
Abstract

Institutional Research for a Business Growth

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Corporate Governance

Ministry of Justice wants to revise 5 articles on the corporate governance in the Commercial Law as a part of economic democratic policies. But there are strong resistance against the revision of commercial law. We discuss on five subjects and suggest the policy directions. Five subjects are as follows. First, revision of voting process for appointment/dismissal of the audit committee members. Second, forcing the executive officer system which is regarded as a device for separating the executive right and supervisory right on the board of directors. Third, forcing the cumulative voting in case of appointment of directors. Fourth, obligation of electronic voting system in general meeting of stockholders. Fifth, adoption of multiple derivative suit or

action.

Promoting the Medium-sized business

When a small business grows to a medium-sized business, it faces reduced support and increased restrictions, taking sudden increase of burden. In many cases, companies wish to maintain the merits of small business through spin-off. The dichotomous approach of the current corporate policy - regulation for large businesses and protection of small businesses - relatively alienates medium-sized businesses, and applies many restrictions even when they are not large. This report lists the benefits a business is deprived of as it grows from small to medium-sized business. It also suggests that the government's business policy should, in the long-run, focus on growth of businesses in order to motivate the businesses in each stage of growth.

Fostering the Venture Company

After 2008's global financial crisis, all the states start to have interests in fast growing companies since they realized those firms are a core driver of economic recovery, growth and employment. Korea government also have the same interests with the world trend. But Korea had relatively poor performances to support venture company. In this research we discuss the following subjects to prevent to repeat the past mistakes; We focus venture ecological system instead of supporting the individual company. We discuss how the policies

in supporting high-growth SMEs are different from the general SME policies. What kind of policies are executed in the other countries. And we suggest several policy alternatives.

□ Corporate Restructuring

This article is discussing about i) Work-out under Corporate Restructuring Promotion Act, ii) Company revival process under Consolidated Insolvency Act, iii) PEF under Capital Market Act, and iv) class share. Corporate restructuring is categorized with post restructuring which is made after a company becomes insolvent and preliminary restructuring which is taken as precautionary measures to keep a company being insolvent preemptively.

Financial and corporate governance structures after successful corporate restructuring are very important during the corporate restructuring phases. The case of class share among the above subjects are expected to act as a customized funding method applicable to situations after corporate restructuring. Therefore, we also analyse and consider adopting golden stock or multiple voting stock.