

Directors lack faith in the CEO appraisal process

While some 71% of board directors believe their chief executive is doing a good job, only 55% believe they are being paid appropriately, according to new research.

A survey of 625 board directors by research company Insync Surveys also found that the majority of directors (56%) didn't believe the CEO appraisal process was handled well.

Insync chairman Nicholas Barnett said younger directors (under 45) were much more likely to criticise the appraisal process than their counterparts aged 64 and over.

He said this could be partly explained by the fact that younger directors had grown up during a period of more rigorous performance appraisals of not only executives, but all employees.

"It could also be the result of many CEO appraisals being undertaken exclusively by the chairman, the remuneration committee or sometimes by an 'inner-cabinet' of the board, without appropriate feedback to the other directors," Barnett said.

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