

TABLE OF CONTENTS

Acknowledgement	ii
Abstract	iii
Table of Contents	iv - vi

Chapter 1 Introduction

1.1 Purpose & Significance of this study	1
1.2 Scope of study	3
1.3 Limitation of study	4
1.4 Organization of study	5

Chapter 2 Literature Review

2.1 The development of corporation	6
2.2 Definition of Corporate Governance	9
2.3 Issues on Corporate Governance	13
2.31 Checks & balances in the boardroom	15
2.32 Poor selection of board candidate	16
2.33 Compensation to the board	17
2.4 Models of corporate governance	17
2.41 Market Based Governance	18
2.42 Representation Based Governance	19
2.43 Regulation Based Governance	19

Chapter 3 The Roles & Responsibilities of Board of Directors In Malaysia

3.1 Corporate Governance Structure : The Malaysian Context	20
3.2 Legislative framework	21
3.21 Powers and positions of the directors	23
3.22 Roles and duties of directors	26
3.23 Liabilities of Directors and insider trading	31

3.24	Statutory registers	33
3.25	Company meetings	33
3.26	Audit committee	35
3.3	Code of Best Practice: MICG	38

Chapter 4 Research Methodology

4.1	Survey Questionnaire	41
4.2	Sample Design	43
4.3	Data Collection Procedure	43
4.4	Data Analysis Techniques	44

Chapter 5 Research Findings

5.1	Profile of Respondents	45
5.2	Procedure in Appointment of Board	46
5.3	Monitoring & Evaluation of Board, CEO & Top Management	48
5.4	Frequency of Board Meeting	50
5.5	Audit Committee	51
5.6	Remuneration to the board	52
5.7	Role play by the non-executive in monitoring the board	53
5.8	Directors' opinion in corporate governance	53

Chapter 6 Discussions, Recommendations & Conclusion

6.1	Discussions	55
6.11	Check and balance of power	55
6.12	Human limitation	55
6.13	The selection of board members	56
6.14	Term of appointment	56

6.15	Orientation on new appointment	57
6.16	Evaluation of individual board performance	57
6.17	Increase the frequencies of board meetings	58
6.18	Composition of Audit Committee	58
6.19	Board remuneration	59
6.2	Recommendations for improving of Corporate Governance In Malaysia	59
6.21	Committees in the board	60
6.22	Participation of independent NEDs	61
6.23	Education for Board Members	61
6.24	Limit on the number of directorship	61
6.25	Education to the shareholders	62
6.26	Enforcement from the regulators	63
6.3	Suggestions for further study on Corporate Governance	63
6.4	Conclusion	63

References

Appendix I : The Cadbury Code of Best Practice

Appendix II: Research Questionnaire

Appendix III: The Company Director's Code of Ethics

Appendix IV: The Company Secretary's Code of Ethics