksis : Innføring i styrets hovedoppgaver og arbeidsform med eksempler og bedriftshistorier. 6. utg. Oslo: Universitetsforlaget
Standal, Elbjørg Gui og Arild I. Søland. 2009. Håndbok i økonomi for styremedlemmer. 2. utg. Oslo : Universitetsforlaget. 121 sider
Vinnicombe, Sue, Val Sing, Ronald Bruke, Diana Bilimoria and Morten Huse, eds. 2008. Women on corporate boards of directors : international research and practice. Cheltenham : Elgar

Course outline

1st course module	Why do we need a board? The role of the board and formal requirements
2nd course module:	The overall control perspective
3rd course module:	The chairman of the board and chairman perspectives
4th course module:	The international board arena
5th course module	The current debate on boards

Computer-based tools

The course uses It`s learning as tools of communication. The students need a PC to be able to access the network.

Learning process and workload

The programme takes a comprehensive approach to the topic of "boards", using lecturers from a variety of disciplines. This allows for a systematic and cross-discipline review of topics based on research, literature, legislation and practice, making extensive use of discussion and the sharing of experiences.

As for practical board work, current cases and topics will be presented by experienced chairs and members of boards.

The programme is conducted through five course modules, a total of 150 lecturing hours.

The program is conducted through five course modules, a total of 150 lecturing hours. Project tutorials differ in each Master of Management program. It will consist of personal tutorials and tutorials given in class. Generally the students may expect consulting tutorials, not evaluating tutorials. The total hours of tutorials offered is estimated to two hours pr. students following an ordinary Master of Management program. For students taking the program as their final Master of Management program the tutorials offered are estimated to a total of six hours.

Recommended workload in hours:

Participation in the lectures	150 hours
Preparation for lectures	300 hours
Term paper	178 hours
Written tasks	50 hours
Individual work/group work	50 hours
Exam	72 hours

Examination

The students are evaluated through a term paper, counting for 18 credit hours and an individual 72 hours home exam, working on a case, counting for 12 credit hours. Both evaluations must be passed to obtain a certificate for the programme. The term paper may be written individually or in groups of maximum three persons.

For students taking this programme as the final Master of Management Program the following applies:
The students are evaluated through a term paper, counting for 24 credit hours and an individual 72 hours home exam, working on a case, counting for 6 credit hours. The term paper may be written individually or in groups of maximum two persons. Both evaluations must be passed in order to obtain a certificate for the programme.

Examination code(s)

MAN 30851 - Term paper; accounts for 100 % to pass the programme MAN 3085, 18 credits
MAN 30861 - Individual home exam; accounts for 100% to pass the programme MAN 3086, 12 credits
Both evaluations must be passed to obtain a certificate for the programme.

For students taking this program as the final Master of Management Program the following applies:
MAN 30871 -Term paper; accounts for 100 % to pass the programme MAN 3087, 24 credits
MAN 30881- Individual home exam; accounts for 100 % to pass the programme MAN 3088, 6 credits
Both evaluations must be passed to obtain a certificate for the programme.

Examination support materials

Re-sit examination
At the next ordinary exam.

Additional information
1st course module – Why do we need a board? The role of the board and formal requirements to the board
Sub-goals
- To increase the students' understanding of the board mandate
- To understand the board's position in organisations and society at large
- To gain an overview of relevant theory for this area
- To gain an insight into the different management schools regarding board work
- To gain an insight into the different legal frameworks a board might have

Topics
- A value-creating board – what does it mean?
- Introduction and overview of the program
- Challenges for the boards
- Theoretical framework
- Management schools and different approaches
- Regulatory framework conditions and structures
- Forms of ownership

2nd course module – The overall control perspective - corporate governance
Sub-goals
- To increase the understanding of boards and companies seen in an overall perspective
- To clarify what it means that the board is considered a corporate body
- To show how boards and board work are presented and discussed by different stakeholders and schools of thought

Topics
- The board in a financial corporate governance perspective – shareholder value
- The board in a strategic perspective
- Control, reporting and consolidation
- Active/passive and institutional owners
- Ownership structure, distribution of power
- Acquisitions, defence mechanisms

3. course module – The board and chairing the board work
Sub-goals
- To increase the understanding of the chairperson's role and importance in developing "the value-creating board"
- To gain an insight into the particular tasks of the chairperson
- To gain an insight into the board's forms of work and processes
- To gain an insight into ethical issues and corporate governance

Topics
- The board, the company and the society
- Ethics and values in the board work
- Recruiting members to the board
- Evaluating the board and its work
- The structure and chairing of the board and its work
- Composition of the board and quorum

- Decision-making processes inside and outside the boardroom
- The working climate of the board room
- Relationships between the board and the management

4. course module – The international board arena
Sub-goals
- To learn about corporate governance and boards in an international context
- To gain an insight into how globalisation affects the board work
- To increase the understanding of how international processes can lead to renewal and development of Norwegian boards
- To see boards in a socio-critical perspective

Topics
- Current trends: globalisation and multinational ownership
- Control models used in other countries
- International organisations with a parent company/subsidiary in another country
- Cross-cultural relations

5. course module – Current topics
Sub-goals
- To gain more insight into the boards of different companies and companies in different phases – boards in context
- To be updated on current scientific developments regarding new knowledge on board work

Topics
- Entrepreneur/family-controlled companies
- The board's role in SMBs versus larger companies
- Boards in the public sector and non-profit organisations
- Boards in fledgling companies
- CEO compensation, options agreement, etc.
- Women and boards
- Other current topics
- The boards of the future

OTHER INFORMATION
The following academic staff are key contributors to the programme:
Professor and doctor of law Tore Bråthen, BI Norwegian Business School
Industrial professor Elbjørg Gui Standal, BI Norwegian Business School
Professor Morten Huse, BI Norwegian Business School
Professor Heidi v.Weltzien Høivik, BI Norwegian Business School
Associate Professor Ragnhild Kvålshaugen, BI Norwegian Business School
Professor Trond Randøy, Agder University College
Professor Torger Reve, BI Norwegian Business School
Professor T. Flemming Ruud, professor at Universität St. Gallen, Switzerland and BI Norwegian Business School