LIBF

Part of Walbrook Institute London

LIBF
Corporate Governance (CORP)

Training programme specification

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Purpose of the programme

Introduction

For a bank, good corporate governance consists of establishing decision-making structures and arrangements that provide incentives for the board and senior management to pursue objectives that are in the interests of the bank as a whole and that balance the differing interests of its stakeholders.

An important aspect of corporate governance is how managers reflect the risk appetite of stakeholders. By synthesising the views of all stakeholders and formulating an appropriate risk appetite for the bank, corporate governance then becomes the conduit through which the risk appetite is embedded and operationalised.

The way in which banks are governed differs considerably from non-financial organisations. The main driver for this is the complexity of bank operations, the uniqueness of bank balance sheets and the role that banks play within the economy. The complexity and opaqueness of banks' balance sheet and their financial operations mean it is much harder for external stakeholders to evaluate and understand the financial position of a bank, as well as the risks that it is taking.

Furthermore, it is crucial that banks remain financially sound to protect depositors, considering the negative effects that a banks' failure can have upon individuals and the wider society.

Therefore, banks need to provide protection to a much wider range of stakeholders, who may not ordinarily have the power or influence to shape strategic and operational decisions.

The board and senior management must have a high level of expertise to be able to understand bank operations and manage the bank diligently. This, along with the increased regulatory scrutiny and stricter reporting/disclosure requirements, set out to provide:

LO1 reassurance to stakeholders

LO2 transparency of operations and risk positions.

Target audience

This programme is designed for all those working in the financial services and banking sector with 0-3 years of experience.

Objectives and key content areas

This programme will review the key corporate governance principles and investigate how policies and strategy can be implemented fully into bank operations whilst effectively managing a wide range of stakeholders.

Listed below are some of the key content areas that are covered within this learning programme:

LO3 Corporate governance structure and executive remuneration

LO4 Ethical codes and code of conducts

LO5 Stakeholder identification and management

LO6 Risk appetite

LO7 Risk policies and reporting

Programme delivery

Study hours

This programme has a recommended study time of 5 hours to work through all of the study, recommended readings and revision.

Assessment

You will sit a 30 minute online multiple-choice exam which is on-demand and available on your course site.

The assessment consists of 3 sections:

LO8 10 multiple choice questions

LO9 5 multi-response questions

LO10 5 multiple choice questions based on a scenario presented via a video

Certification grading

The overall assessment is graded Pass/Fail only. To achieve a pass, you must achieve a minimum of 60%.

Grade	**Pass Mark (%)**
Pass	60%

Resit attempts

If you fail your multiple-choice exam, you are able to re-take this on your course site. There are no restrictions on the number of times you can resit a unit in which you were unsuccessful, however, you must resit the unit in accordance with the published policies of LIBF.

Additional information

Entry requirements

There are no specified entry requirements. However, participants need to have a strong understanding of the English language and be able to study in English at an advanced level.

Learning outcomes and indicative content

Learning outcome	Indicative content
Outline the importance of appropriate governance structures in financial service organisations.	• The role and importance of corporate governance within a bank. • Corporate governance legislation, policies, procedures and guidelines. • Best practice governance and remuneration structures. • Reporting and corrective actions used to resolve governance issues in accordance with organisational guidelines. • Ethical codes of conduct and policies with reference to day-to-day operations and to ensure compliance.
Identify the drivers of an organisations risk appetite and outline the importance of effectively constructing and operationalising corporate governance policies.	• Key stakeholders and their power / interest over the bank. • Risk appetite and risk goals for effective risk management. • Risk policy and risk appetite statement • Policy issues and possible resolutions for continuous improvements. • Corporate governance policies within business unit by interpreting, • Executing and communicating corporate governance policies • Evaluating compliance with the policies.