

A Conversation with Michael Enos and Chad Flynn



Michael Enos
Chief Operating Officer



Chad Flynn
Chief Technology Officer

Q. Main Data Group (MDG) has made numerous improvements and investments this year. What is the strategy behind your expansion?

Mike: This year our strategy and focus has been on adding depth to our data, creating new value-add reports, and simplifying existing reports. The goal is to improve the overall user experience.

In terms of adding depth, some examples include enriching our CEO Pay Ratio Report by collecting new data showing how companies describe their ratios relative to peers, how they are positioning their ratio this year as compared to last year, and any changes in their methodology. Our Board Pay Details report now tracks director pay limit information including types of restrictions, who is affected, and what elements of pay are involved. We also now collect and provide future changes to board pay programs, including the elements of pay that are changing and the magnitude of the change.

For new reports, we launched a Change-in-Control/Severance report that focuses on Russell 3,000 companies and includes information that will help comp professionals understand market norms related to

change-in-control and severance arrangements. There is information on triggers (single vs. double), cash severance multiples, benefits continuation, and how companies are managing outstanding incentives and interrupted performance cycles, among many other key data points.

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Chad: We also looked at simplifying existing reports. MDG has built a reputation of having the most granular and detailed data in the market. That will continue. However, customer feedback suggested that some of our reports contained so much information that our subscribers were having trouble efficiently finding what they were looking for and or didn't even know we had it. As a result, we have worked hard on re-vamping existing key reports, making them easier for users to navigate and use. Take for example our Equity Dilution and Executive Pay reports. In both cases, we focused on highlighting the most salient data and statistics, eliminated extraneous worksheets and data, and added enhanced graphics. Our Pay for Performance and Equity Ownership and Guidelines reports are also examples of this.

Q. For the executive compensation professional using your platform—how is their experience different than it's been in the past?

Chad: In April, we launched a new Main Data Group platform that has a fresh and modern look. Our goal was to provide subscribers with a faster, easier way to get the online data, robust reports, and informational content available. Some of the enhancements include a re-designed dashboard that remembers a user's most recently viewed peer group pages and report downloads, and a centralized and easily accessible Tools menu for the Peer Group Manager, SEC Filing Notification, Filing Search, and Equity Value Calculator tools. We also have a revised Help section now available on every page.

Q. MDG is known for providing quality proxy data and had a big focus in 2018 on reporting CEO Pay Ratio data. What has been the focus in 2019?

Mike: This past year there were not any new disclosure rules equivalent in magnitude to the CEO Pay Ratio. However, there are significant emerging trends and we are capturing that information. One example is the disclosure of ESG metrics in short- and long-term incentive plans. We are currently tracking companies that have ESG metrics, by category (environmental, social, or governance) as well as subcategories. We are also tracking voluntary disclosures for gender pay gap, gender pay equity, and gender leadership diversity. We anticipate both of these topics will continue to gain attention and momentum.

In addition to keeping pace of emerging trends, a big focus this year has been on conducting custom research for our subscribers. We have a team of programmers who are able to mine our database with more than 4,500 firms and 10 years of data to identify trends and specific types of situations and compensation programs. We recently completed an analysis of CEOs that took on the chairman of the board role mid-tenure within companies in the S&P 400/500/600 and in the healthcare industry, for the past three fiscal years. That's one example of very specific information that our subscriber needed. Someone else needed information on executive chair positions at life sciences companies with more than \$100M in revenue. These are custom queries that we are able to quickly provide clients and that help tremendously when they are working on special-circumstance projects.

Q. In 2019 you've added resources and new team members. Can you share how that has improved support for your customers?

Mike: Most notably, we expanded our Client Service team this year by adding Khyati Kadakia as our director of Client Services. After nearly 14 years of executive compensation consulting with Pearl Meyer, Khyati joined the MDG team in April and in her new role with MDG, KK is responsible for ensuring client satisfaction, managing our account managers, overseeing our US programming team on custom research and projects, and assisting with product development.

Her prior consulting experience and expertise in executive compensation has been well-received by our subscribers as she is able to not only address questions quickly but provide a consultant's viewpoint. KK's experience has also translated into new products that give practitioners information they want and need.

Q. What do you see looking ahead for MDG?

Chad: The year has gone by fast and we are really proud of what we have been able to accomplish. However, we are not done. Over the next few months, we plan to launch at least two more new reports with a continued focus on user-friendliness and simplification.

We are also exploring international data capabilities, and we are presently investing in technology to accelerate our ability to capture data more quickly and accurately than ever before.

Mike: With a new platform, new reports, and a bigger team, we feel really good about how we are supporting our subscribers in their day-to-day work. The fact is, today we're providing the most robust, data-rich, and cost-effective proxy data platform available, but we never view the work as "complete." We strive to continuously improve and expand the information and the experience MDG offers and our clients will reap those benefits in the coming year and beyond.

About Main Data Group

Main Data Group is a provider of executive compensation benchmarking and corporate governance analytics. Its mission is to empower executive compensation professionals with comprehensive total rewards and corporate governance information in an affordable, easy-to-use online service. For more information contact us at info@maindatagroup.com or by filling out our contact form at www.maindatagroup.com.