

# **Business management of a limited company**

## **Abstract**

This thesis addresses the issue of business management as an institute of corporate law, with a focus on Czech capital companies, namely limited liability companies and joint-stock companies.

The first part of the thesis deals with the very concept of business management, the definition of which is necessary for its further understanding. The content of the first part thus involves defining this concept from various perspectives, particularly divided into positive and negative definitions, both from the viewpoints of courts and legal theorists. This part also includes a brief summary of the evolution of case law on the subject of business management over the last decades.

The second part of the thesis focuses on the scope of the statutory body as an organ within a business corporation, which is entrusted with the exclusive authority over business management. The main essence is the distinction of business management as an internal component of the statutory body's scope from the external competence, i.e. acting on behalf of the company, and other components, and on contrary their interdependence. The distinction between the decision-making and implementation levels of business management is not omitted, with a discussion on the decision-making of statutory bodies of individual capital companies, including controversial institutes such as the primary focus of business management in a joint-stock company with a monistic internal structure or horizontal delegation of authority within the statutory body.

The third part discusses the possibilities of transferring the authority for business management, following on from the second part, which concluded that business management falls under the exclusive authority of the statutory body. Consideration of the performance of business management by other entities relates both to various types of individuals and to the general meeting, in view of the questionable institute of attraction in a limited liability company.

The final, fourth part of the thesis is dedicated to a brief comparison of the legal regulation of business management in limited companies in the Czech and Slovak Republics. The effective legal regulation in Slovakia is discussed, including relevant court decisions, with an emphasis on similarities and differences with the Czech regulation.

**Key words:** business management, decision-making of the statutory body, internal and external authority of the statutory body