



ZDRUŽENJE NADZORNIKOV
SLOVENIJE

za učinkovito korporativno
upravljanje

Board selfevaluation in Slovenia

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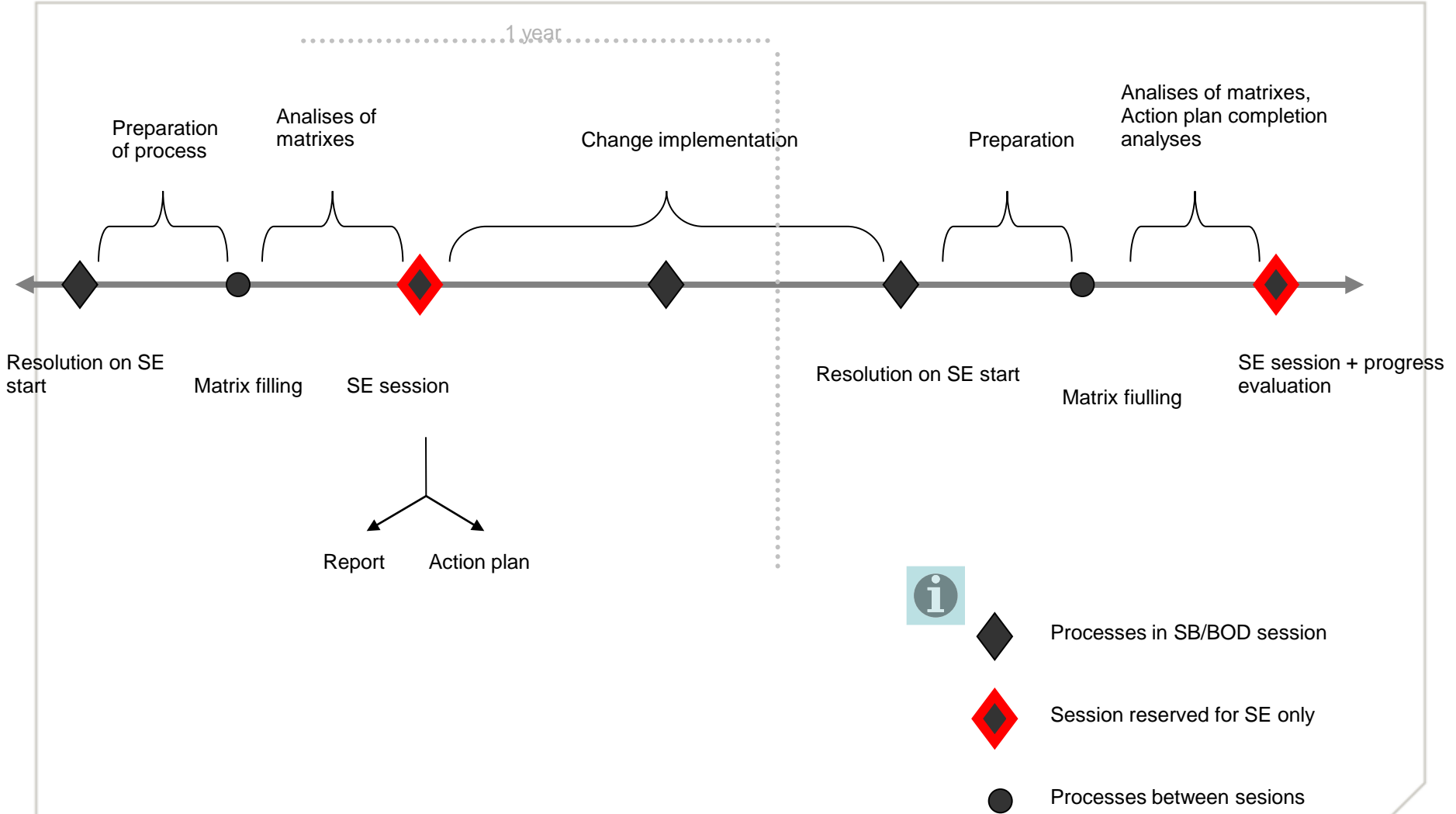
Slovenian Directors' Association
For efficient corporate governance

SUPERVISORY BOARD ASSESSMENT MANUAL



ASSESSMENT PROCESS:

1. Defining on the assessment method
2. Defining the contents of the supervisory board performance assessment matrix (standard or customized)
3. Preparation of the supervisory board members for the procedure
4. Each supervisory board member fills out the matrix individually
5. Supervisory board chairperson or an independent expert conducts interviews with the members (optional)
6. Gathering the data and filled out matrices
7. Analysis of information and compiling an interim report
8. Presenting the results and discussing the report and any proposed amendments
9. Agreeing on a list of improvement measures complete with an action plan
10. Proposal to improve the assessment procedure in the following year





PROGRESS MATRIX

Why not a questionnaire?

One size fits all?

Importance of notes



SECTIONS OF THE ASSESSMENT MATRIX

A. Supervisory board's pursuit of company interests and management policies – consideration of company interests and corporate governance policy

B. Composition of the supervisory board – diversity of composition and the number of supervisory board members; skills, knowledge, and experience of SB members; assessment of independence

C. Appointment of supervisory board members – defining the criteria and profile for selection of candidates; candidate selection procedure; induction

D. Supervisory board sessions – convocation and progress of sessions; session agenda; session minutes; monitoring the implementation of resolutions

E. Providing information to the supervisory board – timeliness and quality of materials; quality and confidentiality of information; quality of reporting

F. Supervisory board culture – Quality of discussion and expression of individual opinions; teamwork; motivation for work; professional development

G. Supervisory board tasks – Strategy management, supervision of company operations, human resource management

H. Relations with the management board – appointment of management board members; management board compensation and reward policy; management board performance evaluation; quality of cooperation

I. Supervisory board committees – appointment, composition, and work of the supervisory board committees; committee reporting to the supervisory board

J. Support to supervisory board's work – the role of secretary; supervisory board budget

K. Contribution by individual supervisory board members – attendance at SB sessions, preparedness for the session, participation in the course of a session

D3	Meeting minutes	Minutes only include the resolutions adopted. Minutes are not submitted to SB members prior to the subsequent session or they are submitted with substantial delay.	The minutes summarize approximately the progress of the session and the decisions adopted. Minutes are submitted to the SB members in a timely manner.	Minutes are submitted to the SB members in a timely manner and they summarize the contents of discussion and any differences in opinions of individual members, stress the session highlights, and list the decisions adopted, complete with explanations thereof.	Minutes are submitted to the SB members in a timely manner. The minutes reflect entirely the contents and progress of the session and the discussion, as well as the session resolutions. The sessions are tape-recorded and the records are kept appropriately in the company archives.	
D4	Monitoring the implementation of resolutions	SB does not control operative implementation of their decisions.	SB only loosely controls whether their decisions were implemented in practice.	SB controls operative implementation of the decisions adopted. However, such control is not carried out continuously; rather, information thereof is collected before the subsequent SB meeting.	SB continuously directs and adjusts the implementation of their decisions, and discusses the results in subsequent meetings.	
E	PROVIDING INFORMATION TO THE SUPERVISORY BOARD					
		LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 4	NOTES
E1	Timeliness and quality of materials	Materials for the meetings/sessions are lacking and do not allow informed decision-making no all items of the agenda.	SB receives the materials for the session in a timely manner and in the scope that meets the minimum requirements for discussion of particular items or issues on the agenda.	The members receive the materials for the session in time. The materials provide support to the agenda items, although the material may be occasionally too extensive or inappropriately organized to allow efficient preparation for the meeting.	Members are provided in a timely manner with materials that include all information required for efficient decision-making. The materials are well organized, with each piece of material clearly indicated as to whether it is merely intended to inform or whether it is to provide the basis for specific SB decisions.	
E2	Quality of information	Information is lacking and inaccurate.	Information is accurate but does not allow decision-making.	Information is accurate, relevant and reliable and allow competent decision-making.	Information is accurate, relevant, reliable, comparable, exhaustive, and it reaches the highest standards of reporting.	