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 3 printed pages including the front page

Answer ALL questions.

QUESTION 1

Enterprise Risk Management at Nusantara Smart Mobility Berhad (NSMB)

Nusantara Smart Mobility Berhad (NSMB) is a Malaysian government-linked company responsible for developing and operating smart public transportation systems, including electric buses, integrated ticketing platforms, and digital mobility services in major urban centres. The organisation's strategic mission is to improve urban mobility, reduce carbon emissions, and ensure long-term financial and operational sustainability.

Despite strong policy support, NSMB faces growing challenges arising from rapid technological change, cybersecurity threats, volatile energy prices, regulatory pressure, and public scrutiny over service reliability and cost efficiency. Internally, NSMB operates across multiple divisions with differing risk perceptions, fragmented risk ownership, and inconsistent integration of risk considerations into strategic planning. While risk management policies exist, they are often treated as compliance exercises rather than value-creating decision tools.

The Board has mandated a comprehensive review of NSMB's risk attitudes, internal control environment, and enterprise risk management practices to strengthen organisational resilience, public trust, and strategic performance.

Required:

a. Critically evaluate how NSMB's organisational risk attitude and internal environment influence strategic and operational decision-making, and construct actionable governance enhancements to embed risk awareness across the organisation and safeguard stakeholder interests.

(20 marks)

b. Integrate and prioritise the strategic and operational risks faced by NSMB into a coherent enterprise risk profile, and design a structured risk identification mechanism that supports innovation, service reliability, and long-term sustainability.

(15 marks)

c. Formulate and justify an enterprise-wide risk assessment and response framework for NSMB, incorporating suitable control activities, and evaluate how the costs and benefits of these controls affect organisational performance and public value creation.

(15 marks)

(Total: 50 marks)

QUESTION 2

Accountants operate at the intersection of professional ethics, corporate responsibility, and public interest, particularly in organisations facing ethical, social, and environmental challenges.

Using relevant examples, critically evaluate how corporate and professional ethical frameworks guide accountants' behaviour in managing conflicts of interest, bribery, and governance pressures. Further, assess how corporate social responsibility, sustainability practices, and social and environmental audits contribute to ethical accountability, corporate citizenship, and long-term value creation.

Required:

a. Evaluate the role of corporate and professional codes of ethics in guiding accountants' conduct, particularly in relation to independence, conflicts of interest, and ethical challenges in business.

(12 marks)

b. Critically assess how bribery, corruption, and ethical failures affect the accountancy profession's public interest role by evaluating how CSR and corporate citizenship help mitigate these risks.

(10 marks)

c. Evaluate the contribution of sustainability practices, environmental management systems, and social and environmental audits in addressing the social and environmental effects of economic activity.

(8 marks)

(Total: 30 marks)

QUESTION 3

Critically assess the effectiveness of board monitoring and reporting structures when directors receive incomplete or delayed information by appraising how communication with employees, internal audit functions, and audit committee oversight should operate to uphold ethical corporate governance and mitigate organisational risk.

(20 marks)

(Total: 20 marks)

(TOTAL: 100 MARKS

END OF QUESTION PAPER