CERTIFIED SECRETARIES (CS)

EXAMINATION

REVISED SYLABUS

(ADVANCE EDITION)

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CERTIFIED SECRETARIES (CS)

FOUNDATION LEVEL

PAPER NO. 1 MANAGEMENT PRINCIPLES AND PRACTICE

UNIT DESCRIPTION

This paper is intended to equip the candidate with the knowledge, skills and attitude that will enable him/her to apply management principles in decision making in a practical organisational context.

LEARNING OUTCOMES

A candidate who passes this paper should be able to:

- Demonstrate understanding of management principles and techniques
- Apply knowledge of management theories in organisations
- Effectively practice management functions such as planning, organising, leading, and controlling in organisations (P-O-L-C framework)
- Demonstrate understanding of management principles and techniques
- Embrace and manage change
- Develop capacity for making rational decisions

CONTENT

1. **Introduction to management**
   - 1.1 Nature of management
   - 1.2 Importance of management
   - 1.3 Levels of management
   - 1.4 Multi-disciplinary nature of Management s
   - 1.5 Roles of management as advocated by Henry Mintzberg
   - 1.6 The changing roles of management and managers
   - 1.7 Qualities of an effective manager
   - 1.8 Management, administration and leadership

2. **Evolution and development of management thought**
   - 2.1 Classical approaches to management
     - 2.1.1 Taylor's view point
     - 2.1.2 Fayol's administrative theory
     - 2.1.3 Max Weber's bureaucratic theory
   - 2.2 Behavioural management approach
     - 2.2.1 Elton Mayo-Human relation theory
     - 2.2.2 Abraham Maslow's theory
     - 2.2.3 McGregor's X and Y theory
     - 2.2.4 Mary Parker Follett management theory
   - 2.3 Modern management theories
     - 2.3.1 Quantitative thinking
     - 2.3.2 Systems thinking
     - 2.3.3 Contingency thinking

3. **Functions of management**
   - 3.1 **Planning function**
     - 3.1.1 Introduction to planning
     - 3.1.2 Importance of planning

3.1.3 Macro-environment
3.1.4 Micro-environment
3.1.5 External environment
3.1.6 Internal environment
3.1.7 Planning process
3.1.8 Types of plans
3.1.9 Approaches to planning

3.2 **Organising function**
3.2.1 Meaning and importance of organising
3.2.2 Factors affecting the organising function
3.2.3 Process of organising
3.2.4 Principles of organising
3.Organisational structures

3.3 **Staffing function**
3.3.1 Meaning and importance of staffing
3.3.2 Staffing process
3.3.3 Factors that affect the staffing function
3.3.4 Components of the staffing function

3.4 **Leading function**
3.4.1 Meaning of leadership
3.4.2 Attributes and skills of a good leader
3.4.3 Delegation, responsibility and accountability
3.4.4 Difference between management and leadership
3.4.5 Power and Authority

3.5 **Controlling function**
3.5.1 Meaning and importance of control
3.5.2 Steps in the control process
3.5.3 Types of control
3.5.4 Controlling for organisational and employee performance
3.5.5 Tools for measuring performance
3.5.6 Essentials of an effective control system

4. **Enterprise management**
4.1 Meaning and concept of entrepreneurship
4.2 Intrapreneurship in organisations
4.3 Entrepreneurial development
4.4 Enhancing creativity and innovation in organisations
4.5 Methods of generating ideas
4.6 Introduction to business plan
4.7 Protection of intellectual properties

5. **Change Management**
5.1 Meaning of change
5.2 Theories of change
5.3 The change process
5.4 Types of organisational change
5.5 Managing resistance to change

5.6 Innovation at the workplace

6. **Project management**
   - 6.1 Project management concepts
   - 6.2 Characteristics of a project
   - 6.3 Importance of projects
   - 6.4 Features of projects and baseline surveys
   - 6.5 Project life cycle
   - 6.6 Project planning and organising
   - 6.7 Project resources and costing
   - 6.8 Project completion and evaluation

7. **Marketing management**
   - 7.1 Meaning and importance of marketing
   - 7.2 Marketing management orientation/philosophies
   - 7.3 Marketing mix
   - 7.4 Developing of marketing information
   - 7.5 Marketing strategies
   - 7.6 Marketing research and intelligence
   - 7.7 International marketing and e-commerce

8. **Decision making**
   - 8.1 Importance of decision making
   - 8.2 Decision making process
   - 8.3 Decision making models/approaches
   - 8.4 Types of decisions
   - 8.5 Decision making under different conditions
   - 8.6 Challenges in decision making
   - 8.7 Problem solving skills
   - 8.8 Effective decision making in today`s world

PAPER NO.2 COMMUNICATION SKILLS AND RECORDS MANAGEMENT

UNIT DESCRIPTION

This paper is intended to equip the candidate with the knowledge, skills and attitude that will enable him/her to communicate clearly and concisely with the Board, Chief Executive and staff in both verbal and written forms including through digital technology and maintain records and confidentiality of information.

LEARNING OUTCOMES

A candidate who passes this paper should be able to:

- Communicate effectively in an organisation
- Develop strategies for effective communication and presentation in an organisation
- Maintain and manage records effectively
- Develop a disaster recovery plan
- Observe ethics in record management

CONTENT

1. **Introduction to communication**
   - 1.1 Meaning of communication
   - 1.2 Role of communication in an organisation
   - 1.3 Elements of communication
   - 1.4 The communication process
   - 1.5 Principles of effective communication
   - 1.6 Essential of an effective communication system
   - 1.7 Barriers to effective communication

2. **Types of communication**
   - 2.1 Formal and informal communication
   - 2.2 Flow of communication in an organisation
   - 2.3 Grapevine communication
   - 2.4 Internal and external communication
   - 2.5 Interpersonal and intrapersonal communication
   - 2.6 Cross-cultural communication

3. **Written communication and visual communication**
   - 3.1 Sentence construction and paragraph development
   - 3.2 Business letters
   - 3.3 Memorandum
   - 3.4 Posters and notices
   - 3.5 Forms and questionnaires
   - 3.6 Circulars and newsletters
   - 3.7 Advertisements and publicity materials
   - 3.8 Documents used in business transactions - letter of enquiry, catalogue, quotation, purchase order, invoice, credit note, debit note, others
   - 3.9 Job application cover letter, curriculum vitae and resume
   - 3.10 E-mails
   - 3.11 Visual communication - graphs/charts/tables/diagrams/pictures

4. **Oral communication and non-verbal communication**
   - 4.1 Meaning of oral communication

4.2 Importance of oral communication
4.3 Means of oral communication-face to face and telephone conversations
4.5 Effective listening -The listening process, principles of effective listening, listening techniques, barriers to effective listening
4.6 Interviews-types, purpose, preparation and conduct of interviews,
4.7 Persuasive communication - meaning, objectives, creating persuasive messages, approaches to persuasion
4.8 Assertive communication
4.9 Meaning and importance of non-verbal communication
4.10 Forms of non-verbal communication
4.11 Effective use of non-verbal communication
4.12 Barriers to effective non-verbal communication`

5. **Records management systems**
5.1 Definition of records management system
5.2 Importance of an effective records management system
5.3 Classification of records and indexing
5.4 Features of an effective records management system
5.5 Principles of effective records management systems
5.6 Records management process
5.7 Postal and courier services

6. **Records lifecycle**
6.1 Records creation
6.2 Records distribution
6.3 Active storage
6.4 Records retention
6.5 Disposal of records
6.6 Archival of records
6.7 Electronic records management systems
6.8 Maintaining security and confidentiality of records
6.9 Disaster management system and recovery procedure

7. **Public speaking and presentation**
7.1 Effective presentation skills
7.2 Audience analysis
7.3 Selecting and researching the topic
7.4 Preparation and organisation of an effective presentation
7.5 Structure of presentation
7.6 Presentation aids
7.7 Public speeches - structure and delivery of public speeches

8. **Group and team communication**
8.1 Group communication networks
8.2 Team communication
8.3 Managing team communication- Resolving conflicts and disagreements
8.4 Communicating in virtual groups and teams-group e-mails, WhatsApp groups, social media, corporate blogs, online surveys
8.5 Meetings and minutes writing
8.6 Conferences and symposia
8.7 Use of virtual meetings platforms; Google Meet, Zoom and MS Teams

9. **Report and proposal writing**
   - 9.1 Types and purpose of reports
   - 9.2 Structure and content of reports
   - 9.3 Types and uses of proposals
   - 9.4 Structure and content of proposals
   - 9.5 Writing of formal reports and proposals

10. **Information technology and communication**
   - 10.1 Role and impact of technology in communication
   - 10.2 Communication networks- internet, intranet and extranet
   - 10.3 Teleconferencing and video conferencing
   - 10.4 Webinars
   - 10.5 Wireless technology
   - 10.6 Online surveys

11. **Ethics in communication**
   - 11.1 Role of ethical communication in an organisation
   - 11.2 Principles of ethical communication
   - 11.3 Ethical issues in communication
   - 11.4 Enhancing ethical communication in an organisation
   - 11.5 Factors influencing ethical communication
   - 11.6 Ethical dilemmas in communication
   - 11.7 Handling ethical dilemmas in communication
   - 11.8 Ethics relating to virtue meetings

PAPER NO. 3 INTRODUCTION TO LAW AND GOVERNANCE

UNIT DESCRIPTION

This paper is intended to equip the candidate with the knowledge, skills and attitude that will enable him/her to apply the principles of law and legal systems in an entity and ensure compliance with basic principles of governance and ethics.

LEARNING OUTCOMES

A candidate who passes this paper should be able to:

- Demonstrate knowledge of essential elements of the legal system
- Demonstrate knowledge of legal personality
- Apply law of contract and tort in various scenarios
- Apply general principles of business law in practice
- Apply fundamental principles of ethics in practice
- Comply with fundamental principles of governance

CONTENT

1. **Nature, Purpose and Classification of Law**
   - 1.1 Meaning of law
   - 1.2 Nature of law
   - 1.3 Purpose of law
   - 1.4 Classification of law
   - 1.5 Law and morality
   - 1.6 The Constitution
   - 1.7 Legislation and delegated legislation
   - 1.8 Substance of common law and doctrines of equity
   - 1.9 African customary law
   - 1.10 Islamic law, Hindu law and African customary law
   - 1.11 Judicial precedence
   - 1.12 General rules of International law and ratified treaties

2. **Administrative Law**
   - 2.1 Meaning of administrative law
   - 2.2 Sources of administrative law
   - 2.3 Functions of administrative laws
   - 2.4 Doctrine of separation of powers
   - 2.5 Delegated legislation
   - 2.6 Control of delegated legislation
   - 2.7 Discretion and Judicial count of executive
   - 2.8 Liability of state (contractual/ tortious)
   - 2.9 Principles of natural justice
   - 2.10 Judicial control of the Executive
   - 2.11 Independence of Judiciary
   - 2.12 Remedies in administrative law (mandamus, certiorari, prohibition, habeas corpus; injunction and declaration)

3. **The Court System**
   - 3.1 Establishment, structure, composition and jurisdiction of courts
   - 3.2 Supreme Court
   - 3.3 Court of Appeal

3.4 High Court
3.5 Employment and Labour Relations Court
3.6 Environmental and Land court
3.7 International Court of Justice
3.8 Magistrates Court
3.9 Court Martial
3.10 Kadhi's Court
3.11 Distinction between Courts and Tribunals

4. **Alternative Dispute Resolutions (ADR)**
4.1 Nature of alternative dispute resolutions (ADR)
4.2 Nature and types of disputes
4.3 Legal framework governing ADR
4.4 General principles of ADR
4.5 Negation and Conciliation
4.6 Mediation
4.7 Arbitration
4.8 Dispute Review Boards
4.9 Traditional dispute resolution mechanisms

5. **Law of Persons**
5.1 Natural and artificial persons
5.2 Nationality, citizenship and domicile
5.3 Unincorporated and incorporated associations
5.4 Co-operative societies

6. **Law of Tort**
6.1 Nature of tort
6.2 General defenses under tort
6.3 Negligence
6.4 Types of liabilities in tort
6.5 Trespass
6.6 Limitation and survival of actions
6.7 Remedies in tort
6.8 Principles in awards damages
6.9 Defamation

7. **Law of Contract**
7.1 Definition of a contract
7.2 Classification of contracts
7.3 Essentials of a valid contract
7.4 Terms of a contract
7.5 Exemption clauses
7.6 Vitiating factors
7.7 Discharge of contract
7.8 Remedies for breach of a contract
7.9 Limitation of actions
7.10 Contract negotiation
7.11 Information technology and the law of contract

8. **Sale of Goods**

8.1 Nature of the contract of sale of goods
8.2 Types of goods
8.3 Formalities of the contract
8.4 Terms of the contract
8.5 Implied terms by statute, custom/usage
8.6 Rights and duties of the parties
8.7 Remedies for price and breach of contract
8.8 Auction sales
8.9 International contracts of sale: FAS, FOB, CIF, FCA, CPT, CIP, DAT, DAP, DDP, CFR, DAF, DDU, Ex-works and Ex-ship

9. **Agency**

9.1 Meaning and nature of the agency contract
9.2 Types of agents
9.3 Parties to the agency relationship
9.4 Creation of agency
9.5 Authority of an agent
9.6 Rights and duties of the parties
9.7 Personal liability of agents
9.8 Liability of the parties
9.9 Termination of agency

10. **Partnership**

10.1 Nature of partnership
10.2 Registration process and requirements of partnership business
10.3 Types of partnerships
10.4 Rights, duties and liabilities of existing, incoming and minor partners
10.5 Management of partnerships
10.6 Dissolution of partnerships and its consequences

11. **Indemnity and Guarantees**

11.1 Essential features of indemnity
11.2 Nature and extent of liability of indemnifier
11.3 Commencement of liability of indemnifier
11.4 Nature of the contracts; essential features of contract guarantee; distinction between contract of guarantee/ indemnity extent of nature and surety
11.5 Obligations of surety
11.6 Discharge of surety
11.7 Letters of credit
11.8 Rights and duties of the parties
11.9 Termination of the contract
11.10 Remedies for breach of contract

12. **Insurance**

12.1 Nature of the contract; types, parties to negotiable instrument
12.2 Formalities of the contract
12.3 Types of risks
12.4 Parties to the contract of insurance
12.5 Principles of insurance
12.6 Types of insurance

12.7 Transfers and amalgamation
12.8 Termination of the contract
12.9 ICT and insurance

13. **Negotiable Instruments**
13.1 Nature and characteristics
13.2 Negotiability of the instrument
13.3 Types: Cheques, promissory notes, bills of exchange
13.4 Types of crossings
13.5 Obligations of the parties
13.6 Banker- customer relationship
13.7 Presentment; purpose, time, place
13.8 Discharge from liability
13.9 Modes of discharge
13.10 Dishonour, mode of dishonour, nature of protest, penalties for dishonour
13.11 Acceptance for honour
13.12 Criminal liability

14. **The Law of Property**
14.1 Definition of property
14.2 Classification of property (real and personal, movable and immovable, tangible and intangible)
14.3 Property in land: Private, public and community land
14.4 Interests in land: Estates, servitudes and encumbrances
14.5 Intellectual property: Plant breeder's patents, trademarks, copyrights and industrial designs
14.6 Administration and management of land
14.7 Sectional properties
14.8 Management company
14.9 Obligations of lessor and lessee in sessional property Act
14.10 Transfer of land rights
14.11 Role of professionals (Advocates, Certified Secretaries) in land transactions

15. **Introduction to corporate governance**
15.1 Corporate governance – Definition and objects
15.2 Principles of corporate governance
15.3 Best practice in corporate governance
15.4 Role of stakeholders (shareholders, Board of Directors, Government)
15.5 Conflict of interest - Investor education and protection of shareholders
15.6 Compliance obligations
15.7 Legal Audit- definition and objects

16. **Professional Ethics**
16.1 Introduction and overview of professional ethics
16.2 Professional misconduct
16.3 Publicity and advertisement
16.4 Morality and etiquette
16.5 Professional ethics for accountants, corporate secretaries
16.6 Ethics and practice within a firm
16.7 Enforcement of professional ethics and standards

PAPER NO. 4 PRINCIPLES OF ACCOUNTING AND TAXATION

UNIT DESCRIPTION

This paper is intended to equip the candidate with knowledge, skills and attitudes that will enable him/her to prepare and interpret financial statements and compute taxes for various entities in a non-complex environment.

LEARNING OUTCOMES

A candidate who passes this paper should be able to:

- Prepare books of original entry and basic ledger accounts under the double entry system
- Prepare basic financial statements of corporations and not for profit organisations
- Prepare non-complex tax computations for individuals and corporations
- Interpret information in financial and tax statements for decision making.

CONTENT

1. **Introduction to Accounting**
   - 1.1 The nature and purpose of accounting
   - 1.2 Users of accounting information and their respective needs
   - 1.3 Accounting Standards and their purposes (IFRS, IASs, IPSAS)
   - 1.4 Regulatory framework (ICPAK, IASB, IAESB, IPSASB), the Companies Act
   - 1.5 Professional ethics
   - 1.6 Principles, concepts and conventions underlying the preparation of accounting statements

2. **Accounting Procedures and Techniques**
   - 2.1 Accounting Cycle
   - 2.2 Double entry book-keeping
   - 2.3 Books of original entry (journals, ledgers, cashbooks)
   - 2.4 Balancing accounts and preparing the trial balance
   - 2.5 Depreciation of non-current assets including their disposal (by part exchange; ordinary sale; accident)
   - 2.6 Preparation of movement of property, plant equipment (as per International Financial Reporting Standards)
   - 2.7 Trade receivables, bad debts write-offs and provision for bad and doubtful debts
   - 2.8 Accruals, prepayments, reserves and provisions necessary adjustments in statements of financial performance
   - 2.9 Introduction to simple statements of financial performance
   - 2.10 Statements of financial position
   - 2.11 Final accounting statements of a sole trader
   - 2.12 Financial statements of a partnership business reflecting changes in partnerships such as admission, retirement and dissolution

3. **Introduction to Simple Company Accounts**
   - 3.1 Company Formation - Documents
   - 3.2 Share capital and reserves
   - 3.3 Issue of shares at par; premium; discount
   - 3.4 Over and under subscriptions
   - 3.5 Allotment and calls on shares, forfeiture of shares
   - 3.6 Preparation of statements of financial performance and appropriation account and the statement of financial position

3.7 Published accounts: Components of a complete set of published financial statements only

4. **Accounting for Non-Profit Making Organisations**
   - 4.1 Features of Non-profit making organisations
   - 4.2 Types of funds and their accounting treatment
   - 4.3 Income and expenditure account
   - 4.4 Statement of financial position
   - 4.5 Public Sector Accounting and Financial System
   - 4.6 Features of public sector entities (as compared to private sector)
   - 4.7 Structure of the public sector (National and county governments, State Corporations, Departments and Agencies)
   - 4.8 Regulation and oversight [International Public Sector Accounting Standards Board, Director of Accounting Services, National Treasury, Parliamentary Committees, Accounting Officers at national and county levels, Current PFM Acts
   - 4.9 Objectives of public sector financial statements and Standards (IPSAS)
   - 4.10 Accounting techniques in public sector such as budgeting, cash, accrual, commitment and fund accounting) (Preparation of financial statements excluded)

5. **Introduction to Taxation**
   - 5.1 History of taxation
   - 5.2 Types of taxation
   - 5.3 Principles of an optimal tax system
   - 5.4 Single versus multiple tax systems
   - 5.5 Classification of tax systems
   - 5.6 Tax shifting
   - 5.7 Factors that determine tax shifting
   - 5.8 Tax evasion and tax avoidance
   - 5.9 Taxable capacity
   - 5.10 Fiscal policies
   - 5.11 The Revenue Authority; history, structure and mandate

6. **Capital Deductions**
   - 6.1 Rationale for capital deductions
   - 6.2 Investment deductions: Ordinary manufacturers
   - 6.3 Industrial building deductions
   - 6.4 Wear and tear allowances
   - 6.5 Farm works deductions
   - 6.6 Shipping investment deduction
   - 6.7 Other deductions

7. **Customs Taxes and Excise Taxes**

- 7.1 Customs procedure
- 7.2 Import and export duties
- 7.3 Prohibitions and restriction measures
- 7.4 Transit goods and bond securities
- 7.5 Purposes of customs and excise duties
- 7.6 Goods subject to customs control
- 7.7 Import declaration form, pre-shipment inspection, clean report of findings
- 7.8 Excisable goods and services
- 7.9 Application for excise duty (licensing)
- 7.10 Use of excise stamps
- 7.11 Offences and penalties
- 7.12 Excisable goods management system

PAPER NO. 5 HUMAN RESOURCES MANAGEMENT

UNIT DESCRIPTION

This paper is intended to equip the candidate with the knowledge, skills and attitude that will enable him/her to manage and motivate people, work with teams and apply other principles of human resources management in practice.

LEARNING OUTCOMES

A candidate who passes this paper should be able to:

- Develop and execute a human resource plan and strategy
- Design, introduce and use good practice with regard to recruitment, selection, competency development, employee motivation, performance management, disciplinary and grievance procedures
- Organise and maintain appropriate employee records and to extract relevant statistics
- Design, introduce and use systems to ensure compliance with employment legislation
- Address contemporary issues in human resource management

CONTENT

1. **Introduction to human resource management (HRM)**
   - 1.1 Meaning and importance of HRM
   - 1.2 Scope of HRM
   - 1.3 Features of HRM
   - 1.4 Evolution of HRM
   - 1.5 Roles and responsibilities of HR practitioners
   - 1.6 Structure and functions of the HR department
   - 1.7 Personnel management versus human resource management
   - 1.8 Strategic human resources management; development of human resources strategy and human Resource business partnering.
   - 1.9 The role of line Managers in Human Resources Management
   - 1.10 Basics of Employment Law

2. **Theories of human resource management**
   - 2.1 **Foundational theories of HRM**
     - 2.1.1 Organisational behaviour
     - 2.1.2 Motivation
     - 2.1.3 Ability, motivation and opportunity (AMO)
     - 2.4.4 Resource-based
     - 2.1.5 Institutional theory
     - 2.1.6 Human capital
     - 2.1.7 Agency
     - 2.1.8 Contingency
   - 2.2 **Motivation Theories and practice of HRM**
     - 2.2.1 **Classical theories of motivation**
       - 2.2.1.1 Abraham Maslow's Hierarchy of Needs
       - 2.2.1.2 Douglas McGregor- Theory X and Theory Y
       - 2.2.1.3 Frederick Herzberg's - Two factor theory
   - 2.3 **Other motivation theories**
     - 2.3.1 Vroom’s Expectancy theory
     - 2.3.2 Equity theory
     - 2.3.3 Goal theory

2.3.4 Reinforcement theory
2.3.5 McClelland's theory of needs
2.3.6 ERG theory of motivation

2.4 **Motivation in the work place**
2.4.1 Importance of motivation
2.4.2 Team motivation
2.4.3 Features of a good motivation system

3. **Employee resourcing**
3.1 Meaning of employee resourcing
3.2 Human resources planning
3.3 The labour market
3.4 Job analysis
3.5 Job design
3.6 Recruitment
3.7 Resourcing assessment tests
3.8 Selection
3.9 Placement and on boarding
3.10 Employee engagement and retention

4. **Performance management**
4.1 Performance management Models
4.2 The performance management process
4.3 Techniques for appraising performance
4.4 Strategies for performance management
4.5 Characteristics of performance management
4.6 The performance appraisal process
4.7 Team performance evaluation
4.8 Impact of performance management to human resources
4.9 Challenges of performance management
4.10 Performance contracting

5. **Reward management**
5.1 Meaning of reward management
5.2 Characteristics of reward strategies
5.3 Developing an effective reward strategy
5.4 Market compensation rates analysis
5.5 Pay structures and wage systems
5.6 Performance related pay
5.7 Non - financial rewards and benefits
5.8 Salary administration policy
5.9 Team rewards

6. **Training and development**
6.1 Objectives of training and Development
6.2 The learning organisation
6.3 Types of training
6.4 Training needs assessment
6.5 Training design
6.6 Implementing a training programme

6.7 Evaluation of training and development
6.8 Career management
6.9 Knowledge management
6.10 Talent management

7. **Human resources administration**
7.1 Employment contracts
7.2 Human resources records management
7.3 Human resources management information systems
7.4 Employee welfare services
7.5 Health and safety policies and procedures
7.6 Basics of payroll management
7.7 Employee discipline

8. **Labour relations and employee bargaining**
8.1 The labour movement
8.2 Role of trade unions
8.3 The collective bargaining process
8.4 Negotiation
8.5 Dealing with disputes and grievances
8.6 Employee participation and empowerment

9. **Separation strategy**
9.1 Forms of employee separation: Redundancies, dismissals and discharge, retirement, Resignation
9.2 The separation process
9.3 Terminal benefits
9.4 Outplacement
9.5 Legal provisions on employee separation
9.6 Exit interviews
9.7 Effects of employee separation

10. **Contemporary issues in human resources management**
10.1 Succession planning
10.2 Human resources innovation and technology
10.3 Global HRM
10.4 Managing equality and diversity
10.5 Ethics in Human Resources
10.6 Work life balance
10.7 Virtual working
10.8 Outsourcing
10.9 Employee counselling

11. **Case studies in human resource management**

PAPER NO. 6 INFORMATION COMMUNICATION TECHNOLOGY

UNIT DESCRIPTION

This paper is intended to equip the candidate with knowledge, skills and attitudes that will enable him/her to apply information communication technology effectively in solving business problems, decision making and in adapting to new working environments.

LEARNING OUTCOMES

A candidate who passes this paper should be able to:

- Demonstrate proficiency in decision making using contemporary information communication technology tools
- Use various application packages to solve business issues
- Use data communication networks, the Internet and e-commerce in optimising business opportunities
- Apply data security measures and procedures
- Implement information systems legal, ethical and social issues.

Note to trainers: Trainers are advised to use a practical approach in offering tuition for this unit through infusing practical demonstrations in a computerized environment.

CONTENT

1. **Introduction to information communication technology (ICT)**
   - 1.1 Introduction to information communication technology
   - 1.2 Computer hardware
   - 1.3 Computer software
   - 1.4 Programming languages and tools
   - 1.5 Information systems personnel and hierarchy
   - 1.6 Role of ICT in business environments
   - 1.7 Information centres
   - 1.8 Impact of ICT in business

2. **Overview of operating systems**
   - 2.1 Overview of an operating system
   - 2.2 Functions of an operating system
   - 2.3 Types of operating systems
   - 2.4 Computer booting
   - 2.5 Selection and acquisition of operating systems

3 **An overview of application packages**

- 3.1 Word processing
  - 3.1.1 Features of a word processor
  - 3.1.2 Formatting and editing text
  - 3.1.3 Creating and formatting tables

- 3.2 Spreadsheets
  - 3.2.1 Features of a spreadsheet program
  - 3.2.2 Formatting and editing spreadsheet
  - 3.2.3 Formulas
  - 3.2.4 Functions; sum, average,min, max, IPMT, NPV,PMT,PV, VLOOKUP, HLOOKUP, COUNT, IF, sumif

3.2.5 Charts and graphs
3.2.6 Working with pivot tables
3.2.7 Linking formulas in different worksheets
3.2.8 What if analysis; Goal seek and solver

3.3 Presentation software
3.3.1 Features of a presentation program
3.3.2 Typing and formatting text in slide
3.3.3 Slide show

4 **Computer networks**
4.1 Computer networks concepts
4.2 Computer network hardware and software
4.3 Data transmission media
4.4 Types of computer networks
4.5 Advantages and limitations of networking
4.6 Cloud computing concepts, features and models
4.7 Internet of things (IoT)

5 **The Internet**
5.1 Introduction to the Internet
5.2 Applications of Internet
5.2.1 Using search engines
5.2.2 E-mails
5.2.3 Electronic communication
5.3 Internet services – e-mails, www, instant messaging
5.4 Internet service providers (ISPs)
5.5 Applications of internet
5.6 Online collaborative tools; cloud sheets and cloud documents
5.7 Impact of internet on society

6 **Data security**
6.1 Overview of data security
6.2 Threats and controls

6.3 Data backup and restoration procedures

7 **Information systems in an enterprise**
7.1 Overview of information systems
7.2 Components of an information system
7.3 Types and characteristics of information systems
7.4 Systems in a functional perspective
7.5 Enterprise applications and the business process integration

8 **e-Commerce**
8.1 e-commerce concepts and features
8.2 Models of e-commerce
8.3 Impact of the internet on business
8.4 E-commerce enabling software
8.5 Business opportunities in e-commerce
8.6 E-commerce infrastructure and platforms

8.7 E-commerce payments methods
8.8 Challenges of e-commerce
8.9 Securing e-commerce transactions
8.10 M-commerce and applications
8.11 Digital marketing methods

9. **Mobile devices and applications**
9.1 Overview of mobile computing
9.2 Types of mobile devices
9.3 Uses of mobile devices
9.4 Overview of mobile applications
9.5 Mobile browsers

10. **Systems analysis and design**
10.1 Elements of information systems
10.2 Systems theory
10.3 Types of information systems
10.4 Personnel involved in systems analysis and design
10.5 Systems analysis and design concepts
10.6 Systems development life cycle (SDLC)
10.6.1 Definition of systems development life cycle
10.6.2 Phases of SDLC
10.6.3 Advantages and disadvantages of SDLC
10.7 Requirements elicitation
1.1.1 Stakeholder analysis
1.1.2 Need for requirements gathering
1.1.3 Process for requirements gathering
1.1.4 Requirements gathering tools and techniques
1.1.5 Gap analysis
10.7.6 Prioritisation of requirements

11. **Legal, ethical and social issues in information systems**
11.1 Information systems ethical and social concerns
11.2 The moral dimension of information systems
11.3 The legal issues in information systems

INTERMEDIATE LEVEL

PAPER NO. 7 COMPANY LAW

UNIT DESCRIPTION

This paper is intended to equip the candidate with knowledge, skills and attitudes that will enable him/her to apply and comply with the provisions of Company Law in relevant circumstances and environments and further to demonstrate knowledge of the law and regulations governing corporate entities and ensure compliance in practice.

LEARNING OUTCOMES

A candidate who passes this paper should be able to:

- Apply legal principles relating to formation of companies
- Evaluate the rights and obligations of members and shareholders
- Comply with the legal principles governing liquidation of corporates
- Comply with the legal principles governing restructuring of companies
- Comply with the legal principles relating to companies incorporated outside the country
- Comply with the legal requirements relating to the financing of companies.

CONTENT

1. **Nature and classification of companies**
   - 1.1 Nature and characteristics of a company
   - 1.2 Types of companies
   - 1.3 Principle of legal personality and veil of incorporation
   - 1.4 Distinction between companies and other forms of business associations sole proprietorships, partnerships and cooperative societies.

2. **Formation of companies**
   - 2.1 Promoters and pre-incorporation contracts and deeds.
   - 2.2 Process and drafting documents required to form a company.
   - 2.3 Rules relating to company names
   - 2.4 Memorandum and articles of association
   - 2.5 Certificate of incorporation
   - 2.6 Effects of incorporation
   - 2.7 Execution of a company's documents
   - 2.8 Alteration of status of companies

3. **Membership of a company**
   - 3.1 Acquisition of membership
   - 3.2 Register of members
   - 3.3 Rights and liabilities of members
   - 3.4 Cessation of membership
   - 3.5 Register of a company's beneficial owners
   - 3.6 Derivative actions.

4. **Shares**
   - 4.1 Classes of shares
   - 4.2 Variation of class rights
   - 4.3 Share certificates
   - 4.4 Issue and allotment
   - 4.5 Transfer and transmission

4.6 Transfer of shares under central depository system
4.7 Mortgaging and charging of shares

5. **Share capital**
5.1 Meaning and types of share capital
5.2 Raising of share capital
5.3 Prospectus/information memorandum
5.4 Maintenance of capital
5.5 Alteration and Consolidation of share capital
5.6 Dividends

6. **Debt capital**
6.1 Borrowing powers of a company
6.2 Company assets that can secure a company's borrowings
6.3 Company debentures
6.4 Company charges
6.5 Meetings and resolutions in respect of debt capital
6.6 Registration of charges
6.7 Remedies for debenture holders

7. **Company meetings**
7.1 Nature and classification of company meetings
7.2 Types of company meetings held to execute various functions of company meetings
7.3 Methods of holding company meetings
7.4 Essentials of a valid physical, virtual and hybrid meeting Voting
7.5 Resolutions
7.6 Drafting resolutions
7.7 Protection of minority shareholders

8. **Company Directors**
8.1 Qualifications, appointment and disqualification
8.2 Powers and duties of directors
8.3 Removal and vacation of office
8.4 Register of directors
8.5 Remuneration of directors
8.6 Loans to directors
8.7 Compensation for loss of office
8.8 Disclosure of director's interest in contracts
8.9 The rule in Turquand's case/Indoor Management rule
8.10 Insider dealing

9. **The Company Secretary**
9.1 Qualification, appointment and removal
9.2 Powers and duties of the Company Secretary
9.3 Liability of the Company Secretary
9.4 Register of Secretaries

10. **Auditors**
10.1 Qualification, appointment and removal
10.2 Remuneration of auditors

10.3 Powers and duties
10.4 Rights and liabilities

11. **Company accounts**
11.1 Books of accounts
11.2 Form and content of accounts
11.3 Group accounts
11.4 Director's report

12. **Audit of Company Accounts**
12.1 Auditor's report
12.2 Annual returns

13. **Company Investigation**
13.1 Investigation of company affairs
13.2 Appointment and powers of inspectors
13.3 Inspector's report

14. **Corporate restructuring**
14.1 Need for restructuring
14.2 Mergers
14.3 Post - merger reorganisation of a company's share capital
14.4 Takeovers and acquisitions
14.5 Mergers and divisions of public companies
14.6 Compromises, arrangements, reconstructions and amalgamations

15. **Receivership, Administration, Liquidation and Dissolution of companies**
15.1 Meaning of receivership, administration and dissolution
15.2 Appointment and vacation of office by the Official Receiver
15.3 Powers and duties of a receiver
15.4 Termination of receivership
15.5 Appointment of an administrator
15.6 Functions and powers of an administrator
15.7 Process of administration
15.8 Termination of appointment and replacement of administrators
15.9 Company voluntary arrangements
15.10 Meaning of liquidation
15.11 Types of liquidation
15.12 Appointment, powers and duties of liquidators
15.13 Discharge of liquidators
15.14 Distribution of assets and dissolution of companies

16. **Foreign Companies**
16.1 Process of registering a company
16.2 Certificate of registration
16.3 Power to hold land
16.4 Registration of charges
16.5 Accounts of foreign companies
16.6 Service of process and notices on foreign companies
16.7 Returns
16.8 Penalties
16.9 Cessation of business

PAPER NO. 8 PUBLIC SECTOR GOVERNANCE, POLICY AND ADMINISTRATION

UNIT DESCRIPTION

This paper is intended to equip the candidate with the requisite knowledge, skills and competencies that will enable them implement governance principles in the public sector, formulate and implement relevant policies and effectively administrate public sector matters.

LEARNING OUTCOMES

A candidate who passes this paper should be able to;

- Evaluate the theoretical perspectives of public policy and administration;
- Analyse the political and economic environment of public policy and administration;
- Manage policy and operational relationships between levels of government;
- Interrogate policies in various sectors and apply them to development;
- Apply appropriate leadership and managerial systems and processes in governance; and
- Uphold ethical, patriotic and accountable culture in governance.

CONTENT

1 Administrative theory

1.1 Historical and theoretical perspectives of public administration;

1.2 Concepts and principles of public administration;

1.3 Administrative processes;

1.4 Overview and the Role of Judicial Review

1.5 Primary features of administrative systems;

1.6 Authority, power and influence;

1.7 Relationship between public administration and politics; and

1.8 Public administration challenges in the public sector.

2. Government organization, functions and practices

2.1 Concepts, principles and levels of government;

2.3 Constitutional and legal framework for devolution;

2.4 Separation of powers/checks and balances through the arms of government;

2.5 Structure and Functions of Government - national and county;

2.6 Interface between the National and county governments;

2.7 Statutory provisions for conflict resolution;

2.8 Role and responsibility of Certified Secretaries and Governance Auditors in management of government; and

2.9 Management of the political environment.

3 Theories and models of public policy

3.1 Historical and theoretical perspective of public policy;

3.2 Concepts and principles of public policy;

3.3 Public policy formulation processes (agenda setting, actors and roles);

3.4 Policy design formulation, implementation, monitoring and evaluation;

3.5 Public participation in the policy process; and

3.6 Benefits of public policy in national development.

4 Public policy and national development

4.1 Classical and neoclassical models of development;

4.2 The role of the State in development;

4.3 The political economy of development;

4.4 Linkage of public administration and public policy;

4.5 Linkage between national and county development plans;

4.6 National and ounty plans and policies;

4.7 Stakeholder's involvement in development planning;

4.8 Characteristics of effective plans and policies; and

4.9 Challenges of public policy formulation and implementation

5 Public policy analysis

5.1 Concept and rationale for public policy analysis;

5.2 Diagnosing and defining the problem (data collection and analysis)

5.3 Tools of public policy analysis;

5.4 Policy analysis models;

5.6 Policy implementation, monitoring and evaluation;

5.7 Stakeholders analysis (mapping the political and ideological contexts); and

5.8 Research in public policy.

6 Citizen participation and development planning

6.1 The concepts of civic education and public participation;

6.2 Rationale for public participation;

6.3 Legal framework for public participation: Constitution and legislative provisions

6.4 Principles of public participation;

6.5 Establishment of modalities and platforms of citizen participation;

6.6 Strategies for optimizing stakeholder engagement;

6.7 Benefits of public participation in government decision making; and

6.8 Challenges of public participation.

7 Public sector governance

7.1 Leadership, integrity and national values in public service;

7.2 Principles of Corporate Governance;

7.3 Governance Models;

7.4 Approaches to corporate governance;

7.5 Corporate relationships in the government;

7.6 Values based leadership;

7.7 Professional codes and standards of governance;

7.8 Framework for enforcement of ethics and integrity in public sector; and

7.9 Strategies for handling ethical and integrity challenges

8 Resource Stewardship

8.1 Legal and institutional framework in resource management; (Public Finance Management Act)

8.2 Resource mobilisation (revenue and debt);

8.3 Public sector planning and budgeting, budgetary process and budgetary expenditure control;

8.4 Resource utilisation for delivery of goods and services (Public Procurement and Asset Disposal Act)

8.5 Reports and accounts for funds, outputs and results; and

8.6 External audit for oversight/ external accountability (Public Audit Act)

9 Management of public enterprises

9.1 Theoretical foundations of public enterprises;

9.2 State-market debate;

9.3 Typology of public enterprises;

9.4 Organisation and governance structure;

9.5 Regulatory and legal framework of public enterprises;

9.6 Public investment appraisal;

9.7 Relationship between government agencies and private firms in the market place;

9.8 Performance of public enterprises across sectors and countries;

9.9 Reform of public enterprises including privatisation/divestiture;

9.10 Public Private Partnerships

10 Case studies in public sector governance, policy and administration

PAPER NO. 9 MEETINGS: COMPLIANCE AND ADMINISTRATION

UNIT DESCRIPTION

This paper is intended to equip the candidate with the knowledge, skills and attitudes that will enable him/her to comply with legal requirements for conducting meetings in both public and private sectors

LEARNING OUTCOMES

A candidate who passes this paper should be able to:

- Demonstrate an understanding of the law and procedure of meetings
- Develop an agenda and prepare the relevant documentation for various meetings
- Plan and manage meetings in various environments.
- Relate effectively with various stakeholders during meetings.
- Develop a compliance strategy and plan
- Conduct a compliance assessment/compliance health check

CONTENT

1. **Introduction to Meetings**
   - 1.1 Legal and regulatory frameworks for different kinds of entities
   - 1.2 Meaning of a meeting
   - 1.3 Types of meetings; private and public sector meetings
   - 1.4 Maintaining order at meetings
   - 1.5 Police powers in relation to public and private meetings
   - 1.6 Meetings held in public places
   - 1.7 Meetings held in private places
   - 1.8 Convention, constitution and conduct of meetings
   - 1.9 Complying with requirements of various meetings
   - 1.10 Elections
   - 1.11 Resolutions
   - 1.12 Adjournments and postponement
   - 1.13 Role of the chair, secretary and members before, during and after meeting
   - 1.14 The meeting chairperson; qualifications, qualities and effectiveness, appointment and removal
   - 1.15 Law of defamation**;** nature and scope, defamatory statements, defences and legal remedies

2. **Professional framework of the corporate secretarial profession**
   - 2.1 Evolution of the corporate secretarial profession (Global perspective and Case study of Kenya)
   - 2.2 Legal and regulatory framework
   - 2.3 Role and mandate of corporate secretarial professional bodies
   - 2.4 Procedures on registration and deregistration as a member
   - 2.5 Professional qualifications and qualities of a secretary
   - 2.6 Required knowledge, skills and competencies
   - 2.7 Appointment and vacation of office of the Secretary
   - 2.8 Professional engagement and clearance as a Corporate Secretary
   - 2.9 Rights, statutory and contractual obligations of a corporate secretary
   - 2.10 Role of corporate secretarial
   - 2.11 Continuous professional development

2.12 Disciplinary procedures

3. **Governance standards and guidelines**
   - 3.1 GS 001: General Meetings
   - 3.2 GS 002: Meetings of the Board
   - 3.3 GS 003: Minutes
   - 3.4 GS 004: Resolutions
   - 3.5 GS 005: Board papers
   - 3.6 GS 006: Registers and records
   - 3.7 GS 007: Filing annual returns
   - 3.8 GS 008: Common seal
   - 3.9 GG 001- Professional ethics
   - 3.10 GG 002- Role of the corporate secretary
   - 3.11 GG 005: Virtual meetings

4. **Members' Meetings**
   - 4.1 Meaning, nature and scope of members' meetings
   - 4.2 Statutory meeting
   - 4.3 Annual general meeting
   - 4.4 Special general meeting
   - 4.5 Extraordinary general meeting
   - 4.6 Class meeting
   - 4.7 Meeting of debenture holders
   - 4.8 Duties of the corporate secretary before, during and after a general meeting
   - 4.9 Methods of holding company meetings
   - 4.10 Requirements for a valid physical, virtual and hybrid members' meeting
   - 4.11 Requirements for circulation of resolutions
   - 4.12 Requirements for keeping records of corporate resolutions and meetings

5. **Board and Committee Meetings**
   - 5.1 Meaning, membership and functions of the board
   - 5.2 Powers of the board
   - 5.3 Restrictions on board members' powers
   - 5.4 First board meeting
   - 5.5 Subsequent board meetings
   - 5.6 Meetings of board committees
   - 5.7 Requisites of valid board and committee meetings
   - 5.8 Legal provisions regarding convening and management of board and committee meetings
   - 5.9 Board annual work plan and calendar
   - 5.10 The role of the secretary before, during and after board and committee meeting

6. **Meetings in Company liquidation**
   - 6.1 Introduction to members' and creditors' voluntary liquidation
   - 6.2 Legal provisions for members' and creditors' voluntary liquidation
   - 6.3 Liquidation by the court
   - 6.4 Legal provisions for liquidation by the court.

7. **Meetings of County and National Assembly**
   - 7.1 Standing orders
   - 7.2 Meetings of the House

7.3 Requirements for a valid physical, virtual and hybrid physical, virtual and hybrid National Assembly meeting
7.4 Swearing in of members and election of Speaker
7.5 Sittings and adjournment of the House
7.6 Quorum of the House
7.7 Order of Business
7.8 Motions and Amendments
7.9 Divisions
7.10 Rules of Debate
7.11 Limitations of Debate
7.12 Requirements for keeping records of County and National Assembly meetings

8. **Registration and Compliance Requirements for:**
8.1 Pension Funds
8.2 Cooperative Societies
8.3 Political Parties
8.4 Public Benefit Organisations
8.5 Education Institutions
8.6 Religious Institutions
8.7 Residents Associations
8.8 Business names
8.9 Partnerships
8.10 Companies
8.11 Foreign branch establishments
8.12 Drafting, altering and registration of memorandum of association, articles of association, by-laws and other constitutive documents for various forms of organisations
8.13 Shareholders agreements

9. **Seal and Authentication of documents**
9.1 Approval of Common Seal
9.2 Form and content of Common Seal
9.3 Authority and mode of affixation
9.4 Register of documents executed under common seal
9.5 Custody of Common Seal
9.6 Official seal for use abroad
9.7 Authentication of documents
9.8 Legal, regulatory and professional requirements

10. **Listing at the securities exchange**
10.1 Listing requirements:
10.2 Regulatory regime
10.3 Listing process
10.4 Types of public issue
10.5 Role of the advisers: sponsor, broker, financial public relations consultants, lawyers, accountant, share registrars, other advisers
10.6 Prospectus contents and approval
10.7 Dematerialisation

11. **Statutory Reports, Registers, Records and Returns**
11.1 Meaning, types and contents

11.2 Maintenance of statutory reports, registers, records and returns
11.3 Legal and regulatory requirements on filing of statutory reports, registers, records and returns for various types of organisations
11.4 Annual statutory returns
11.5 Register of Members
11.6 Register of Directors and Secretaries
11.7 Register of Allotments
11.8 Register of Transfers
11.9 Register of Charges
11.10 Register of Beneficial Owners
11.12 Register of Residential Address, etc.
11.13 Register of charges and debentures
11.14 Registers of interests in voting shares of a public company
11.15 Tax, NHIF, and NSSF requirements
11.16 Occupational safety and health format of registers, custody and retention of registers
11.17 Access to records and registers
11.18 Inspection: in person, right to request copies, fees
11.19 Minute books: custody and retention, access rights
11.20 Financial records: custody and retention, inspection
11.21 Integrated Reporting
11.22 Corporate governance report
11.23 Directors' remuneration report
11.24 Retention periods for documents and registers
11.25 Managing Classified information
11.26 Preparation and approval of registers and records
11.27 Process and procedure of effecting and filing corporate changes in: register of members; board members, registered capital, corporate, corporate address, corporate name, corporate objective
11.28 Role and responsibilities of the corporate secretary in the external audit process and in the annual reporting cycle
11.29 Penalties for non-compliance

12. **Compliance Strategy and Plan**
12.1 Nature of a compliance strategy and plan
12.2 Preparation and execution of a compliance strategy and plan
12.3 Monitoring and evaluation of the strategy and plan
12.4 Draft a compliance checklist and schedule for the organisation.
12.5 Compliance Assessment/Compliance health check
12.6 Periodical fit and proper tests for directors, Corporate Secretary and Senior Management
12.7 Annual review of implementation status of previous board resolutions
12.8 Statutory review and comparison of Corporate and registry records to ensure consistency and full compliance with prevailing statutory rules
12.9 Remedial work to regularise anomalies and to remedy compliance failings identified during the status check and statutory review procedures
12.10 Preparatory compliance checks and remediation in view of transactional work
12.11 Setting-up, monitoring and updating of corporate calendar

13. **Management of Share Registration Services**
13.1 Issue of shares at par/premium/discount

13.2 Letters of offer, allotment letters renunciation
13.3 Call on shares
13.4 Rights and bonus issues
13.5 Shares with different differential rights
13.6 Issue and redemption of shares
13.7 Immobilisation of share certificates
13.8 Shareholder rights
13.9 Share ownership registration
13.10 Maintenance of registers of members and debenture holders
13.11 Manual and electronic share registers
13.12 Shares transfer and shares transmission
13.13 In house and outsourced share registry service
13.14 Managing unclaimed shares
13.15 Role of the Secretary in share registration

14. **Management of Dividends**
14.1 Types of dividends
14.2 Management of dividends
14.3 Procedure in dividends payment
14.4 Payment and taxation of dividends
14.5 Declaration of dividends out of reserves
14.6 Restriction on distribution
14.7 Closure of register of members
14.8 Managing unclaimed dividends
14.9 Role of the Secretary in dividends payment

15. **Technology and Meetings**
15.1 Laws, regulations and guidelines on virtual meetings
15.2 Technology in use in virtual meetings
15.3 Planning and conducting virtual meetings
15.4 Risks associated with virtual meetings and their mitigations
15.5 Virtual meetings etiquette

PAPER NO. 10: FINANCIAL MARKETS AND SPECIALISED INSTITUTIONS

UNIT DESCRIPTION

This paper is intended to equip the candidate with the knowledge, skills and attitudes that will enable him/her to apply governance and regulatory requirements in relation to financial market transactions.

LEARNING OUTCOMES

A candidate who passes this paper should be able to:

- Identify financial institutions and markets
- Advise on financial market regulations
- Trade in financial securities
- Explain the roles and functions of the financial sector in the economy
- Describe the emerging issues and trends in the financial markets
- Explain governance systems in specialised institutions

CONTENT

1. **Market organisation and structure**
   - 1.1 Functions of financial markets
   - 1.2 Classifications of financial assets and markets
   - 1.3 Structure of financial markets
   - 1.4 Players within the financial services industry: central banks, retail banks, corporate banks; investment banks; retirement schemes; insurance companies; Saccos, fund managers; securities exchanges, stockbrokers; online foreign exchange brokers, insurance brokers, investment advisors, custodians; REIT managers and trustees, pension administrators; industry associations; professional bodies; crowdfunding; collective investment schemes (CIS); credit rating agencies
   - 1.5 Major types and characteristics of securities traded in organised markets: Equities, government bonds and bills, corporate bonds, currencies, derivative contracts and commodities.
   - 1.6 Flow of funds and financial systems
   - 1.7 Characteristics of a well-functioning financial system
   - 1.8 Automation of security exchanges: Automated trading systems (ATS)

2. **Raising capital in the securities market**
   - 2.1 Types of shares
   - 2.2 Private offers
   - 2.3 Public offers; listing by introduction, offer by tender and rights issue
   - 2.4 Prospectus/information memorandum
   - 2.5 The International Organisation of Securities Commissions (IOSCO) principles for issuers

3. **Central Depository System**
   - 3.1 The Central Depository Settlement Corporation
   - 3.2 Establishment of the central depository
   - 3.3 Duties of a central depository
   - 3.4 Central depository agents
   - 3.5 Rules and regulations of the central depository
   - 3.6 Remedies for breach of duties
   - 3.7 Security measures in the system
   - 3.8 Central Depository Guarantee Fund

3.9 Immobilisation and dematerialisation of securities

4. **Securities Exchange**
   - 4.1 Establishment, membership and roles of the security exchange
   - 4.2 Listing and post listing requirements
   - 4.3 Restriction of trade in eligible securities exchange
   - 4.4 Self-listing of the exchange
   - 4.5 Cross border listing

5. **Securities transactions**
   - 5.1 Book entry of transactions and prohibition
   - 5.2 Records of depositors
   - 5.3 Suspended securities
   - 5.4 Suspension and delisting of securities
   - 5.5 Charging or mortgaging of securities
   - 5.6 Bonus and rights issues
   - 5.7 Prohibition of dealings in book entry securities
   - 5.8 Insider trading
   - 5.9 The International Organisation of Securities Commissions(IOSCO) principles for enforcement of securities regulation

6 **Financial markets regulation**
   - 6.1 Historical development of the law and regulations governing financial markets
   - 6.2 The need for regulation and authorisation of firms
   - 6.3 Asymmetric information and financial regulation: government safety net, restrictions on asset holdings, capital and governance requirements.
   - 6.4 Role of government in the financial system; Capital Markets Authority (CMA), Central Bank of Kenya, Retirement Benefits Authority, Insurance Regulatory Authority, The Sacco Societies Regulatory Authority (SASRA), the Unclaimed Financial Assets Authority, Kenya Deposit Insurance Corporation (KDIC) and the Financial Reporting Centre
   - 6.5 Regulation of financial market intermediaries: Stockbrokers, Stock dealers, Investment banks, Investment advisers, Fund managers, Credit rating agencies,Collective investments schemes, Custodians, The International Organisation of Securities Commissions (IOSCO) principles for credit rating agencies, collective investment schemes and market intermediaries, Central Depository and Settlement Corporation (CDSC)
   - 6.6 Main aims and activities of financial services regulators
   - 6.7 Anti-money laundering and prevention of terrorism financing
   - 6.8 Functions and powers
   - 6.9 Due diligence requirements
   - 6.10 Corporate governance and conduct of business requirements
   - 6.11 Financial supervision: chartering and examination, assessment of risk
   - 6.12 Regulations in the international financial markets
   - 6.13 The International Organisation of Securities Commissions(IOSCO) principles for self-regulation
   - 6.14 Management, disclosure requirements, restrictions on competition
   - 6.15 Financial liberalisation, stratification and rationalisation
   - 6.16 Financial inclusion and deepening
   - 6.17 Bank runs and panics
   - 6.18 The liquidity crisis

7. **Legal, Regulatory and Governance systems in Specialised Institutions**

7.1 Pension Schemes
7.2 Trusts and Foundations
7.3 Clubs
7.4 Religious organisations
7.5 Educational institutions
7.6 Co-operative societies
7.7 Non governmental Organisations

PAPER NO. 11 CORPORATE GOVERNANCE AND ETHICS

UNIT DESCRIPTION

This paper is intended to equip the candidate with the knowledge, skills and attitudes that will enable him/her to practice the tenets of good corporate governance and demonstrate adherence to ethics for enhanced organisational performance and achievement of corporate and strategic objectives.

LEARNING OUTCOMES

A candidate who passes this paper should be able to:

- Apply leadership principles and practices in the context of good corporate governance and ethics
- Apply best practices in good corporate governance and ethics
- Demonstrate an understanding of the links between corporate governance and ethics and development of different types of corporate governance solutions.
- Effectively resolve ethical dilemmas based on corporate policy and governing criteria.

CONTENT

1. **Overview of Corporate Governance and Ethics**
   - 1.1 Defining corporate governance
   - 1.2 Importance of corporate governance and ethics
   - 1.3 Pillars of good corporate governance
   - 1.4 Principles of good corporate governance
   - 1.5 Comparative corporate governance system
   - 1.6 Evolution of corporate governance
   - 1.7 New models for corporate governance and ethics
   - 1.8 Ethics and the law
   - 1.9 Universality of ethics

2. **Theories of Corporate Governance and Ethics**
   - 2.1 Agency Theory
   - 2.2 Stewardship Theory
   - 2.3 Stakeholder Theory
   - 2.4 Legitimacy Theory
   - 2.5 Resource dependence theory
   - 2.6 Political theory
   - 2.7 Transaction cost theory
   - 2.8 Deontology Theory
   - 2.9 Utilitarianism Theory
   - 2.10 Rights Theory
   - 2.11 Virtue Theory

3. **Board governance models**
   - 3.1 Advisory board
   - 3.2 Patron governance model
   - 3.3 Cooperative model
   - 3.4 Management team model
   - 3.5 Policy board model
   - 3.6 Fund raising board model
   - 3.7 Traditional Model
   - 3.8 Carver board model

3.9 Cortex board model
3.10 Consensus board model
3.11 Competency board model
3.12 Governance of family-owned firms
3.13 Emerging Board governance models: case study of independent offices and constitutional commissions in Kenya

4. **The Board of Directors**

4.1 **Appointments**

4.1.1 Appointments of directors, composition and size
4.1.2 Appointment of the Chair
4.1.3 Appointment of the CEO
4.1.5 Appointment of Corporate Secretary/Governance Professional
4.1.6 Appointment of external auditor

4.2 **Governance body roles and responsibilities**

4.2.1 The legal context
4.2.2 The role of the Chair
4.2.3 Separation of roles of the Chairman, CEO and Corporate Secretary
4.2.4 Board induction and continuous skills development
4.2.5 The role of the board and management
4.2.6 CEO and other executives' succession planning
4.2.7 Strategy performance and reporting
4.2.8 Policy
4.2.9 Oversight
4.2.10 Accountability

4.3 **Board Performance assessment and effectiveness**

4.3.1 Board structure and composition
4.3.2 Board Procedures
4.3.3 Board functions and behaviors
4.3.4 Advancing corporate governance from compliance to competitive advantage
4.3.5 Assessing performance and remuneration of directors and senior management
4.3.6 Board effectiveness

5. **Internal Corporate Documents**

5.1 Constitutive documents including memorandum association, articles of association, Bylaws, Trusteed, and constitution
5.2 Shareholder agreements
5.3 Board manual and charter
5.4 Board annual work plan
5.5 Internal regulations of the organisation
5.6 Codes of Corporate Governance
5.7 Codes of Ethics
5.8 Performance evaluation tools

6. **Governance of Risk**

6.1 Strategic risk and the board
6.2 Risk appetite framework

6.3 Different types of risk
6.4 Board oversight functions
6.5 Internal control framework
    6.5.1 Internal auditor
    6.5.2 External auditor
    6.5.3 Audit Committee
    6.5.4 Internal audit guidelines and procedures
6.6 Compliance risk
6.7 Best practices for overseeing risk, assurance and reporting

7. **Environmental, Social, and Corporate Governance (ESG) Framework**
7.1 Environmental protection
7.2 The triple bottom line
7.2 Social audit
7.3 Sustainability
7.4 Diversity
7.5 Corporate reputation and image
7.6 Corporate Social Responsibility: Strategies, policies, ethical issues and impact of CSR
7.7 Shareholder and stakeholder relations
7.8 Stakeholder rights, interests and obligations
7.9 Stakeholder dispute resolution
7.10 The dynamics of institutional investors

8. **Ethical Behavior**
8.1 Understanding ethics, morality, values and integrity
8.2 Ethics versus regulation
8.3 Ethics and corporate governance
8.4 Roles of the board in promoting ethical conduct
8.5 Defining business ethics
8.6 Key components of ethical policy
8.7 Ethical culture
8.8 Resolving ethical dilemmas
8.9 Conflict of interest and related party transactions
8.10 Insider trading
8.11 Standards of conduct and personal integrity
8.12 Becoming a transparent organisation
8.13 Organisational integrity
8.14 Whistle blowing
8.15 Ethics and technology
8.16 Ethics and globalisation
8.17 Transparence and disclosure in promotion of corporate ethical culture

9. **Compliance with Laws and Regulations**
9.1 Overview of legal and regulatory framework on governance and ethics
9.2 Constitutional provisions on governance and ethics
9.3 Compliance strategy
9.4 Legal and compliance audit
9.5 Role of professional and regulatory bodies in promoting governance and ethics
9.6 International legislative and regulatory frameworks

10. **Contemporary Issues and Case Studies in Corporate Governance and Ethics**

PAPER NO. 12 RESEARCH, CONSULTANCY AND ADVISORY

UNIT DESCRIPTION

This paper is intended to equip the candidate with the knowledge, skills and attitudes that will enable him/her to design and implement research, translate research findings as well as undertake consultancy and advisory services on matters of governance, compliance and management.

LEARNING OUTCOMES

A candidate who passes this paper should be able to:

- Articulate a clear research question or problem and formulate a hypothesis
- Identify and apply appropriate research approaches and methodologies
- Write a research report and explain their research findings through presentations
- Effective manage and implement management consultancy projects
- Develop project implementation plans
- Demonstrate coaching and facilitation skills and techniques as components of consultancy and advisory services

CONTENT

1. Underlying Theories/Models of Research, Consultancy and Advisory

1.1Selected Research and Consultancy Theories

- Social-systems theory
- Social network theory
- Situated learning theory
- Otherness & Parasites theory
- The Intervention Theory of Argyrols.
- Blake and Mouton's Consultation Theory
- Weisberg's Theory of Organisational Diagnosis
- Theory of Planned Behaviour
- Innovation diffusion theory.
- General Deterrence Theory

2 Introduction to Research

2.1 General Overview

- Research Philosophies
- Research Methodologies
- Types of Research
- Research design
- Purpose and importance of research
- Research ethics and integrity

2.2 Types of Research

- Historical Research
- Comparative Research
- Descriptive Research
- Correlation Research

- Experimental Research
- Evaluation Research
- Causal research
- Correlational research
- Action Research
- Echogenic Research
- Feminist Research
- Cultural Research

3 Research Process

3.1 Problem Formulation

- Problem identification/conceptualization
- Research Questions
- Hypothesis construction, characteristics of hypothesis, hypothesis testing.
- Statement of Objectives
- Literature Review; citations
- Conceptual framework

3.2 Tests of Hypothesis

- Basic Concepts Concerning Testing of Hypotheses
- Procedure for Hypothesis Testing
- Type I Type II Errors
- Test of Significance

3.3 Methods of Sampling

- Systematic Sampling
- Distinction between a Systematic Random sample and a Simple Random Sample
- Stratified Sampling
- Strategies involved in Stratified Sampling
- Advantages of Stratified Sampling over other Sampling Methods 6.6 Disadvantages of Stratified Sampling
- Some Non-Random Sampling Method

3.4 Data Collection

- Unpublished Sources
- Published Data
- Necessary Guidelines for Collecting Reliable Data
- Methods of Collecting Data
- Stages in the Collection of Data
- Design of a Good Questionnaire

3.5 Processing and analysing data

- Steps in Data Analysis
- Methods of data analysis
- Narrative Data Analysis
- Statistical Data Analysis
- Descriptive Data Analysis
- Data Analysis Techniques
- Univariate Distribution
- The Frequency Distribution

- Measures of Central Tendency
- Measures of Dispersion
- Types data analysis and significance tests.
- Use of software
- Interpretation of results
- The cyclic nature of research

3.6 Data interpretation and presentation

- Technique of Interpretation
- Precaution in Interpretation
- Frequency tables
- Pie charts
- Graphs

3.7 Writing the report.

- Significance of Report Writing
- Different Steps in Writing Report
- Layout of the Research Report
- Types of Reports
- Oral Presentation
- Precautions for Writing Research Report

4 Research Proposal, Research Report Writing and Referencing

- Basic principles
- Formats, contents, presentation data presentation; use of charts, graphs and tables.
- Referencing styles, citation of primary and secondary sources, foot notes and end notes, bibliography and references
- Format of Certified Secretaries research project

5 Introduction to Advisory and Consultancy

5.1 General Background

- Role of consultants
- Qualities of a good consultant
- Developing internal consulting skills
- The internal consultant's role
- How the internal consultant differs from line management and external consultancy
- Skills and knowledge requirements
- Time management, managing customer expectations, creative problem solving, communication skills, working with clients, managing politics, managing conflict, managing client-consultant relationships.
- Difference between Consultancy and Advisory
- Uses of consultants – public sector, private sector, and internal consulting
- Consulting roles and culture
- Professionalism and ethics
- Legal and ethical considerations

5.2 Nature and Purpose of Management Consulting

- What is consulting?

- Why are consultants used? Five generic purposes
- How are consultants used? Ten principal ways
- The consulting process
- Evolving concepts and scope of management consulting

5.3 The Consulting Industry

- A historical perspective
- The current consulting scene
- Range of services provided
- Generalist and specialist services
- Main types of consulting organisation
- Internal consultants
- Management consulting and other professions

6 The Advisory Discipline

- Role of an Advisor
- What Makes a Good Advisor?
- Strategy, Execution and Accountability
- Crisis Management
- Business Resilience Overview
- Mapping Out the Client Discovery
- Building Trust
- Confidence and Experience
- Business Planning Process

7 Conducting Consultative & Advisory Services

7.1 Basic Consultative Approaches

- Expert Approach
- Medical (Doctor-Patient) Approach
- Process Approach
- Emergent Approach (Emergent Organisational Development And Change (EODC)

7.2 The Client and Consultant Relationship

- Defining roles and expectations
- The client and the consultant systems
- Critical dimensions of the consultant–client relationship
- Negotiation, persuasion and coaching skills

7.3 Professionalism and Ethics in Consulting

- Is management consulting a profession?
- The professional approach
- Professional associations and codes of conduct
- Certification and licensing
- Legal liability and professional responsibility

8 Facilitation Skills

8.1 Introduction to facilitation

- Definition of facilitation
- Purpose of facilitation
- Role and skills of the facilitator
- Differences between facilitation, instruction, training, and chairing

8. 2 Facilitation process

- Problem/goal identifications
- Problem resolution/decision making
- Implementing solution
- Groups dynamics
- Group decision making
- Guidelines for group consensus building
- Managing behaviours
- Team development
- Facilitations tools and techniques: brainstorming, cluster, voting, process mapping, storyboarding, Ishikawa diagram – fishbone, nominal group technique, de bono, thinking hats, solving performance problems, etc.
- Presentation: opening and closing; audience; purpose (convince, educate, motivate etc.); content; time; tools; style; practionalities – 3 ps (prepare, practice and practice again); preparing PowerPoint presentations
- Handling controversial issues
- Communication skills
- Listening skills-watching both verbal and nonverbal cues
- Providing effective feedback
- Managing divergent perspectives
- Leveraging on ICT in facilitating

9 Coaching Skills

- Role and skills of an effective coach
- Managing from a coaching perspective
- Handling resistance to constructive criticism
- Using effective probing and questioning
- Workplace coaching techniques
- Key motivational coaching skills
- Limitations of coaching
- Differences between coaching, mentoring, counselling, training, managing, consulting and life coaching
- Essential coaching skills: listening, questioning, reflecting back and mirroring, paraphrasing and summarising
- The grow model and its applicability
- Selecting a coaching style to match the individual situation
- Planning and delivering a structured coaching session
- Measuring the success and impact of the coaching

10 The Consulting Process

10.1 Introduction

- Entry and Contracting
- First client meetings
- Preliminary problem diagnosis
- Terms of reference - Technical proposals and Financial proposals
- Assignment strategy and plan
- Proposal to the client
- The consulting contract
- Types of projects and project cycles
- Proposal development
- Consulting contract
- Service Quality
- Engagement and Implementation
- Management of projects
- Presentations and communicating with clients
- Ongoing client contact and service
- Extension, Recycle, or Termination
- Time for withdrawal
- Final reporting
- Evaluation & validation
- Feedback to the client

10.2 Action Planning

- Searching for possible solutions
- Developing and evaluating alternatives
- Presenting action proposals to the client

10.3 Implementation

- The consultant's role in implementation monitoring implementation
- Training and developing client staff
- Some tactical guidelines for introducing changes in work methods
- Maintenance and control of the new practice

10.4 Termination

- Time for withdrawal
- Evaluation
- Follow-up
- Final reporting

11 Managing a Consulting Firm

- Fundamentals of management in the consulting profession
- The management challenge of the professions
- Managing a professional service
- Managing a professional business
- Achieving excellence professionally and in business

11.1 The Consulting Firm's Strategy

- The strategic approach
- The scope of client services
- The client base
- Growth and expansion
- Going international
- Profile and image of the firm
- Strategic management in practice

11.2 Legal and Ethical Issues

- Legal risks and management
- Client privilege issues
- Professional ethics
- Client's Perspective
- Selection of consultants
- Effective management of consultants
- Evaluation of performance
- Use of consultants
- Maintaining independence and objectivity

11.3 Marketing Professional Services

- Features of services: Intangibility; Inseparability; Heterogeneity (or variability); Perishability.
- Challenges in marketing services
- Marketing techniques for professional services
  - Specialization and niche targeting
  - Blogs and articles
  - A lead-generating website
  - Search engine optimization (SEO)
  - Speaking engagements
  - Trade show participation
  - Social media
  - Online video
  - Other techniques
- Direct and indirect channels of distribution
- Legal, professional and ethical considerations. - ICS guideline on professional ethics and conduct

11.4 Pricing Professional Services

- Factors that determine pricing: cost, client value, competition, one off or retainer, pricing guidelines by professional body
- Pricing strategies
- A value-based pricing strategy
- Time and materials pricing
- Market pricing,
- Package pricing/ fixed pricing

12 Managing Consultancy and Advisory Process Cycle

- Obtaining the assignment

- Terms of reference for consultancy assignments
- Technical and financial consultancy proposals
- Preparation for consultancy assignments
- Understanding clients' needs
- Determining the scope of assignment
- Client readiness and consultant's capability
- Gathering key information
- Developing an action plan
- Recording progress and client feedback
- Report writing
- Step-by-step approach of the advisory process
- Implementation of your advice/change
- checking for consistency, understanding your clients, and proposals,
- Monitor and evaluate consultancy assignments
- Legal and ethical issues in the management of consultancy assignments

13 Case studies in research, consultancy and advisory

ADVANCED LEVEL

PAPER NO. 13 STRATEGIC MANAGEMENT

UNIT DESCRIPTION

The aim of the paper is to strengthen the strategic thinking capability of the candidate in formulating and implementing a corporate strategy that can help organisations build a sustainable competitive advantage.

LEARNING OUTCOMES

A candidate who passes this paper should be able to:

- Analyze an organization's environment and formulate an actionable business strategy that is grounded in theory and practice from multiple business disciplines
- Demonstrate an ability for critical and strategic thinking
- Develop and implement a realistic strategic plan
- Understand the strategic decisions that organisations make in strategic management
- Effectively react to and incorporate emerging issues in strategic management.

CONTENT

1. Overview of Strategic Management

- Concept of strategy
- Purpose of strategy
- Characteristics of strategy
- Advantages and disadvantages of strategic planning
- Strategy approaches
- Strategic versus tactical decisions
- Patterns of strategy development

2 History of the Organisation and Culture

- History of the Organisation
  - Importance of history
  - Path dependency
  - History as a resource
  - Historical analysis
  - Mission: stated and perceived
- Organisational culture
  - Influence of culture on strategy

- Undertaking cultural analysis
- Hofstede's Cultural Dimensions Theory

3 Strategy Levels and Intent

- Corporate strategy
- Business strategy
- Operational strategy
- Functional strategy
- Vision statement
- Mission statement
- Strategic objectives
- Statement of corporate values

4 Strategic Management Process

- Steps in the strategic management process
- Strategic management in different contexts
- Uncertainty and strategic drift
- Limitations of strategic management

5 Strategic Analysis: The External Environment

- Policy and administrative framework
- Political environment
- Economic environment
- Sociocultural environment
- Technological environment
- Ecological environment
- Legal environment
- Key drivers for change
- Industry and sector analysis
- Tools for external analysis
- Competitor Analysis

6 Strategic Analysis: The Internal Environment

- Distinctive resources and capabilities as a basis of competitive advantage
- VRIO- value of resources and capabilities, rarity, inimitability, organisational support
- Organisational knowledge as a basis of competitive advantage
- Diagnosing resources and capabilities
- The value chain and value system
- Activity systems

- Benchmarking
- Strengths and Weaknesses
- The Balanced Scorecard and Strategy map
- Critical success factor analysis
- Scenario planning
- Gap Analysis
- SWOT and the business model
    - Key features of corporate culture
    - Health cultures that aid strategy execution
    - Unhealthy cultures that impede strategy execution
    - Influence of culture on strategy
    - Undertaking cultural analysis

7 Business Strategy and Models

7.1 Generic competitive strategies
- Cost leadership strategy
- Differentiation strategy
- Focus strategy
- Hybrid strategy
- The Strategy Clock

7.2 Interactive strategies
- Interactive price and quality strategies
- Cooperative strategy
- Game theory

7.3 Business models
- Value creation. configuration and capture
- Business model patterns

8 Corporate Strategy and Diversification

- Strategy directors
- Diversification and performance
- Vertical integration
- Value creation and corporate parent
- Portfolio matrices
    - The BCG (growth/share) matrix
    - The directional policy (GE- McKinsey) matrix
    - PIMS (Profit Impact on Marketing Strategy
    - Parenting matrix
    - The Scenario/vision – building approach

9 International Strategy

- Internationalisation drivers

- International business environment and challenges
- Geographical sources of advantage
  - Locational advantage: Porter's Diamond
  - The international value system
  - International strategies
  - Market selection and strategy
  - Internationalisation and performance

10 Strategy Development Processes

10.1 Strategic thinking
- The paradox of logic and creativity
- The art and science of strategic thinking
- The "Deep Dive" analogy: acumen, allocation of resources and action

10.2 Strategy formation
- Deliberate strategy developers
- Emergent strategy developers
- Logical incrementalism
- Strategy as an outcome of political processes

10.3 Implications for managing strategy development
- Strategy development in different contexts
- Managing deliberate and emergent strategies

11 Matching Organisational Structure to Strategy

- Value chain activities to be performed internally
- Value chain activities to be outsourced
- Aligning structure with strategy
- Organisational structure
  - Simple structure
  - Functional structure
  - Divisional structure
  - Matrix structure
  - Multinational structures
  - Project-based structures
  - Strategy and structure fit
- Delegation of authority
- Systems
  - Planning system
  - Performance targeting systems
- Configurations and adaptability
  - The McKinsey 7-Ss
  - Agility and resilience

- Collaboration with external parties and strategic allies (network structure)

12 Leadership and Strategic Change

- Strategic Leadership vision and change
- Theories of leadership and change
- Types of strategic change
- Levers for strategic change
- Methods of introducing strategic change
- Strategic leadership roles and effectiveness
- Strategic change: revolution versus evolution
- Diagnosing the change context
- Managing major changes
- Problems of formal change programmes
- Managing corporate politics
- Managing complexity
- Leadership in practice

13 The Practice of Strategy

- The strategists
  - Top managers and directors
  - Strategic planners
  - Middle managers
  - Strategy consultants
- Strategising
  - Strategy analysis
  - Strategy issue-selling
  - Strategic decision making
  - Communicating the strategy
- Strategy methodologies
  - Strategy workshops
  - Strategy projects
  - Hypothesis testing
  - Business cases and strategic plans
- Strategy Implementation
  - Relationship between strategy formulation and implementation
  - Plans Programs and budgets
  - Steps for effective strategy implementation
  - Resource allocation

14 Strategic Control

- Evaluation and control in strategic management
- The strategic control process
- Monitoring evaluation and reporting
- Measuring corporate performance
- Strategic information systems
- Strategic surveillance
- Guidelines for proper control
- Balance Scorecard as a tool for control
- Sustaining organisational effectiveness

15 Contemporary issues and Case Studies in Strategic Management

PAPER NO.14 FINANCE FOR DECISION MAKING

UNIT DESCRIPTION

This paper is intended to equip the candidate with knowledge, skills and techniques that will enable him/her to analyse and interpret financial statements and apply financial management principles to guide decision making**.**

LEARNING OUTCOMES

A candidate who passes this paper should be able to:

- Describe the roles of the statement of financial position, statement of comprehensive income, statement of changes in equity, and statement of cash flows in evaluating a company's performance and financial position
- Identify various sources of finance
- Make basic capital budgeting decisions under environment of certainty
- Prepare budgets for organisations and explain budgetary controls
- Make basic capital structure decisions
- Make appropriate dividend decisions

CONTENT

1. **Overview of Finance**
   - 1.1 Nature and scope of finance
   - 1.2 Finance functions - Managerial, Routine and other emerging functions
   - 1.3 Goals of a firm; financial and non-financial objectives, overlaps and conflicts among the objectives
   - 1.4 Agency theory, stakeholder's theory and corporate governance
   - 1.5 Ethical issues in financial management

2. **Introduction to financing decision**
   - 2.1 Nature and objectives of the financing decision
   - 2.2 Factors to consider when making financing decisions
   - 2.3 Sources of finances for organisations; internally generated funds and the externally generated funds, long term sources, medium term and short term sources of finance
   - 2.4 Sources of finance for small and medium sized enterprises (SMEs)
   - 2.5 Methods of issuing ordinary shares

3. **Financial Statement Analysis and Forecasting**
   - a. Definition of financial statements analysis
   - b. The roles of financial reporting and financial statements analysis
   - 3.3 Users of financial statements and their information needs
   - 3.4 Importance of financial statement analysis
   - 3.5 Cost of disclosing financial information; direct costs, indirect costs
   - 3.6 Analysing financial statements
     - 3.6.1 Income statement: Components and format of the income statement
     - 3.6.2 Statement of financial position; components and format of statement of financial position
     - 3.6.3 Statement of changes in equity; components of equity, equity valuation ratios
     - 3.6.4 Cash flow statements; component and format of the cash flow statement
   - 3.7 Ratio analysis; Meaning and uses of financial ratios - Calculation and interpretation of profitability ratios, Liquidity ratios, efficiency ratios, capital structure ratios, coverage ratios and equity ratios, and limitation of financial ratios

3.8 Common size statements - Vertical and horizontal analysis
3.9 Red flags and accounting warning signs that may indicate financial statements are of poor quality

4. **Budgeting and budgetary control**
4.1 Nature and purposes of budgets
4.2 Limitations of budgeting
4.3 Preparation of budgets; master budgets, functional budgets, department budgets, cash budgets.
4.4 Purpose of budgetary control; operation of a budgetary control system, organisation and coordination of the budgeting function
4.5 Distinction between budgeting and budgetary control in the private and public sectors
4.6 Cost-Volume-Profit (CVP) Analysis

5. **Time-value of money**
5.1 Concept of time value of money
5.2 Time value of money versus time preference of money
5.3 Relevance of the concept of time value of money
5.4 Compounding technique
5.5 Discounting techniques
5.6 The loan amortisation schedule

6. **Basic Valuation models**
6.1 Concept of value
6.2 Relevance of valuation of securities/firms
6.3 Valuation of debentures, preference shares and ordinary shares

7. **Introduction to capital structure decision**
7.1 Firms capital structure and factors influencing capital structure decisions
7.2 The meaning and relevance of cost of capital
7.3 Factors influencing firms cost of capital
7.4 Component costs of capital
7.5 The firm's overall cost of capital - Weighted average cost of capital (WACC) and
7.6 Weighted marginal cost of capital (WMCC)

8. **Introduction to Capital Budgeting decision under Certainty**
8.1 The nature and importance of capital investment decisions
8.2 Capital investment's cash flows - initial cash outlay, terminal cash flows and annual net operating cash flows, incremental approach to cash flow estimation
8.3 Capital investment appraisal techniques; Features of an ideal capital budgeting technique, Non-discounted cash flow methods - payback period and accounting rate of return and discounted cash flow methods - net-present value, internal rate of return, profitability index and discounted payback period, Strengths and weaknesses of the investment appraisal techniques
8.5 Incorporating capital rationing in capital budgeting - The meaning and types of capital rationing
8.6 Challenges encountered when making capital investment decisions in reality

9. **Working capital management**
9.1 Introduction and concepts of working capital

9.2 Working capital versus working capital management
9.3 Factors influencing working capital requirements of a firm
9.4 Importance and objectives of working capital management
9.6 Working capital financing policies

10. **Dividend decision**
10.1 Forms of dividend payments
10.2 When to pay dividends - Interim and final dividend
10.3 Factors influencing dividend payments
10.4 The firm's dividend policy - The residual policy, stable predictable policy, constant payout ratio policy and regular plus extra policy
10.5 Why pay dividends/Dividend theories - Dividend relevance theories; Bird in hand theory, Clientele effect theory, Information signaling theory, Walter's theory, Tax differential theory, Modigliani and Miller's dividend irrelevance theory
10.6 Impact of a dividend decision on share price

PAPER NO. 15 GOVERNANCE AND COMPLIANCE AUDIT

UNIT DESCRIPTION

This paper is intended to equip the candidate with knowledge, skills and attitudes that will enable him/her to effectively plan and conduct a governance and compliance audit.

LEARNING OUTCOMES

A candidate who passes this paper should be able to:

- Identify the objectives and scope of governance and compliance audits
- Design and implement a governance and compliance audit strategy
- Prepare and interpret various governance and compliance audit reports
- Analyse the various checklists/work sheets for governance and compliance audits
- Design self-evaluation tools
- Draft audit report and audit opinion

CONTENT

1. **Basic concepts and elements in auditing**
   - 1.1 Auditing
   - 1.2 Assessment
   - 1.3 Monitoring
   - 1.4 Assurance engagement
   - 1.5 Non-assurance engagement
   - 1.6 Reasonable assurance
   - 1.7 Limited assurance
   - 1.8 Direct reporting engagement
   - 1.9 Attestation engagement
   - 1.10 Compilation engagements
   - 1.11 Assurance reports
   - 1.12 Direct reporting
   - 1.13 Authorities and criteria
   - 1.14 Assertions and audit
   - 1.15 Internal audit
   - 1.16 Statutory audit
   - 1.17 Legal audits
   - 1.18 Governance audit

2. **Governance and compliance risks**
   - 2.1 Identifying, managing and monitoring governance and compliance risks
   - 2.2 Impact of non-compliance: Legal impact, Business impact, Reputational impact
   - 2.3 Role of ethics and compliance officers
   - 2.4 Identify, prioritise, and assign accountability for managing existing or potential threats related to noncompliance or ethical misconduct
   - 2.6 Identifying laws and regulations with which the organisation is required to comply in all jurisdictions where it conducts business, as well as critical organisational policies

3. **Introduction to governance and compliance audit**
   - 3.1 General principles of governance of governance and compliance audit
   - 3.2 The nature and purpose of governance audit
   - 3.3 The nature and purpose of compliance audit
   - 3.4 Types and timing of governance and compliance audits

3.5 Users of governance and compliance audit information and their respective needs
3.6 Qualities of good governance and compliance audit
3.7 The Challenges of governance and compliance Auditing
3.8 Governance and compliance audit in the digital era

4. **Legal, regulatory and professional and ethical considerations**
4.1 Legal requirements on governance and compliance audit for different types of legal entities
4.2 Codes of governance as issued by ICS and different industry regulators
4.3 Regulatory framework of governance and compliance audit industry regulators
4.4 Governance and compliance audit standards by ICS
4.5 Code of ethics for Certified Secretaries
4.6 Auditors' authority, professional liability and legal responsibilities
4.7 Professional objectivity, professional skepticism and professional judgment
4.8 The role of ICS in governance and compliance auditing
4.9 Ethics & integrity as a compliance issue

5. **Engagement and appointment**
5.1 Designing terms of reference
5.2 Designing scope of work and request for proposal
5.3 Tendering and procuring audit services
5.4 Designing proposal
5.5 Qualification requirements
5.6 Negotiating fees amount, structure and timelines[MOO1]
5.7 Acceptance and professional appointments
5.8 Award and execution of contract
5.9 Inception report

6. **Planning for a governance and compliance audit**
6.1 Initial considerations for planning
6.2 Planning process with timelines
6.3 Materiality at planning stage
6.4 Determine audit objective and scope
6.5 Determine the key governance and compliance parameters
6.6 Determining the level of assurance
6.7 Identifying subject matter and criteria
6.8 Understanding the entity and its environment
6.9 Developing audit strategy
6.10 Assessing audit risk, threats and safeguards
6.11 Developing audit plan, programme and procedures
6.12 Preparation of audit working papers
6.13 Developing governance compliance matrix
6.14 Governance and compliance audit checklist
6.15 Quality control
6.16 The audit team

7. **Documentation and Communication**
7.1 Documentation in governance and compliance audit
7.2 Communication between auditor and client organisation

8. **Conduct of governance and compliance audit**

8.1 Inception meeting for clarification and/or understanding of key contact persons, scope, process, timelines, schedule, logistics, operating environment and areas of emphasis
8.2 Reviewing the compliance, governance and internal control systems
8.3 Group governance and compliance audits
8.4 Assessing compliance with the Constitution, applicable laws, rules, regulations, international treaties, international agreements, codes of conduct and internal policies
8.5 Coordination in the conduct of governance and compliance audit
8.6 Role of in-house corporate secretary, internal auditor, external auditor, legal auditor, audit committee, regulatory oversight bodies and other governance assurance functions
8.7 Process of governance and compliance audit
8.8 The governance and compliance audit cycle
8.9 Governance and compliance audit tools
8.10 Use of technology[MOO2]
8.11 Scoring methodology
8.12 Data analysis

9. **Gathering audit evidence**
9.1 Nature and sources of audit evidence
9.2 Types of audit evidence
9.3 Evidence gathering techniques
9.4 Data collection instruments
9.5 Document checklists/list of documents to be provided by client for review by the auditor
9.6 Literature review
9.7 Questionnaire/survey or confidential discussions with select members of the board and senior management using a structured format
9.8 Site visits
9.9 Limitations in gathering audit evidence
9.10 Types of audit tests
9.11 Audit sampling
9.12 Using the work of experts
9.13 Using reports of board evaluation and other internal governance assessments.
9.14 Methods and techniques of auditing high risk areas
9.15 Data analysis
9.16 Evaluating of evidence and forming conclusions

10. **Reporting governance and compliance audit**
10.1 Purpose and users of auditor's report
10.2 Types, contents, elements and structures of auditors' report
10.3 Governance and compliance audit opinion
10.4 Consequences of various audit reports and opinions
10.5 Reporting of suspected unlawful and/or unethical acts
10.6 Conclusions/opinions in governance and compliance audit
10.7 Reports to those charged with governance
10.8 Governance and compliance report on the annual report
10.9 Interim, final and abridged versions of governance and compliance reports
10.11 Submission, presentation and /or filing of audit report
10.12 Closure of the audit assignment

10.13 Audit follow up

11. **Implementing audit recommendations**
    - 11.1 Implementation strategies
    - 11.2 Formulating an action plan and compliance matrix
    - 11.3 Role of the Board in implementing the action plan
    - 11.4 Monitoring, evaluating, tracking progress and embedding recommendations/ decisions arising from the audit.

12. **Post governance and compliance audit**
    - 12.1 Nature and scope of subsequent events
    - 12.2 General guidelines on subsequent events

13. **Peer review mechanism**
    - 13.1 Purpose, scope and types of peer review
    - 13.2 Responsibilities of parties in peer review
    - 13.3 Peer review mechanism stages
    - 13.4 Quality management and assurance measures
    - 13.5 Confidentiality requirements

14. **Governance Awards in practice**
    - 14.1.1 The ICS Governance Awards, other regional governance awards
    - 14.1.2 Parameters evaluated in the governance awards
    - 14.1.3 Award evaluation tool and scoring
    - 14.1.4 Governance Index

PAPER NO. 16 BOARDROOM DYNAMICS

UNIT DESCRIPTION

This paper is intended to equip the candidate with the knowledge, skills and attitudes that will enable him/her to positively and effectively influence and effect changes in the boardroom in the context of the existing dynamics of the Board.

LEARNING OUTCOMES

A candidate who passes this paper should be able to:

- Demonstrate an understanding of why focusing board dynamics is becoming increasingly important for organisations.
- Demonstrate an understanding of the importance of boardroom dynamics for organisations.
- Critically evaluate how boardroom dynamics might affect the quality relationships, decision-making, conversations, culture, diversity and other factors.
- Apply formal and informal methods to positively influence dynamics and enhance boardroom performance

CONTENT

1. **The emergence of boardroom dynamics in corporate governance**
   - 1.1 Defining boardroom dynamics
   - 1.2 The evolving focus on corporate governance
   - 1.3 The three phases of board evolution
     - 1.3.1 Ceremonial board
     - 1.3.2 Liberated board
     - 1.3.3 Progressive board
   - 1.4 Building blocks of a progressive board
     - 1.4.1 Group dynamics
     - 1.4.2 Information Architecture
     - 1.4.3 Focus on substantive issues
   - 1.5 Impact of boardroom dynamics on organisational performance
   - 1.6 Interest in human factors (human resources, management of talent, organisational culture, politics etc.)
   - 1.7 Shifts in approaches to leadership
   - 1.8 Focus on ethics
   - 1.9 A broader model for corporate governance
   - 1.10 Organisational failures and impacts on boardroom dynamics
   - 1.11 Role of the corporate secretary in Board room dynamics

2. **Evolution of Codes of Corporate Governance**
   - 2.1 Evolution of codes - global trends
   - 2.2 Incorporation of boardroom dynamics in codes of corporate governance
   - 2.3 Impact of codes of governance on board culture, behaviors and effectiveness
   - 2.4 Evaluating human capital
   - 2.5 Self-regulation in corporate governance

3. **Governance Structures**
   - 3.1 Governance theories related to board structure
   - 3.2 Board Structures: Unitary and two tier Boards
   - 3.3 Components of governance structures
   - 3.4 Board size

3.5 Committee structure
3.6 Director considerations
3.7 Best practices when creating and implementing governance structures
3.8 Evaluating governance structures in organisations

4. **Skills, Competencies and Diversity of the Board**
4.1 Human capital aspects of the board
4.1.1 Director competencies
4.1.2 Director skills and experience
4.1.3 Evaluating individual board members
4.2 Personal characteristics of the board.
4.3 Defining and understanding the measuring of diversity
4.4 Types of diversity
4.5 Areas of diversity and their relationship to boards
4.6 Diversity thinking in a boardroom setting

5. **Understanding Boardroom Dynamics**
5.1 Psychology of the board
5.1.1 The importance of board dynamics relative to board structure, demographics and attributes.
5.1.2 Psychological theories underpinning board dynamics
5.1.3 Characteristics of boards and board meetings
5.1.4 Board team processes
5.1.5 Board team outcomes
5.2 Individual and team resilience
5.3 Well- being and resilience of the board
5.4 Developing behavioral agility

6. **Board Decision Making**
6.1 Decision making as a core competence of a board
6.2 Evidence-based decision making
6.3 Cognitive bias
6.4 Individual differences in relation to decision making
6.5 Decision making tools
6.6 Board team decision making: Key factors and tools

7. **Stakeholder Conversations**
7.1 Developing dialogue over debate
7.2 Building trust through adult/adult conversations
7.3 The systems inside the board
7.4 The systems outside the board
7.5 Emotional intelligence as a core board competence
7.6 Managing conflict
7.7 Stakeholder communication

8. **Culture in the Boardroom**
8.1 Governance and culture
8.2 Defining board culture
8.3 Board culture dynamics
8.4 Application of Schein's Three Levels of Culture model
8.5 Company culture

8.6 Country culture - Hofstede's Cultural Dimensions

9. **Board Diversity**
   - 9.1 Understanding diversity
   - 9.2 Types of Diversity
   - 9.3 Influences of board diversity (culture, law
   - 9.4 Promoting diversity within the board

10. **The Effect of Meeting Design on Boardroom Dynamics**
   - 10.1 Introduction to meeting design
   - 10.2 Design of board meetings
   - 10.3 Physical characteristics
   - 10.4 Attendee characteristics
   - 10.5 Trends in technology
   - 10.6 Use of virtual boards for remote teams
   - 10.7 Face-to-face versus virtual/audio interaction

11. **The Role of the Governance Professional in Influencing the Boardroom Dynamics**
   - 11.1 The 21st Century governance professional
   - 11.2 The strategic role of the corporate secretary
   - 11.3 Application of theory
   - 11.4 Influencing dynamics in a positive way
   - 11.5 Leadership influence
   - 11.6 Ethical dilemmas

12. **Effective Talent Management**
   - 12.1 Board talent management overview
   - 12.2 Skills and competencies of board members
   - 12.3 Recruitment of board members
   - 12.4 Introduction of board members
   - 12.5 Board learning and development
   - 12.6 Performance management of board members
   - 12.7 The role of the corporate secretary/ governance professional in effective talent management
   - 12.8 Ethical dilemmas in relation to managing talent

13. **Board Evaluation**
   - 13.1 Methods and processes options of board evaluation
   - 13.2 Evaluating director personal characteristics
   - 13.3 Evaluating board dynamics
   - 13.4 The corporate secretary as a board consultant

14. **Power and Politics in Organisations**
   - 14.1 The art and science of power in organisations
   - 14.2 Sources of power in organiSations
   - 14.3 Power and influence.
   - 14.4 Managing change through power.
   - 14.5 Leading with power.

15. **Contemporary Issues and Case Studies in Boardroom Dynamics**

RESEARCH PROJECT

The guidelines for conducting the Research will be issued in due course.