Subsidiary Governance

An innovative management tool to manage corporate subsidiaries and strategic partnerships.

We offer a solution to assess and improve the cooperation between a corporate headquarter and its subsidiaries and strategic partnerships. Leading and controlling subsidiaries and partnerships is a major challenge in globalized markets. Use the «Subsidiary Governance» methodology to ensure that your defined strategies and objectives are achieved in an appropriate and consistent way.

Our management tool enables you to
- monitor the operationalization of your strategy
- improve the understanding of decentralized markets
- evaluate and optimize the consistency along official channels
- minimize reputational risks
- ensure shareholder interests
- improve risk management
- display potentials for innovation

Easy usage – Meaningful results
The Subsidiary Governance Toolkit is based on a system-independent web application which is available anytime and everywhere.

«Identifying Governance Gaps is not just NICE, it is a MUST. At Schindler we use our own scorecards to identify «hard factors» across the group, with great success. Additionally the Subsidiary Governance Assessments enables us to understand and use the «soft factors» within the organization.»
Benny de Bever, Head Group Assurance, Schindler

«93% of persons responsible at Headquarters equals the management of subsidiaries with trust in local management.»
Financial Times & IMD Lausanne, 2006

«94% of the board of directors assesses their added value towards the corporate management as very high, only two of three management members recognize it the same way.»
Handelszeitung 2011

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Assessment

An overview of the Self-Assessment

The Self-Assessment enables you to autonomously assess your own organization. The following actors are involved during the execution:

- Process owner (setup, generate survey, evaluation, follow-up)

- Management members from three management levels (answer survey)

During the assessment **members of the management** from different management levels are asked about predefined business and leadership indicators on their hierarchy level through an online survey. The online application evaluates the **answers** and compares them with other management levels. That determines the discrepancies between settled strategies and operational understanding.

The discrepancies are graphically visualized in the **management cockpit.** A drill-down function gives the opportunity to view the detailed results of the business topics. It gives you also the possibility to compare different assessments to gather insights about improvements or deteriorations of the situation.

Level 1
Head office management and board

Level 2
Subsidiary management

Level 3
Middle & lower management
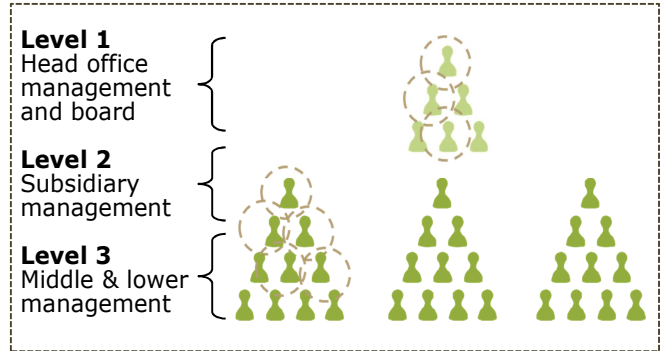
The application uses a **maturity scale** from 0 to 5 to assess the situation which gives information about the current situation.

Scale	Signification
Level 0	Not existing
Level 1	Initial, not yet conscious, ad-hoc solutions, intuitive
Level 2	Repeated, singular instances of conscious processes
Level 3	Defined, communicated, trained
Level 4	Managed and lived
Level 5	Improving, continuous reflection, systematically measuring and improving

Overview

Single Drill-down | Assessment Comparison   en de es

Customer:	SwissBioTECH, Switzerland
Unit:	SwissBioTech EXPORT, United States ▾	EvolucaoBio, Brazil ▾
Assessment:	2011-02-25, Final ▾ A	2011-03-07, Final ▾ B

- 🟢 Score > 2.5 and MaxGap <= 1.5
- 🔴 Score < 1.5 or MaxGap > 2.5
- 🟡 all other values

[Compare]

Foundation		Score A	Score B	MG A	MG B
System Management ⓘ	🟡	2.74	2.47	2.00	4.20
Mission Management ⓘ	🔴	3.00	2.55	4.00	4.50
Integrity Management ⓘ	🟡	3.35	2.71	2.00	4.25
Extended Stakeholder Management ⓘ	🟡	3.10	2.50	2.00	4.00
Risk Management ⓘ	🟡	3.73	2.42	2.00	5.00
Audit Management ⓘ	🔴	3.39	2.56	3.00	4.00

Results		Score A	Score B	MG A	MG B
Competitiveness	🟡	3.32	2.54	2.00	5.00
Innovativeness	🟡	3.67	2.52	2.00	4.33
Sustainability	🔴	3.55	2.59	3.00	4.25
Leadership	🔴	3.04	2.49	4.00	4.50
Operational Excellence	🟡	3.26	2.51	2.00	4.20

The company is able to perform an assessment **autonomously** at little cost and with little time with as many subsidiaries and partnerships as desired. Assessments from subsidiaries and partnerships are comparable and best practice and potential for improvements can be deducted. Progress becomes measurable and immediately visible.

Average Values

Audit Management (+0.83)
System Management (+0.27)
Risk Management (+1.31)
Mission Management (+0.45)
ended Stakeholder Man... (+0.60)
Integrity Management (+0.64)

SUBSIDIARY GOVERNANCE
Exceed your potential