Cooperative Business Study

CEO Survey Instrument

Pre-Interview

Interviewer

Are you listening to or conducting the survey?

Pre-interview comments:

INTRO STATEMENT if you are conducting the interview: “Before we begin I want to assure you that everything you say will be confidential. You do not have to answer any question you do not want to answer. Neither your name nor your firm’s name will be released in any results published after the completion of this study.”

“May I also have your permission to record this interview?” Check if yes.
SECTION DATE and TIME:

[0101] "Please tell me briefly about your professional history and how you arrived at your position."

[0102A] "What is the highest level of education you completed?"
[0103C] "How many years have you been employed since your last degree?"
[0104C] "How many years have you worked at this company?"
[0105C] "How many as the CEO/GM?"
[0106Ca] "Have you worked in another member-owned business before this one?"
[0106Cb] If YES, "How many years have you worked in member-owned businesses [cooperatives/mutuals/credit unions]?"
[0108Aa] "What was your first exposure to member-owned businesses [cooperatives/mutuals/credit unions]?"
[0108Ab] If OTHER, explain.

[0109A] "What is your present age?"

SECTION COMMENTS:
"In some cooperative businesses, differences across members result in several interest groups of members. For example, are there easily identifiable groups of members within your cooperative? (Can you describe an instance where the differences among two or more groups took significant time to resolve?)"

SECTION DATE and TIME: 

[0301A] List and describe groups.

[0302A] Other comments about groups.

[0303A] CI score

SECTION COMMENTS:
SECTION DATE and TIME:

[0401C] "How many hours per month do you spend talking to members who are not on the board?"

[0402C] "What percentage of members voted in the last election?"

[0403C] "What percentage of members attended the last annual meeting?"

[0404C] "What does your firm do to encourage member participation in governance?"

[0405C] CQ score

SECTION COMMENTS:
"This section contains questions about the board of directors of this [cooperative/credit union/mutual organization]."

SECTION DATE and TIME:

[0501F] "How many board members are there?"
[0502F] "How many of the board members are women?"
[0503F] "How many times per year does the board meet as a group?"
[0504F] "On average, how long is a board meeting?" (hours)
[0505F] "Who typically sits in on board meetings besides the CEO/GM and member-elected board?"

[0506Fa] "Are there any voting members of the board who are not members of this firm?"
[0506Fb] If YES, "How many?"
[0507Fa] "Are there regular non-voting participants in board meetings?"
[0507Fb] If YES, "What is their role?"

[0508Fa] "Are there any third-party advisers to the board?"
[0508Fb] If YES, "What is their role?" List and describe the advisers.

[0509Fa] "How many board members have served for 3 or fewer years?"
[0509Fb] "How many board members have served for 20 or more years?"
[0510F] "How many board slots are open for election each year?"
[0511F] "What is the number of contested elections in the last 5 years?"
[0512F] "What are the committees of your board? Please list and describe them."

COMMENTS ON FIRM STRUCTURE QUESTIONS ABOVE:

[0513Ab] "How are your board members nominated and selected?" (1: Do candidates generally self-nominate or are they suggested by people? 2: Who suggests them? 3: In what context? 4: How likely is it that someone not familiar or selected by the board could win an election?)

[0513Aa] CQ score

[0514Ab] "What role does the CEO/GM play in nominating board candidates?" (1: How strongly does the CEO/GM influence the decisions of the board members on the nominating committee? 2: How strong an influence does the CEO/GM have on determining candidates selected?)

[0514Aa] CQ score

SECTION COMMENTS:
## SECTION DATE and TIME:

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
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<tbody>
<tr>
<td>0601a: &quot;Who sets the agenda for board meetings?&quot;</td>
<td></td>
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<tr>
<td>0601ab: IF OTHER, explain.</td>
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<tr>
<td>0602a: &quot;How many hours do you (CEO/GM) spend preparing for each board meeting?&quot;</td>
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<tr>
<td>0603c: &quot;How many hours of other staff time is devoted to preparing for each board meeting?&quot;</td>
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<tr>
<td>0604ab: &quot;How prepared are board members for meetings?&quot;</td>
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</tbody>
</table>

## CQ score:

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
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<tbody>
<tr>
<td>0603a: &quot;Is there a committee that has full board authority?&quot;</td>
<td></td>
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<tr>
<td>0603ab: IF YES, &quot;Who is on the committee?&quot;</td>
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<tr>
<td>0605a: &quot;When does the committee meet?&quot;</td>
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<tr>
<td>0606a: &quot;Do you (CEO/GM) and the board ever meet without staff present?&quot;</td>
<td></td>
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<tr>
<td>0606ab: IF YES, &quot;For what purpose?&quot;</td>
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<tr>
<td>0607a: &quot;Does the board ever meet without you (CEO/GM) present?&quot;</td>
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<tr>
<td>0607ab: IF YES, &quot;For what purpose?&quot;</td>
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<tr>
<td>0608a: &quot;Is the board involved in the selection of the CEO/GM's top management team?&quot;</td>
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<tr>
<td>0609ab: &quot;How would you characterize the board's role in creating and monitoring the firm budget?&quot;</td>
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<tr>
<td>0610a: &quot;Describe how CEO/GM discretionary spending is limited and controlled.&quot;</td>
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</table>

## SECTION COMMENTS:
SECTION DATE and TIME:

[0701Cb] "Do you communicate about firm business with one or more board members outside board meetings? If YES, how often?"

[0701Ca] CQ score

[0703Ab] "Do members of the board communicate about firm business with management (other than the CEO/GM) outside of the board meetings? If YES, how often?"

[0703Aa] CQ score

[0703Ac] "What is the purpose of these contacts?"

[0703Ad] If OTHER, explain.

SECTION COMMENTS:
SECTION DATE and TIME:

[0802Ab] "What is the board of directors' role in setting strategy?" (1: When was the last time the board came to management with an initiative of its own? 2: Has your board ever opposed a CEO/GM initiative?)

[0802Aa] CQ score

SECTION COMMENTS:
<table>
<thead>
<tr>
<th>Section</th>
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<tbody>
<tr>
<td>9 CEO</td>
<td>&quot;Including yourself, how many CEO/GM's has the company had in the past 20 years, that is since about 1990?&quot;</td>
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<tr>
<td>9 CEO</td>
<td>&quot;Of these, how many CEO/GM's were hired from outside the company?&quot;</td>
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<tr>
<td>9 CEO</td>
<td>&quot;Is there a succession plan in place for the CEO/GM?&quot;</td>
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<tr>
<td>9 CEO</td>
<td>&quot;If YES, &quot;Can you describe this plan? (Is it written or unwritten)?&quot;</td>
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<tr>
<td>9 CEO</td>
<td>&quot;Do you (CEO/GM) have a written employment contract?&quot;</td>
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<tr>
<td>9 CEO</td>
<td>&quot;If YES, &quot;Can you describe this contract?&quot;</td>
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<tr>
<td>9 CEO</td>
<td>&quot;Please summarize how the board of directors evaluates CEO/GM performance. In general, how does the board evaluate what has been accomplished?&quot;</td>
</tr>
<tr>
<td>9 CEO</td>
<td>&quot;Does the board set specific quantifiable measures for performance?&quot;</td>
</tr>
<tr>
<td>9 CEO</td>
<td>&quot;If YES, &quot;Please describe these measures.&quot;</td>
</tr>
<tr>
<td>9 CEO</td>
<td>NOTE! The respondent has been the CEO/GM for __ years. Ask the next 2 questions only if this number is 0-4, otherwise SKIP to [0908Fa].</td>
</tr>
<tr>
<td>9 CEO</td>
<td>&quot;How many times do you evaluate a new CEO/GM in the first year of their tenure?&quot;</td>
</tr>
<tr>
<td>9 CEO</td>
<td>&quot;On what criteria do you evaluate a new CEO/GM in the first year of their tenure?&quot;</td>
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<tr>
<td>9 CEO</td>
<td>&quot;How often does the board use a compensation consultant?&quot;</td>
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<tr>
<td>9 CEO</td>
<td>Notes relating to use of a compensation consultant.</td>
</tr>
<tr>
<td>9 CEO</td>
<td>&quot;Please summarize the CEO/GM compensation agreement.&quot;</td>
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<tr>
<td>9 CEO</td>
<td>&quot;Do you use any industry benchmarks for compensation?&quot;</td>
</tr>
<tr>
<td>9 CEO</td>
<td>[0907Bb] If YES, list benchmarks and other CEO/GM compensation agreements.</td>
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[0904B] "Please summarize how the board of directors evaluates CEO/GM performance. In general, how does the board evaluate what has been accomplished?"

[0905Ba] "Does the board set specific quantifiable measures for performance?"
[0905Bb] If YES, "Please describe these measures."

NOTE! The respondent has been the CEO/GM for ___ years. Ask the next 2 questions only if this number is 0-4, otherwise SKIP to [0908Fa].

[0905Bb] "How many times do you evaluate a new CEO/GM in the first year of their tenure?"

[0905Ba] "On what criteria do you evaluate a new CEO/GM in the first year of their tenure?"

[0908Fa] "How often does the board use a compensation consultant?"
[0908FB] Notes relating to use of a compensation consultant.

[0907Ba] "Please summarize the CEO/GM compensation agreement."

[0907Bb] "Do you use any industry benchmarks for compensation?"
[0907Bc] If YES, list benchmarks and other CEO/GM compensation notes.

[0908B] "What percentage of total compensation is performance incentives?"
[0909B] "What percentage of performance incentives are discretionary rather than by formula?"

SECTION COMMENTS:
"I would like to thank you again for participating in the Cooperative Business Study. With your help, we will expand knowledge of the cooperative business model and ensure that the next generation of leaders is prepared to excel in the cooperative community."

"As discussed, we would like to interview the chair of your board of directors. Would you please give me their contact information?"

<table>
<thead>
<tr>
<th>First name</th>
<th>Last name</th>
<th>Phone</th>
<th>Email</th>
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Notes on the Board Chair

"Also, to complete our record of your firm, we would appreciate copies of the following documents: Member agreement, Bylaws, and your latest Annual Report."

"If you have any questions or comments about the study please contact the principal investigator, Brent Huetl at huetl@wisc.edu or 608-890-0924."

Address to send documents to:
UWCC
230 Taylor Hall
427 Lorch Street
Madison, WI 53706-1503
http://www.uwcc.wisc.edu
After you have finished the interview, please answer the following questions:

How would you rate the quality of this interview?  

Briefly explain your evaluation: