UNIVERSITI POLY-TECH MALAYSIA
UPTM

FINAL EXAMINATION

MASTER OF BUSINESS ADMINISTRATION (CORPORATE ADMINISTRATION AND GOVERNANCE)

COURSE	:	CORPORATE GOVERNANCE, RISK AND ETHICS
COURSE CODE	:	CGE6043
DURATION	:	3 HOURS

INSTRUCTIONS TO CANDIDATES:

1. This question paper consists of **THREE (3)** questions only.
2. Answer ALL questions in the Answer Booklet provided.
3. Please check to make sure that this examination pack consists of:
   i. The Question Paper
   ii. An Answer Booklet
4. Do not bring any material into the examination hall.
5. Please write your answer using permanent ink.

MYKAD/ PASSPORT NO : ____________________

ID. NO. : ____________________

LECTURER : ____________________

SECTION : ____________________

DO NOT OPEN THIS QUESTION PAPER UNTIL YOU ARE TOLD TO DO SO

This question paper consists of 4 printed pages including the front page

Answer ALL questions.

QUESTION 1

Risk Governance and Management at Selangor EcoPark Berhad (SEPB)

Selangor EcoPark Berhad (SEPB) is a government-linked organisation managing ecotourism parks, forest reserves, and community-based tourism initiatives across Selangor. Its mandate is to balance environmental conservation, community wellbeing, and long-term financial sustainability.

In recent years, SEPB has encountered escalating uncertainty arising from volatile tourist arrivals, climate-related disruptions, ageing infrastructure, increasing operating costs, and reputational pressure linked to public allegations of greenwashing on social media. Internally, risk awareness remains uneven across departments, accountability for risk management is fragmented, and organisational objectives are often formulated reactively rather than guided by structured risk considerations.

The Board of Directors has commissioned a strategic review to strengthen SEPB's risk governance, internal environment, and enterprise risk management practices in order to enhance resilience, stakeholder confidence, and sustainable performance.

Required:

a. Critically appraise SEPB's prevailing risk attitude and internal environment by recommending set of strategic to enhance risk-aware governance and decision-making across the organisation, with explicit consideration of stakeholder impacts.

(20 marks)

b. Synthesize the strategic and operational risks faced by SEPB into an integrated risk profile, by designing a systematic risk identification approach that aligns these risks with organisational objectives and long-term sustainability.

(15 marks)

c. Develop a comprehensive risk assessment and response framework for SEPB, incorporating appropriate control activities by evaluating the trade-offs between the costs and benefits of these controls in achieving effective risk management outcomes.

(15 marks)

(Total: 50 marks)

QUESTION 2

XYZ Berhad is a listed manufacturing company in Malaysia. The company has recently expanded its operations into a new industrial zone. An internal review revealed several issues:

- Senior management pressured accountants to delay recognition of environmental remediation costs.
- A supplier allegedly offered "facilitation payments" to secure long-term contracts.
- The company has a corporate code of ethics, but compliance is weak and conflicts of interest are not clearly disclosed.
- Although XYZ Berhad publishes a sustainability report, there is no independent social or environmental audit.
- Employees have raised concerns about the company's environmental impact on nearby communities.

Required:

a. Evaluate the effectiveness of corporate and professional codes of ethics in addressing ethical dilemmas faced by accountants in XYZ Berhad.

(10 marks)

b. Critically assess how issues of independence, conflict of interest, bribery, and corruption threaten the public interest and corporate credibility.

(10 marks)

c. Evaluate the role of corporate social responsibility (CSR), sustainability practices, and social and environmental audits in strengthening corporate citizenship and ethical accountability.

(10 marks)

(Total: 30 marks)

QUESTION 3

Evaluate how weaknesses in information flow, internal communication, and monitoring mechanisms can lead to corporate governance failures. Using corporate governance principles and ethical standards, assess the roles of management, internal audit, the audit committee, and the board in preventing such failures and recommend justified improvements.

(20 marks)

(Total: 20 marks)

(TOTAL: 100 MARKS)

END OF QUESTION PAPER