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CORPORATE GOVERNANCE IN EDUCATIONAL PROGRAMS IN THE ECONOMIC- ADMINISTRATIVE AREA IN HIGHER EDUCATION INSTITUTIONS IN MEXICO

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Abstract: Corporate governance is an initiative that is revolutionizing business culture. It is the transformation of a company into a formal institutional institution that does not depend on a specific person (in many cases this will happen with the founder or owner of the company), but rather depends on key positions managed by people. In other words, corporate governance gives any company the ability to operate optimally even when people in key positions change, whether because they are promoted, because they move to another business or because it is time to retire. Corporate governance improves transparency, trust and efficiency in corporate accountability by establishing a set of standards, principles, policies and procedures to standardize the structure and operation of corporate governance bodies. Due to everything that corporate governance entails, it has been reconsidered to be applied in higher education institutions, since it is where the student is prepared to work in a company and apply their knowledge, therefore, this article will analyze the feasibility of applying good corporate governance practices in educational programs, curricula and even in the administration of the educational institution.

Keywords: Corporate Governance, Educational Institutions, Study Plans.

INTRODUCTION

Educational programs (EP) are designed based on a set of information and concepts that respond to the needs demanded by companies from the local to the international level. Variables are incorporated that prepare the student for their insertion and professional development in the labor field, with the key innovative competencies that guarantee their learning and training. In Mexico there is a small number of Higher Education Institutions (HEIs) in the public and private

administrative economic area, both at the undergraduate and postgraduate level that include the topic of “Corporate Governance”, hence the importance of educational policies that address the need for incorporate the topic into programs and study plans.

Higher education institutions are obliged to promote the improvement and updating of their study plans with innovation and quality to be in competition with the globalized world, Mexico with its international trade treaties and the increase in companies of national and foreign investors must transfer from the academic training of its students new and updated study plans in particular “Corporate Governance”.

ORDER OF THE CORPORATE GOVERNANCE STRUCTURE

There are many definitions, but they all refer to a specific way of directing and controlling a company. Etymologically, its roots are two: “corpus” (body, or that lives from the community) and “Gobernare” (to command with authority or direct); So, when we talk about Corporate Governance, we are referring to a collegial direction of authority.

Mechanism that serves as a guide to business administration to ensure levels of efficiency and guarantee quality, opportunities and the adequate generation of information on the financial and operational conditions of the company. These mechanisms also prevent or correct possible conflicts of interest between directors and shareholders, and other participants in the company. Therefore, they are all those managerial actions that an organization follows, in order to achieve trust, transparency and reputation.

Corporate governance is the framework of standards and practices, which refer to the structures and processes for the management of companies, through which a board of directors ensures accountability, equity and transparency in the relationship of a company, company with all its stakeholders

(the board of directors, shareholders, customers, employees, government and the community). (Bolsa Mexicana de Valores, 2022)

Considering the adoption of Corporate Governance in the University's study plans and in higher education generally, would be of primary importance, however, integrating constitutive aspects of it such as: background, the importance of its adoption in companies, the phenomenon of the family business in the world and the elements of modern administration in Mexico, its basic structure, advantages and disadvantages, evolution and its relationship with other entities at a national and international level and finally the current reality of corporate governance. Likewise, additional elements must be incorporated into its regulatory system.

In a general sense, Deloitte defines it as a *"set of rules, principles and procedures that regulate the structure and operation of the governing bodies of a company."*(Deloitte, 2023)

From this corporate structure, companies also participate with a sense of social responsibility originating in ethical principles and in the prevention of prohibited and illicit acts, thereby providing a degree of certainty and confidence to investors and interested third parties. The honest and responsible conduct of business and its responsible participation in the financial markets gives added value to the corporate maturity of this entire type of organization.

Students who are part of the Educational Programs of the Economic-Administrative Area must then know the structure and processes inherent to Corporate Governance, from its implementation to how its capital is formed, the operation of companies and the strategies that must be followed, including the modalities that are adopted, their scope and which companies are obliged to work under

this model. The topic is quite broad; however, it is of utmost importance for students to know it and know how to approach it.

In recent decades, the concept of Corporate Governance has taken an outstanding role in the development of business organizations. The development of the main governing bodies of a business Corporate Government is three; the shareholders' meeting, the board of directors and the general management. Each of them performs specific functions in the management of the company, as well as each of them has different levels of authority. In a simple way, we could point out that this way of governing a company responds to the need to prevent a single person from making the decisions of an organization.

For example, let's think about a company that is listed on the stock exchange and therefore may have hundreds or thousands of shareholders who invested in it. Although there are always risks in an investment, these will be lower as long as these shareholders are represented in an assembly that, in turn, delegates to a board of directors the control and monitoring of possible risks and this board evaluates the general director in his actions.

Another example of simple interpretation would be that of a financial institution that grants business loans, whoever makes the decision to grant financing will do so with greater certainty as long as the governance of the company to which they will finance is corporate and not sole proprietorship.

The CCE Committee considers that a good Corporate Governance system in Mexican companies must contain the following basic principles:

- 1 Equal treatment and respect and protection of the interests of all shareholders.
- 2 The generation of economic and social value, as well as the consideration of third parties interested in the good performance,

stability and permanence of the company over time.

3 The responsible issuance and disclosure of information, as well as transparency in administration.

4 The honest and responsible management of society.

5 The prevention of illicit operations and conflicts of interest³

6 The issuance of a Code of Ethics of the company.

7 The disclosure of improper facts and the protection of informants.

8 Ensuring that the strategic direction of the company exists, as well as the surveillance and effective performance of the administration.

9 The exercise of fiduciary responsibility⁴ of the Board of Directors.

10 The identification, administration, control and disclosure of the strategic risks⁵ to which the company is subject.

11 Compliance with all legal provisions to which the company is subject.

12 Giving certainty and confidence to shareholders, investors and interested third parties about the honest and responsible conduct of the company's business. (Consejo Coordinador Empresarial, 2018)

It will be important that university students in a professional future must know this way of running a company, since finances are a fundamental instrument for decision-making by each of the governing bodies of a company that has a Government incorporated. Corporate.

CORPORATE GOVERNANCE IN THE ADMINISTRATION OF AN EDUCATIONAL INSTITUTION

Activities that can be related to Corporate Governance in the administration of an HEI

- The management of a university is supervised by its board of directors.
- The board must be composed of a combination of members who are representative of the various interest groups of the university
- The administration of a university is the responsibility of its Rector.
- A competent Rector is necessary who can effectively represent the University.
- Students are represented by the University Student Councilor in matters related to administration.
- A student vote is required to elect the council, which must have a voice in decisions that affect them.
- HEIs must prioritize the implementation of effective and responsible corporate governance.
- Effective corporate governance allows HEIs to effectively manage and fulfill their educational mission.

The application of Corporate Governance in the Administration of an HEI is recommended since it would favor the administrative and even academic environment.

It is the responsibility of the Board of Directors or Governing Board to administer a University, the board must be made up of a combination of members who are representative of the various interest groups of the University

It is crucial that HEIs have effective and responsible Corporate Governance in order to operate. Corporate governance is crucial for HEIs to be well managed and fulfill their

educational mission.

Educational institutions require effective, responsible and ethical management through the use of Corporate Governance. Corporate governance must be integrated into educational institutions for several reasons. The most notable are:

- 1 Increase transparency and accountability: Corporate governance can improve the transparency of the finances and operations of educational institutions. Helps track how students and teachers are informed of various risks, including financial, reputational, and security risks.
- 2 Implementing appropriate controls and policies through corporate governance can help educational institutions reduce risks.
- 3 Promoting equity and diversity is a fundamental responsibility of educational institutions. Inclusion can be promoted in educational institutions through the use of Corporate Governance policies and practices
- 4 Students must understand what it is and what it is for that the IES is under a Corporate Government, this knowledge will help them be successful in the world of work. Educational institutions can equip students with leadership skills by imparting knowledge of Corporate Governance.
- 5 The benefits of Corporate Governance can be seen in the specific examples provided by educational institutions.
- 6 An educational establishment can use a diverse and effective board of directors to make strategic decisions.
- 7 The efficient and effective use of an institution's resources can be guaranteed through responsible management

By promoting transparency and accountability, trust can be established between students, teachers and the public, and even the state and national government authorities who are the ones who inject resources into the Public University and these in turn will be able to be accountable to the supervisory agencies that vehemently seek that public resources are allocated and exercised honestly, ethically and responsibly. The inclusion of corporate governance in educational institutions is a crucial investment that can help in their efficient and responsible management.

IMPORTANCE OF INCORPORATING THE TOPIC OF CORPORATE GOVERNANCE INTO THE STUDY PLANS OF THE ECONOMIC-ADMINISTRATIVE AREA

Within the structure of the Universidad Veracruz as a Higher Education Institution (IES), particularly in the Open Education System, different educational programs are offered that extend to the five regions in which the Institution is made up in the State of Veracruz.

Focusing on the Veracruz-Boca del Río region, the Open Education System includes two educational programs in the economic-administrative area at the Bachelor of Accounting and Administration level. In these two programs we can affirm that a topic to highlight (due to its absence) is "Corporate Governance". The academies redesigning these study plans and educational programs must, at the time, consider the incorporation of such a subject as a fundamental concept for the updating of students and academics in the current model of governance and business organization. It is in this sense that it is of great importance to include the topic of "Corporate Governance" in the study

programs considering as Prieto refers to it:

“The implementation of corporate governance is an important step in reestablishing credibility and trust in the private sector, as a precursor to healthy and competitive economic environments on a uniform basis.”(Prieto, 2013)

Upon graduation, future professionals will have the basic foundations of modern organizations, the updating of their forms of governance and the different instances that constitute corporate governance as a management system that allows determining the areas of decision-making and their degrees of independence in its functioning as a whole, including the technology for decision making. Just as an example, we must point out that in our country (Mexico) if a company intends to be listed on any of the stock exchanges, it must have this Corporate Governance structure incorporated. This is why it is important for the professional to know the topic of Corporate Governance.

EDUCATIONAL PROGRAMS THAT CAN HAVE A DIRECT IMPACT ON CORPORATE GOVERNANCE

It is essential to include in the study plans the topics of Corporate Governance and its good practices, since the student, since he is in university training, must have fixed bases of both knowledge and professional ethics. This is essential so that the student can be a reliable, professional person to apply in making good decisions regarding the direction of the company.

Below, some study plans of the Universidad Veracruz are exemplified as a proposal to include an Educational Experience with Corporate Governance topics.

- In Business Administration: Corporate Governance can be addressed in the context of business management.

Business management involves planning, organizing, directing and controlling a company.

- In Accounting: Corporate Governance can be addressed in the context of financial accounting. Financial accounting is the process of recording, classifying and summarizing a company's financial transactions.
- In Economics: Corporate Governance can be discussed in the context of the theory of the company. The theory of the firm analyzes how firms make decisions and allocate ownership of resources.

Some specific areas where corporate governance and higher education institutions overlap include:

- Transparency and accountability: Higher education institutions must be transparent about their finances and operations.
- Risk Management: Corporate governance can help higher education institutions mitigate these risks by implementing appropriate controls and policies.
- Equity and Diversity: Higher education institutions have a responsibility to promote equity and diversity in their communities. Corporate governance can help higher education institutions achieve this goal by adopting policies and practices that promote the inclusion of the topic in question.

Corporate governance is the system of practices and rules that govern the management and direction of a company. It focuses on the relationship between shareholders, boards of directors, management and other interest groups. Higher Education Institutions (HEIs) are organizations that provide higher education, typically including

bachelor's, master's, and doctoral degrees. Higher education institutions can be public or private and can be universities, community colleges, or vocational schools.

Corporate governance and higher education institutions are related in many ways. First, higher education institutions are complex organizations that require strong governance structures to function effectively. Secondly, corporate governance is important to ensure that higher education institutions are managed responsibly and ethically. Third, corporate governance can help higher education institutions attract and retain the best students and faculty.

PROPOSALS TO INCLUDE CORPORATE GOVERNANCE TOPICS IN THE CURRICULUM OF DEGREES IN ACCOUNTING, ADMINISTRATION AND ECONOMICS

The student must know the elements of corporate governance, from the governing bodies that comprise it and their roles. Likewise, you will learn about the competitive advantages that come with the adoption of this form of government and business management.

- Name of the EE:
- Curricular area:
- Credit value:
- Evaluation Opportunities:

This Educational Experience reviews the importance of adopting Corporate Governance in companies, so that you could understand its importance, its evolution and its relationship with other elements of modern administration in Mexico and in the international environment.

The modules to review are:

a) Corporate Governance.

b) Corporate Governance in Mexico.

c) Corporate Governance and its importance in the national and international environment.

In the first module, the topics are:

I) Background.

II) Basic structure, concept and conformation.

III) Business environments and failures in the adoption of Corporate Governance.

IV) The family business and its transition towards Corporate Governance.

Here you will be able to understand and analyze all the elements that are part of the "institutionalization" of a business organization; In particular, you will review how a family business (with its main characteristics of governance and management) transitions towards Corporate Governance and the advantages that this transition entails.

In the second module, the topic is:

I) The background and evolution of Corporate Governance in our country.

In the third module, the topics are:

I) Corporate Governance and corporate social responsibility.

II) Corporate Governance and related parties.

III) Corporate Governance and financial markets.

A fundamental part of Corporate Governance is its interrelation with society in general and with the parties that are involved with the company in particular, called related parties.

Another no less important aspect is the principles of corporate governance and financial markets in general; The reports of the companies that assume this modality must satisfy and ensure the commitments that the organization assumes as a social entity.

This is when the financial actors take into consideration the Corporate Governance, the principles of ethics, transparency and good governance become vital importance.

In the three modules, to accredit the EE of Corporate Governance, the student will have to develop a documentary investigation of the different topics that will be developed, as well as one per module and in it they will present their knowledge and understanding of the transition towards the adoption of the Corporate Governance in companies.

The educational experience would have a value of 6 credits and 4 hours per week per month. During the process, the student will be guided and advised by a teacher who is an expert in the topic of Corporate Governance, to resolve doubts.

To prove educational experience:

- Carry out scheduled deliveries of activities in a timely manner.
- Comply with the criteria that each activity indicates.

- Each activity will have a rating value from 1 to 10.

- The minimum passing score of 6.

CONCLUSIONS

It is imperative to start from human, financial, material and technological resources in the face of the gigantic changes in the life of organizations; it is essential that this 21st century trend be included in the educational curriculum, in educational plans and programs. Governance in the business sense evolves just as the improvement processes within it evolve.

Since the Economic-Administrative area is fundamental to promote knowledge competencies in the topic of Corporate Governance, it is considered pertinent to provide students with the necessary tools and techniques for mastery and correct organization, direction and control within the processes in organizations. and technologies for governance.

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