

O ● O BOARD QUESTIONS TO ASK TODAY

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Distribution September 1, 2012 Subject: Value Creation

Has "value creation" been a "hot topic" at your board meetings recently?

Has your company commissioned an independent investor perception study?

If not, should directors ask, "why not?"

(An investor perception study, conducted by a third party, involves non-threatening professional interviews with 20 or more institutional investors that are confidential and non-attributable to ensure candor.)

Six Questions To Consider When Deciding If an Investor Perception Study Is Right for Your Company

- 1. Some investors may simply accept the company's message, but do we know their "unvarnished" concerns and comments on company-specific value drivers?
- 2. Will the study include comments from thought leaders who know the company the best, i.e. management, the board directors and other trusted advisors?
- 3. Will the study provide: (a) suggestions on positive actions to improve performance and market appeal; (b) areas of concern needing focus; and, (c) a GAP Analysis that identifies inconsistencies between investors, management and other stakeholders' perceptions?
- 4. Will the report become part of the strategic planning, budgeting, training and goal setting processes?
- 5. Will the report be a useful tool for the company's communications program internally and externally?
- 6. Will the study provide a baseline to benchmark the company's progress against its peers?

Ask these questions during the executive session at your next board meeting. The answers might help your board become more effective and the company stronger.

New questions are posted each month at <u>www.governancesolutionsgroup.com</u>. Every board can benefit from periodically taking a hard look at how it is functioning and at the status of its corporate governance structure. Sometimes high-performing individuals find it helpful to talk with an outside expert – much like the occasional consult with the golf pro, or the visit to the doctor for an annual physical.



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"Good governance is part of every good business solution." Mary Denise Kuprionis