



Winter 2014 Heidrick & Struggles e-briefing

## About Us

Heidrick & Struggles' Global Board of Directors Practice is expert in recruiting board members who fulfill the highest priorities of today's best-managed companies. We also proactively work with board members and CEOs on critical assignments such as executive assessment, succession planning and board director reviews.

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## NACD Directorship

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FROM HEIDRICK & STRUGGLES

### [Feeling It: When Directors Know They're Performing Well](#)

by [John Wood](#)



Board members experience no shortage of external assessments—and the best boards perform annual self assessments to evaluate their effectiveness as individuals and as a group. Ask directors how they know they're doing a good job, however, and they're less likely to cite a report than to recount concrete instances in which the board was firing on all cylinders.

More <http://nataofcd.informz.net/z/cjUucD9taT0zODA5OTAzJnA9MSZ1PTEwMjc5NDQ3NTUyOGk9MjEyNjkxNTA/index.html>

COMPENSATION OVERSIGHT

### [Maximizing Your Comp Risk Assessment](#)



by [Mark Emanuel and Blair Jones](#)

A holistic analysis ensures the most obvious red-flags are addressed and the company's environment and the controls encourage the intended and desired risk-taking behavior.

More <http://nataofcd.informz.net/z/cjUucD9taT0zODA5OTAzJnA9MSZ1PTEwMjc5NDQ3NTUyOGk9MjEyNjkxNTI/index.html>

BOARD CONFIDENCE INDEX

### [Directors Unwavering on Long-Term Economic Growth](#)

by [Kate Iannelli](#)

The NACD Board Confidence Index (BCI) has now tracked directors' sentiment regarding the current and future state of the

economy for 13 quarters.

[More http://nataofcd.informz.net/z/cjUucD9taT0zODA5OTAzJnA9MSZ1PTEwMjc5NDQ3NTQmbGk9MjEyNjkxNTQ/index.f](http://nataofcd.informz.net/z/cjUucD9taT0zODA5OTAzJnA9MSZ1PTEwMjc5NDQ3NTQmbGk9MjEyNjkxNTQ/index.f)

#### ASK THE EXPERT

### [How are boards evaluations conducted and what types of evaluations are used?](#)

To ensure director performance is aligned with company strategy, a majority of boards surveyed by the National Association Corporate Directors (NACD) conduct full board evaluations. The *2013-2014 NACD Public Company Governance Survey* shows the following types of evaluations in use:

- 87.3 percent conduct full board evaluations
- 73.6 percent conduct committee evaluations
- 37.8 percent conduct individual director evaluations
- 4.7 percent conduct 360-degree evaluations

In the past year, the percentage of boards performing individual director evaluations dropped by more than 20 percent.

A majority of respondents that conduct board evaluations said the governance committee conducts the evaluations (40.3%) followed with 14.9 percent conducted with an outside consultant and 11.6 were done peer-to-peer.

[More http://nataofcd.informz.net/z/cjUucD9taT0zODA5OTAzJnA9MSZ1PTEwMjc5NDQ3NTQmbGk9MjEyNjkxNTY/index.h](http://nataofcd.informz.net/z/cjUucD9taT0zODA5OTAzJnA9MSZ1PTEwMjc5NDQ3NTQmbGk9MjEyNjkxNTY/index.h)