# Linking Nonfinancial Metrics to Strategy and Culture

The National Association of Corporate Directors recently convened a meeting of Fortune 500 audit and compensation committee chairs to discuss the key issues and challenges the board faces in the selection and use of nonfinancial metrics. A free report on the results of that meeting **is available** from NACD.

Three key takeaways emerged from the meeting.

- Boards should link nonfinancial metrics to strategic and cultural objectives.
- Audit committees should leverage internal audits to meet the challenge of nonfinancial data quality oversight.
- Compensation committees are focusing on the role nonfinancial metrics play in compensation-plan design and in eventual payouts.

The full report from the meeting includes:

- key questions for boards to ask about nonfinancial metrics
- the four critical roles for internal audit in support of governance over nonfinancial reporting
- special considerations for the compensation committee

**Download the report.**