**Unit Title:** Corporate Strategy, Governance and Ethics in the Global Environment  
**Guided Learning Hours:** 180  
**Level:** Level 7  
**Number of Credits:** 25

### Learning Outcome 1
The learner will: Know how to analyse the business environment and development of an international business organisation.

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| **1.1** Undertake, and assess the relative importance of environmental search for organisations with an international perspective. | 1.1.1 Evaluate the impact of the external environment on an organisation with an international perspective by use of relevant data sources, appropriate search concentration and employment of a variety of techniques such as PEST, STEEPLE and other derivatives, market screening for identifying appropriate markets for expansion (including techniques such as country and segment screening, cluster analysis), sources of competition and national advantage.  
1.1.2 Appraise the sensitivities of organisations to specific types of environmental change to enable appropriate prioritisation of search mechanisms.  
1.1.3 Assess the relative importance of environmental search to strategy development in real organisations that have a global/international perspective. |
| **1.2** Assess the benefits and challenges of globalisation and of operating in an international environment. | 1.2.1 Appraise the benefits and challenges of globalisation such as business and country risk, resource availability and arbitrage, economies of scale and other cost reduction factors, technology, cultural factors, markets, diversification, capital sources, taxation, transfer, regulation etc.  
1.2.2 Critically evaluate the push for localisation and its impact on globalisation (for example, dissent, de-globalisation, demographics, natural resources, technological development). |
| **1.3** Critically evaluate the development of international organisations and their organisation and management structures. | 1.3.1 Critically evaluate strategic approaches, their viability and impact on global development in real life organisations: joint ventures, mergers and acquisitions, organic growth, franchising and licensing, foreign direct investment.  
1.3.2 Appraise the concerns management faces in designing global organisational structures.  
1.3.3 Critically evaluate organisational forms used by real organisations for managing global companies, such as |
Learning Outcome 2
The learner will: Understand the dynamics between an organisation’s resources, product/services and its environment.

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| 2.1 Undertake an audit of an organisation’s tangible and intangible resources to assess competences and congruence with goals. | 2.1.1 Critically appraise the impact of the organisation’s hard and soft system factors on success and failure when competing in a global environment: financial, human and physical resources, operational aspects (such as lean enterprise, TQM, supply chain management), information systems (support systems, data protection).  
2.1.2 Critically evaluate the organisation’s intangible resources that support achievement of goals, such as goodwill, patents and trademarks, intellectual capital. |
| 2.2 Critically examine the effectiveness of growth strategies in relation to environmental change. | 2.2.1 Assess the extent to which the organisation’s growth strategies acknowledge changes in the environment: product/market development, diversification, internal operations, acquisition, alliances, joint ventures, licensing/franchising. |
| 2.3 Critically evaluate an organisation’s products/services in relation to changes in the global environment. | 2.3.1 Assess the relative importance of the effective management of stages of the product life cycle to accomplishment of organisational goals.  
2.3.2 Critically evaluate the organisation’s sensitivity to environmental factors, including cultural norms, when developing new products and services in a rapidly changing global environment. |

Learning Outcome 3
The learner will: Know how to evaluate business ethics from a global perspective.

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<td>3.1 Critically assess the impact on business practice of creating a business ethics</td>
<td>3.1.1 Appraise the considerations necessary for organisations to build an ethical framework in a global environment, such as ethical perspectives, choosing criteria, prioritising the options.</td>
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in institutional framework.

3.1.2 Critically assess the impact that implementation of the framework will have on business practices including costs and operational policies and procedures.

3.2 Critically evaluate the moral and ethical questions facing organisations in different cultures and systems.

3.2.1 Appraise links between morality and ethics from different cultural perspectives: Anglo-American, European, Asia-Pacific (and South Africa, India, Brazil).

3.2.2 Critically evaluate philosophical ethics in the context of mainstream business ethics from Anglo-American, European and Asia-Pacific and other viewpoints.

3.2.3 Critically appraise the international framework of business ethics: inter-governmental institutions (the UN system, OECD and WTO for example), international law and other voluntary codes.

3.3 Appraise the contemporary issues facing global businesses including tensions between ethical management, profitability and obligations to shareholders.

3.3.1 Critically evaluate the ethical issues facing global businesses, such as use of child labour, corruption etc.

3.3.2 Critically evaluate the tensions between the costs of ethical management, organisational profitability and obligations to shareholders from the viewpoint of Anglo-American, European and Asia-Pacific and other cultural groups.

Learning Outcome 4
The learner will: Understand the concepts and perspectives of Corporate Governance in an international organisation.

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<td>4.1 Critically appraise the concepts of good Corporate Governance practice.</td>
<td>4.1.1 Critically evaluate key concepts of Corporate Governance ‘best practice: openness, transparency, honesty, probity, accountability, judgement, reputation, sustainability with respect to current practice within global organisations.</td>
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<td>4.2 Critically evaluate and appraise the viability of alternative global models of Corporate Governance.</td>
<td>4.2.1 Critically appraise the positive and negative aspects of Anglo-American, European, Asia-Pacific and other Corporate Governance models.</td>
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<td>4.2.2 Critically appraise corporate financing; use of financial markets and alternative options in relation to the models operating in Anglo-American, European and Asia-Pacific and other regions (e.g. BRIC).</td>
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<td>4.2.3 Assess the extent to which these models are complementary.</td>
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4.3 Critically assess the institutional elements of corporate governance.

4.3.1 Assess the relative importance of regulation on Corporate Governance, on a national and global basis.

4.3.2 Appraise key national and international reports such as Cadbury and King onwards with regard to the nature and importance of compliance.

4.3.3 Assess the relative importance of the influence of institutional investors on corporate governance in organisations.

Learning Outcome 5
The learner will: Understand the impact of corporate social and environmental responsibility on organisations and society.

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5.1 Critically evaluate changing conceptual frameworks fundamental to the implicit contract between business and society.

5.1.1 Appraise the various concepts of corporate responsibility that exist in organisations.

5.1.2 Critically appraise the business case for organisations to adopt and implement policies on corporate responsibility.

5.1.3 Assess the impact of global standards such as UN Global Compact on corporate responsibility practices in companies.

5.2 Critically evaluate social and environmental responsibility policies and statements articulated by international organisations in annual reports, press briefing etc.

5.2.1 Critically appraise the social and environmental policies published by organisations in their corporate communications such as annual reports, speeches, press releases etc.

5.2.2 Assess the extent to which the organisational corporate responsibility policies have impacted on business practice.

5.3 Critically appraise the challenges and impact for businesses of changing social, political and environmental conditions.

5.3.1 Assess the business opportunities arising from implementation of appropriate polices to meet changing conditions.

5.3.2 Critically appraise the challenges and restrictions that social, political and environmental changes will have on sustainable performance in the longer term.
### Learning Outcome 6
The learner will: Understand how organisations manage corporate governance and ethics so as to achieve corporate goals.

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| 6.1 Critically assess the impact of corporate governance and ethics policies on organisational strategy, business operations and costs. | 6.1.1 Appraise the impact of growing global information on corporate governance and ethics, in terms of changes in corporate strategy, business practice and of cost.  
6.1.2 Critically evaluate practices evolving in companies using the different models by using case studies of real companies. |
| 6.2 Critically evaluate the impact of corporate governance on the internal controls of organisations in a global context. | 6.2.1 Critically assess the function and duties of Boards, the relationships between Boards and CEOs.  
6.2.2 Critically appraise the impact of active and passive boards on governance related to specific companies such as Enron, Parmalat, Worldcom etc.  
6.2.3 Critically evaluate the changing roles, structures and functions of boards and directors.  
6.2.4 Assess the extent to which corporate governance control systems such as corporate review, disclosure and audit influence practice within real life organisations. |
| 6.3 Critically appraise the tensions between an organisation’s corporate governance and stakeholder groups. | 6.3.1 Best practice in governance in companies, statutory corporations and trusts.  
6.3.2 Tensions between governance principles and CEO remuneration: agency theory, profit, shareholder value. |

### Learning Outcome 7
The learner will: Know how to effectively implement and monitor ethical and governance issues in developing an appropriate corporate strategy.

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| 7.1 Critically appraise organisational arrangements for supervising governance, ethical, environmental and social issues. | 7.1.1 Appraise the pressure on organisations to employ ethical codes of practice.  
7.1.2 Critically appraise different codes of ethics and their limitations using models taken from ‘real life’ organisations.  
7.1.3 Appraise the impact of best practice in ethical standards such as AA1000, GR1, SA 8000, ECS 2000 on the practices |
7.2 Critically assess the significance and importance of ethics and social responsibilities in the development of corporate strategy in case study international organisations.

7.2.1 Assess the extent to which corporate strategy, in real organisational contexts, recognises and responds to social, environmental and ethical obligations to shareholders.

7.2.2 Critically evaluate the impact of failure to meet the ethical considerations and/or obligations to shareholders on performance and survival of the business in a fast moving global environment.

7.3 Critically evaluate corporate strategy in relation to ethical considerations and obligations to shareholders.

7.3.1 Critically evaluate the significance and importance given to ethical and social responsibilities by global organisations in the development of their corporate strategy (organisations with Anglo-American, European and Asia-Pacific perspectives should be included).

7.3.2 Assess the extent to which shareholder and/or stakeholder balance, explicit incorporation and enlightened self-interest impact upon the strategies.

7.3.3 Critically appraise the accuracy and extent to which information relating to ethics and social responsibility is communicated to shareholders/stakeholders.

**Assessment:**
- Written assignment of 3500 words, plus or minus 10% (unless otherwise stated).
- All learning outcomes will be assessed.

**Recommended Reading:**
Please refer to the Tuition Resources section of the Members Area of the ABE website (www.abeuk.com) for the list of recommended reading for this subject.