

ANALYSIS OF BOARD OF DIRECTOR'S CONTRIBUTION



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Date: 24th May 2023

AGENDA



INTRODUCTION



BUSINESS
QUESTIONS



UNDERSTANDING
DIVERSITY



FACTOR ANALYSIS



PERFORMANCE
ANALYSIS



DELIVERABLE
ACTIONS

Introduction



- FreeFloatMedia is a Connecticut-based organization started in the year 2019.
- Aim: To make investing and business news reach wider audience.
- Their vision is to empower investors by providing them with insights into the world of finance and corporate governance.
- They strive to break down barriers and demystify the board room, making investing and business news more transparent and relatable.

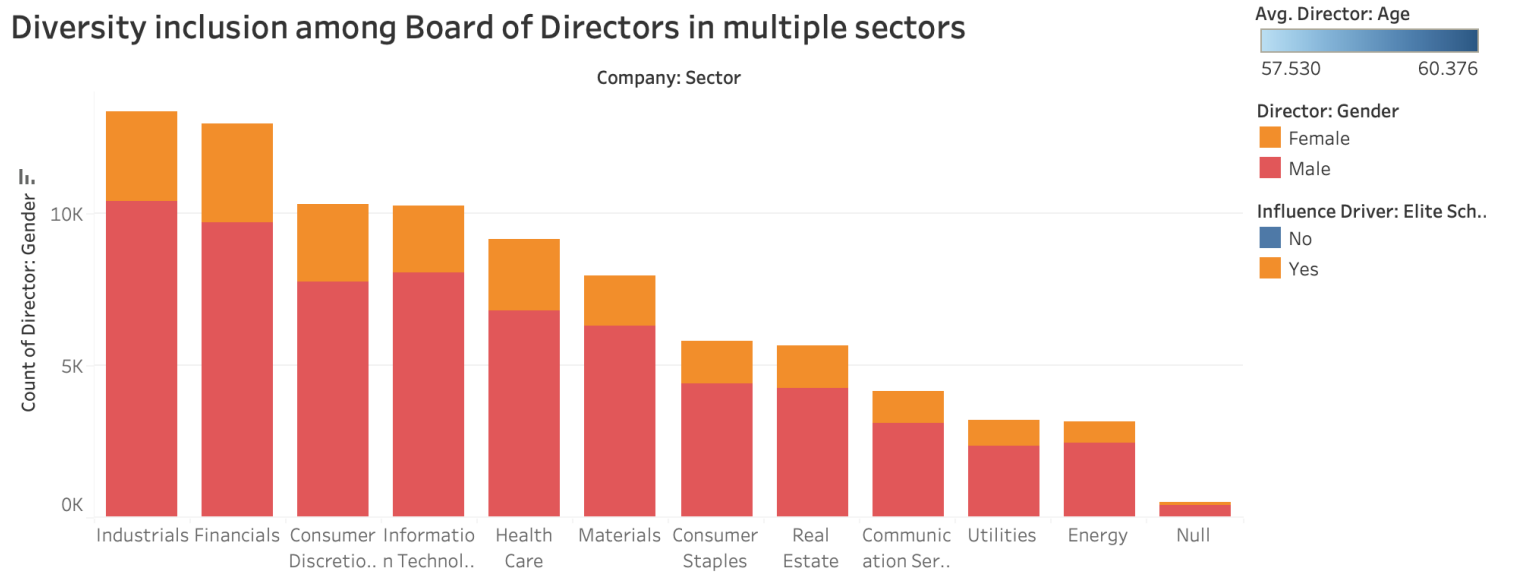


- What are the core factors that are responsible for driving any Director's Influence?
- Does Directors with multiple board history performs different than others?

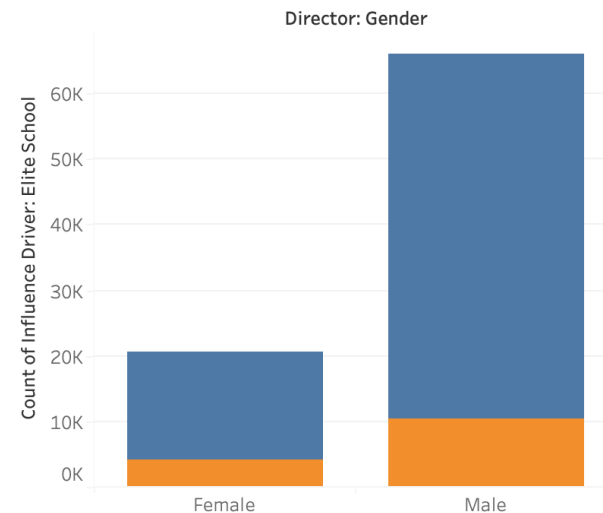
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Diversity Inclusion among Board of Directors

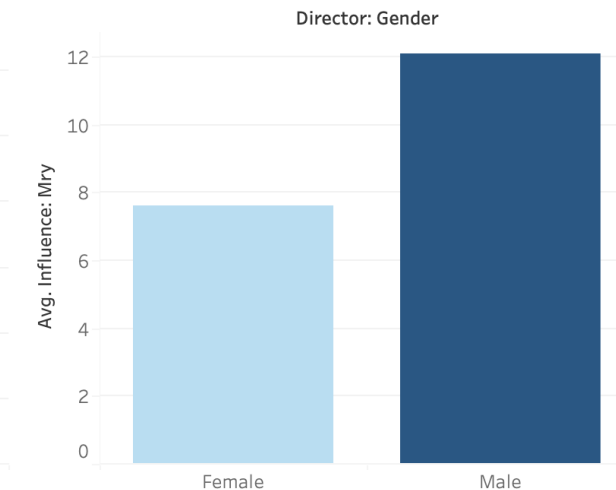
Diversity inclusion among Board of Directors in multiple sectors



BOD members from Elite schools

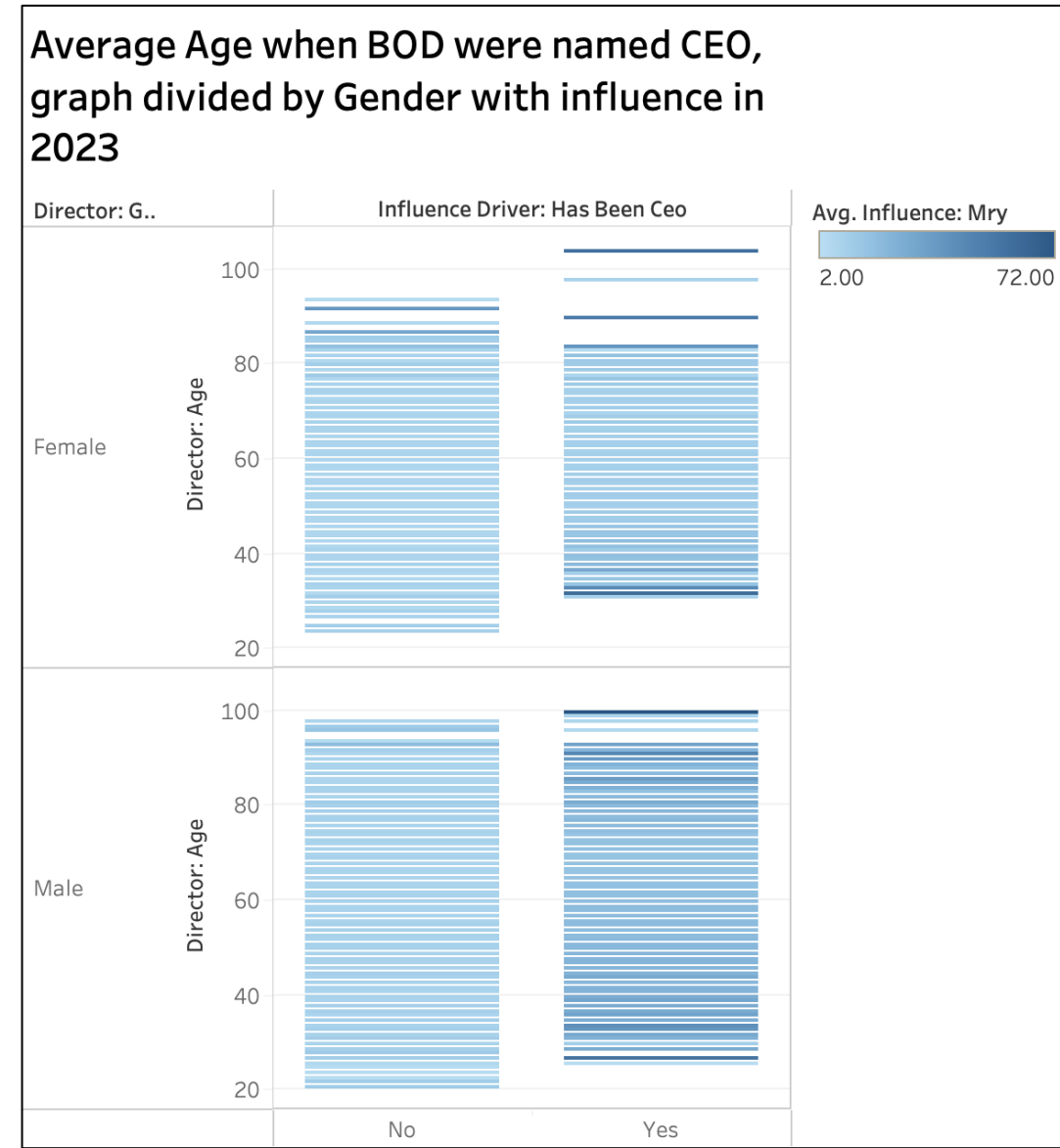


Average percentage influence of BOD members in the most recent year (2023) w.r.t Gender and Age



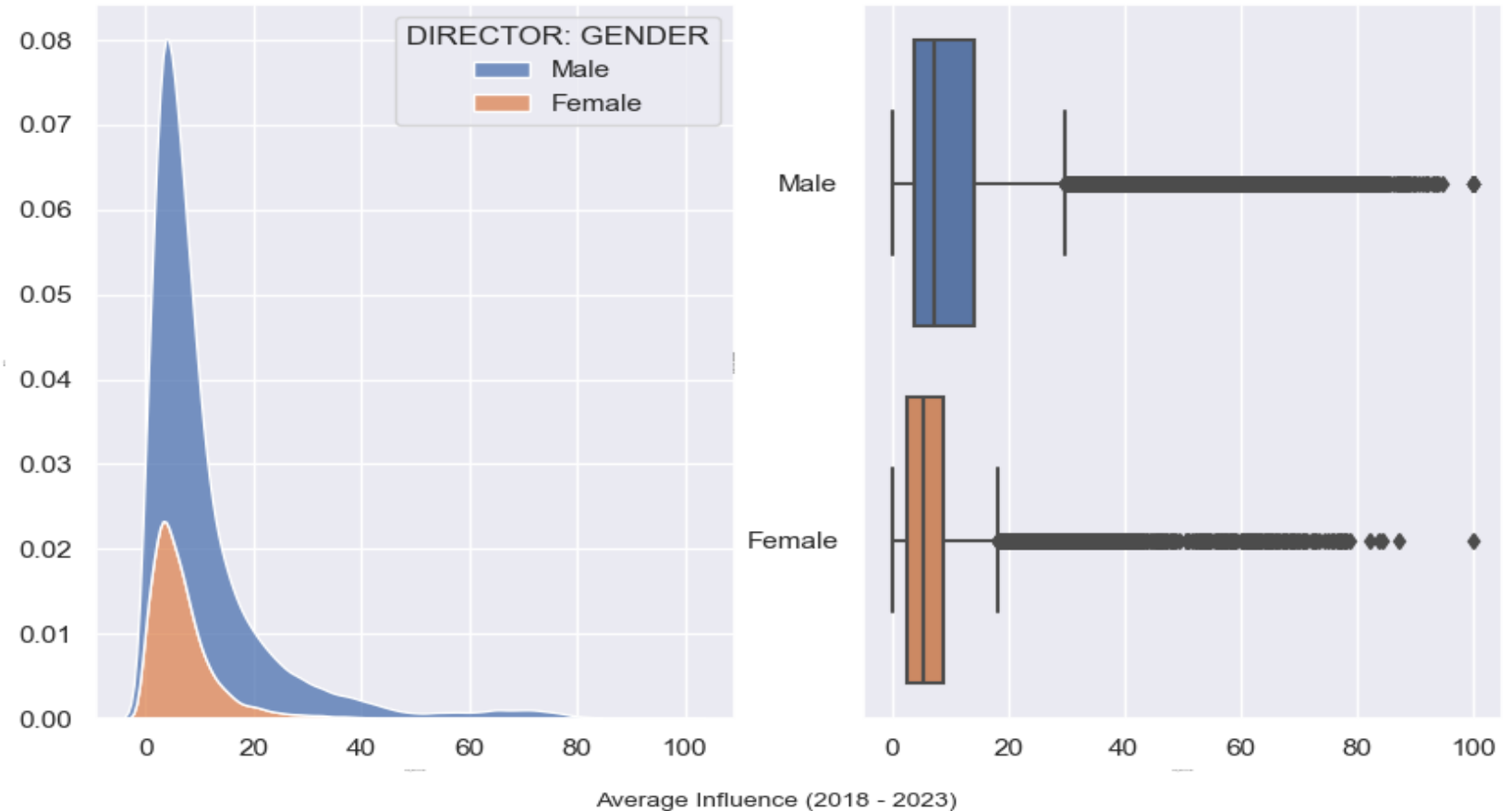
How influential are the Board of Directors in recent years?

- Most females get to serve on chair from late 30's and the graph shows that there is not much female appointed as BOD.
- On the other hand, males who are serving as BOD, start their career as CEO by mid-20's.
- Average influence in the most recent year is higher for males (above 12) than female (below 8) BODs.
- BOD who served/ is serving as CEO has higher influence in recent years.

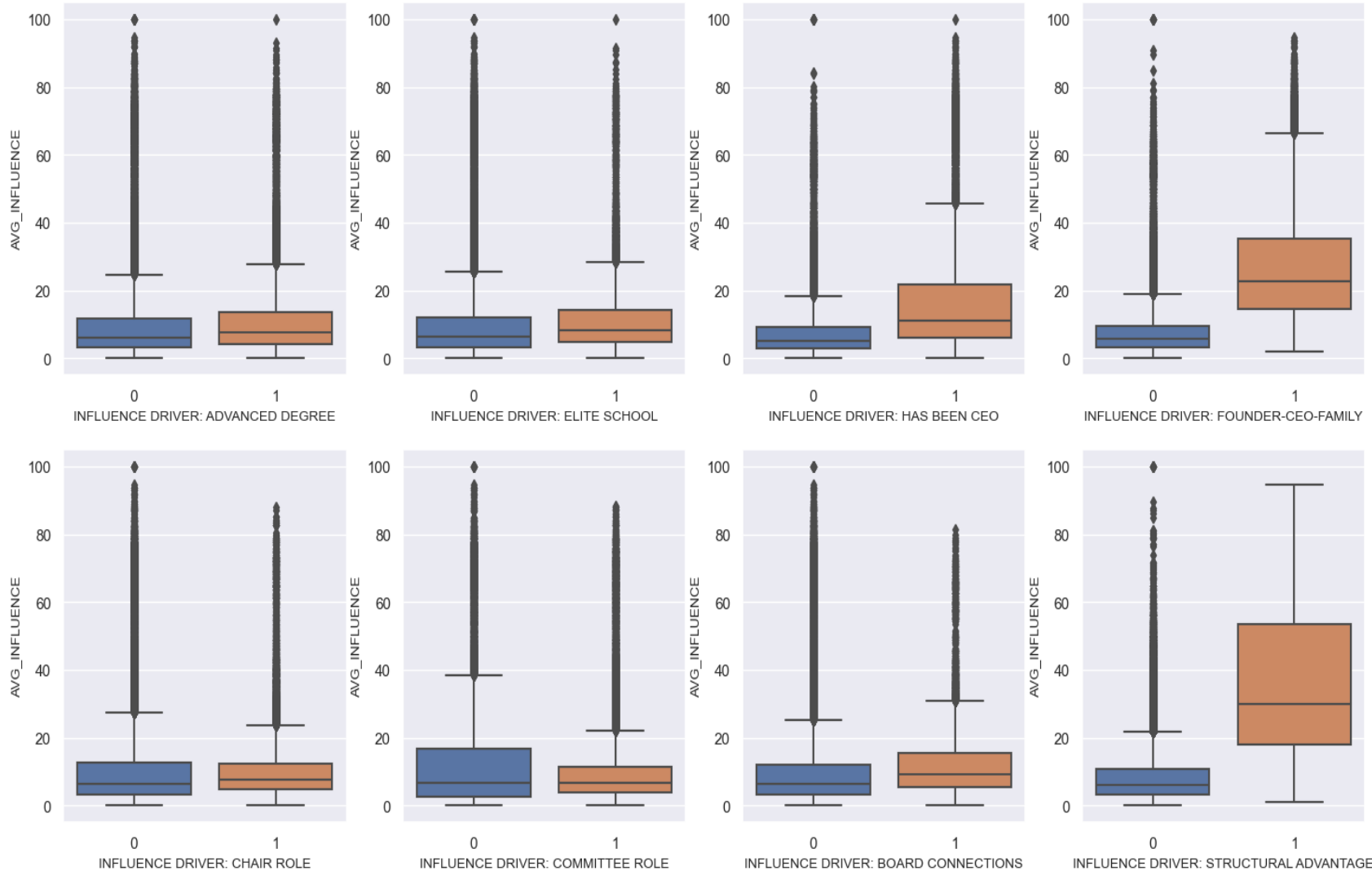


Gender Diversity in Board Influence

- Male directors are seen to be having higher average influence number over the past six years.
- Both male and female directors are having majority of average influence score below 20.
- A very handful of female board members are having Influence over 80.



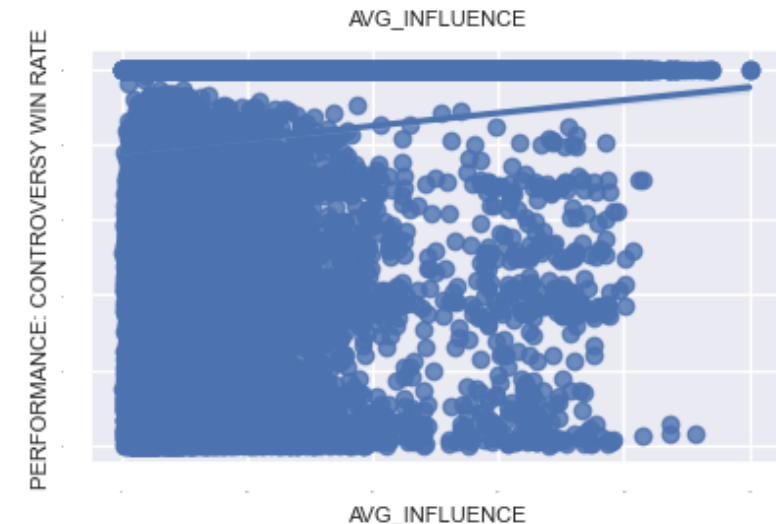
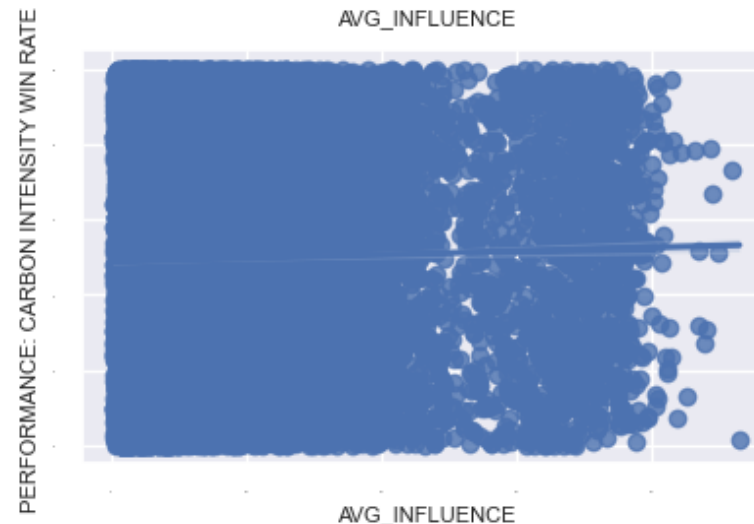
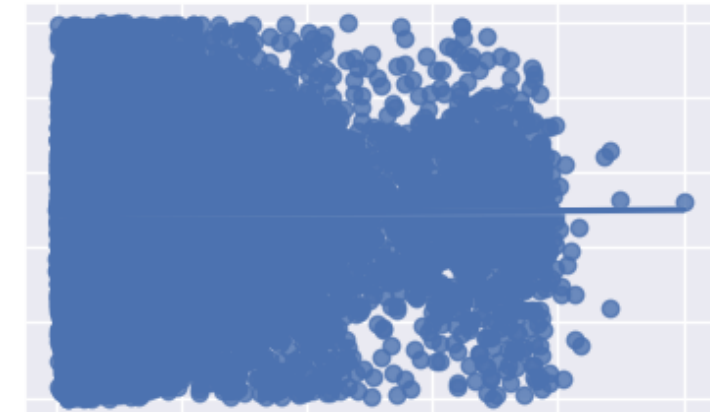
Drivers affecting Influence of Board Members



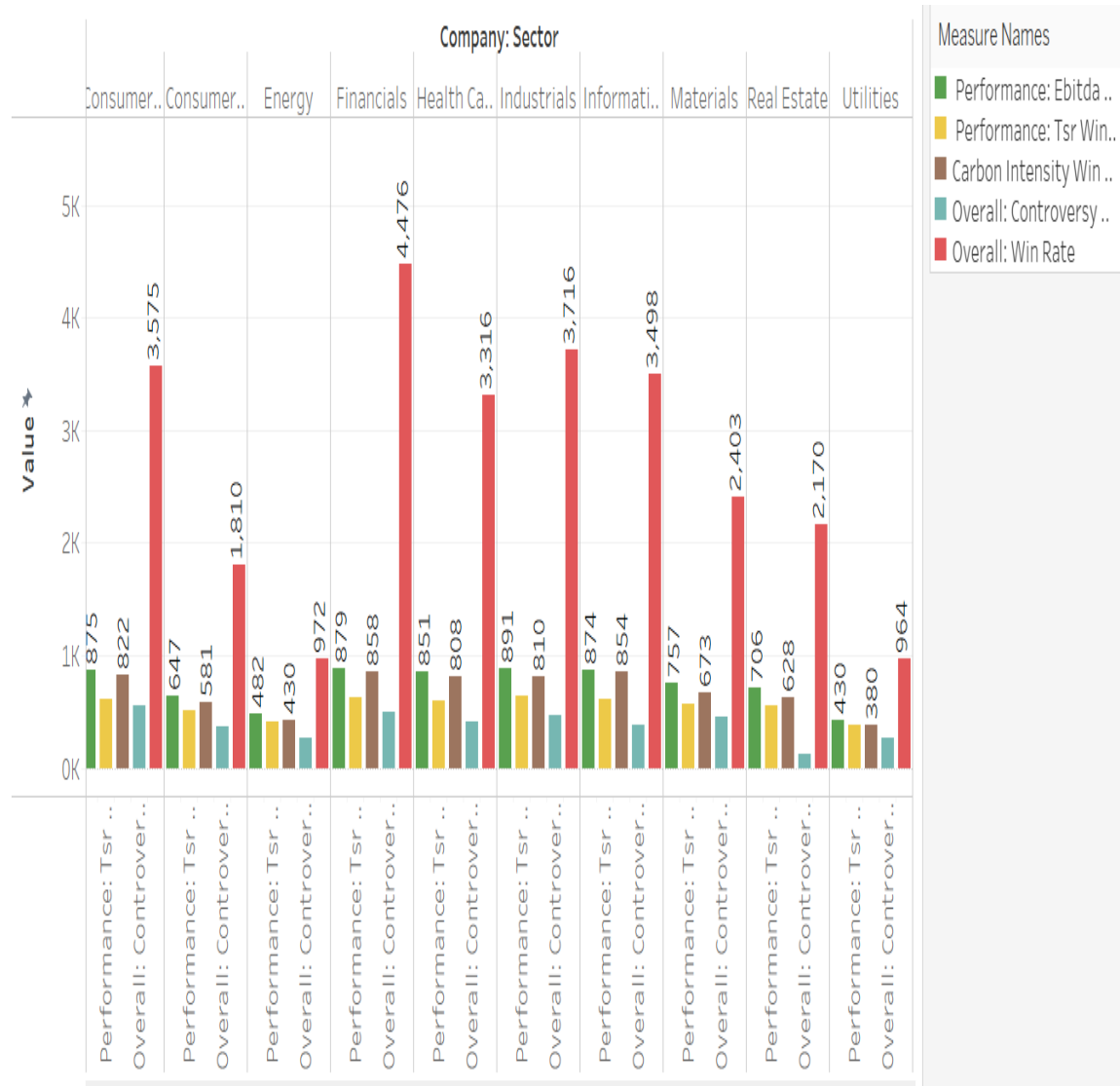
- Factors like Structural Advantage, being a family member of Founder or CEO is driving influence the most.
- Having just the Chair or Committee role tends to negatively impact the influence score.

Board Influence affecting Performance Rating

- Slight inclination can be observed in EBITDA and Carbon Intensity Win Rate with increasing Average Influence
- With higher influence steeper inclination is observed in Controversy Win Rate
- TSR win rate is having a stale state even with higher influence score



Average performance for each performance category for each sector



Financials sector has the highest performance win rate, indicating strong overall performance within this sector.



The Financials sector also demonstrates the highest win rate for carbon intensity, showcasing their commitment to sustainability.



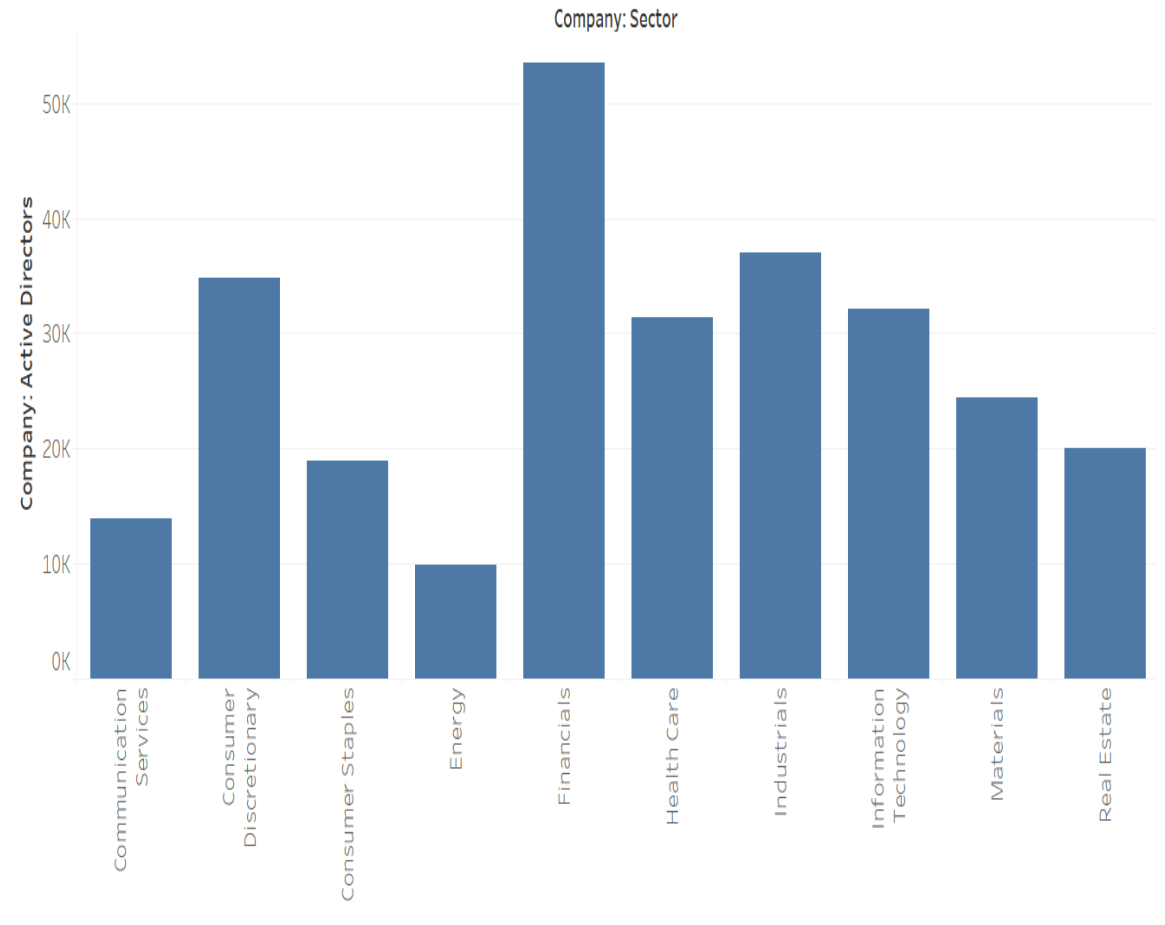
Energy sector has the lowest win rate in several performance categories, suggesting challenges or underperformance within the sector.



Industrial sector stands out with the highest EBITDA win rate, highlighting its strong earnings and operational efficiency.

Graph showing active directors for various sectors

- Financial sector has the highest number of active directors ranging more than 50K.
- Energy sector has the lowest number of active directors have the count of 9,869.
- Based on our research we have also found that the financial sector have better performance win rate as compared to other sectors.



Expectations and Final Deliverable Work

- Our objective is to develop a comprehensive Tableau dashboard that offers a holistic view of company's investment portfolio.
- The dashboard will highlight the performance of individual directors and provide insights into the standings of different companies.
- To create a compelling dashboard presentation, we will integrate individual analysis seamlessly.
- To gain a deeper understanding of our portfolio, we recognize the need for more thorough factor analysis.
- This investigation will specifically focus on factors such as diversity, skillsets, and performance traits.



THANK YOU!