

TalentIntelligence

Leadership Risk Management

SECURITIES & EXCHANGE COMMISSION - CHANGES TO CEO SUCCESSION DISCLOSURE

November 2009

As has been widely reported the Securities and Exchange Commission (SEC) issued a legal bulletin on October 27, ([No. 14E on Shareholder Proposals](#)) that reverses their former position that enabled companies to exclude shareholder proposals that focus on CEO succession planning as well as other issues related to how a company is managing its leadership risk. The SEC's stance for years was that succession planning activities fall within the normal course of company business and that companies need not disclose their plans.

To view the release go to:

<http://www.sec.gov/interp/leg/cfs1b14e.htm>

What will be the consequences of the SEC's new guidance?

Companies will need to:

- Ensure the board has ultimate responsibility for risk as it relates to succession planning.
- Establish criteria for evaluating how management executes this process measured against accepted best practice.
- Ensure board members spend more time having greater exposure to successor candidates (be they internal or external to the organization).
- Regularly review and align succession criteria to the forward strategy and direction of the business.
- Develop a detailed Success Profile for the CEO aligned to the direction of the business.

- Continuously benchmark potential successors - both internally and externally.
- Stress test' their succession plan and run regular robust "what if" scenarios.
- Provide transparency and regular reporting to shareholders, regulators and the market in general (akin to an audit report).

Our Solution:


Our solution enables the senior Human Resources Leaders the ability to present concise intelligence on executive succession linked real-time to the external marketplace.

The cornerstone of the Talent Intelligence model and process is the continuous identification and evaluation of external talent benchmarked against your own CEO and leadership team.

We adjust and reflect the external talent profiles against any changes (planned and unplanned) in:

- your strategic, business and organizational direction; and
- composition, structure and performance of the leadership team





The result is best practice succession management where the distinction between external and internal talent is removed to provide improved risk and corporate governance. This is coupled with actionable intelligence that significantly enhances your competitive advantage through improved strategic workforce planning and succession scenario decision making underpinned by speed, quality, value and reduced cost over time.

To deliver on the above we apply proprietary competitive intelligence methodologies to your succession planning and talent management strategies and composition on a continual real-time basis. All the intelligence generated through this process is directed, owned and controlled by the client.

Partnering with only one client per industry sector we allocate an account team dedicated exclusively to each client that builds and populates a pipeline of external talent benchmarked against nominated specific leadership positions and generic high value functional/technical roles. This intelligence is delivered via a secure customized web-based platform with a range of board and management reports for immediate inclusion in any strategic talent planning decisions.



Features & Benefits - Overview:

- Business model specifically designed to support succession management and leadership risk.
- Partnership with only one client per industry sector.
- Dedicated account management and research for each client – no competing priorities.
- Proprietary talent intelligence cycle and strategic research methodology.
- Dynamic research – continually updated intelligence via a customized dynamic web-based site.
- Clients receive 24x7 encrypted access to their customizable Talent Intelligence Management System (TIMS) site while maintaining absolute security and confidentiality.
- Range of on-demand succession planning and risk management reports for the Board and senior management – visibility for the Board, CEO and senior management team.
- Clients direct, control and own the talent intelligence generated on their behalf.
- Measurable return on investment and value.





About Talent Intelligence:

Talent Intelligence is the innovator and market leader in integrated Leadership Risk Management solutions with global capability through its regional headquarters in Chicago (North America), Sydney (Australasia), Hong Kong (Asia) and London (Europe).

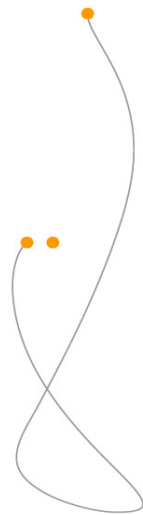
We have an experienced team of consultants and talent intelligence professionals supporting our dedicated global account management process covering all geographies, industries and functional areas.

To learn more about our offerings please contact:

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