(18)

KENYATTA UNIVERSITY

UNIVERSITY EXAMINATIONS 2015/2016

SECOND SEMESTER EXAMINATION FOR THE DEGREE OF MASTER OF PUBLIC POLICY AND ADMINISTRATION

APP 808: CORPORATE GOVERNANCE

DATE: Friday, 8th April 2016 **TIME: 5.30 p.m. - 8.30 p.m.**

INSTRUCTIONS:

Answer ALL Questions in Section A and ANY other TWO in Section B

SECTION A

1. a) Explain the term 'gubermare' as it relates to the practice of corporate governance. (4 Marks)

   b) Explain four tests that must be performed to determine whether an organization requires to uphold good governance practices. (8 Marks)

   c) Examine the concept of optimal leadership as it relates to good governance practice. (8 Marks)

   d) Discuss the indicators of effective accountability practice in public sector. (10 Marks)

SECTION B

2. Discuss the Agency and Transaction Cost theories of corporate governance. (15 Marks)

3. Explain the key issues that you must address when conducting a board evaluation in public sector. (15 Marks)

4. a) Explain the term 'fiduciary duty', pointing out practices that demonstrate an individual's commitment to fiduciary responsibility. (7 Marks)

INVOLVEMENT IN ANY EXAMINATION IRREGULARITY SHALL LEAD TO DISCONTINUATION

b) Discuss any four principles of corporate governance that a good board should observe. (8 Marks)

5. a) Corporate governance is a normative concept. Discuss the validity of this statement. (3 Marks)

b) Explain the concepts of 'legality' and 'legitimacy' in governance. (4 Marks)

c) Examine any four elements of a good governance framework. (8 marks)