

Harvard Law School Forum on Corporate Governance

How to Be a Good Board Chair

Posted by Stanislav Shekshnia (INSEAD), on Tuesday, April 24, 2018

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Editor's Note: [Stanislav Shekshnia](#) is Senior Affiliate Professor of Entrepreneurship and Family Enterprise at INSEAD. This post is based on his recent [article](#) in the *Harvard Business Review*.

What do good board chairs do in and outside the board room? To explore this questions, INSEAD Corporate Governance Centre launched a research project that included a survey of 200 board chairs from 31 countries, 80 interviews with chairs, and 60 interviews with board members, shareholders and CEOs.

An effective chair, the people in our study largely concurred, provides leadership not to the company but to the board, enabling it to function as the highest decision-making body in the organization. As one survey respondent put it: "The chair is responsible for and represents the board, while the CEO is responsible for and is the public face of the company." That crucial distinction makes the chair's job very different from the CEO's, and it calls for specific skills and practices. Here are some of them.

Being a guide on the side. Although most board chairs had been CEOs in the past the effective ones have unlearned CEO's activism and learned not to jump in with answers or to try to call the shots. Good board leaders three characteristics:

- As a respondent from the United States put it, "If you want to occupy center stage, look for another job. Great chairs create conditions that allow other people to shine." Effective chairs speak little; their interventions are focused on process and people, rather than on content, and are encouraging.
- Good chairs are passionate about their work, but that passion is tempered by the ability to pause and reflect. Instead of rushing to get things done quickly, they focus on getting things done properly. They encourage introspection and thoughtfulness.
- Although the majority of chairs we studied had part-time contracts with their companies, they were fully committed and put in the required time no matter what they'd agreed to.

Enabling teaming. Good chairs recognize that directors are not a traditional team. They spend little time together, have multiple affiliations and do not sit under one roof. Collaboration in this context is what Harvard Business School professor Amy Edmondson calls "teaming": gathering experts in a temporary group to solve challenging problems. To enable it, leaders focus on quickly scoping, structuring, and sorting the collaborative work rather than defining team norms and building trust. Effective chairs engage directors in collaboration through personal attention and involvement, enable productive group work by providing quality materials, balancing presentations, Q&A sessions, and discussions in the board room, allocating airtime fairly, containing talkative directors and encouraging silent types. They find time for board evaluations and collective reflections and praise their directors' work.

Organizing the process. Though many newly minted chairs are eager to put their knowledge and experience to full use, the harsh reality is that collective productivity suffers when the person at the head of the table has strong views on a particular issue. Rather than asking themselves, "What is the best solution for a problem?" effective board leaders ask, "What is the best way to organize a discussion of the problem?" In preparing for a board meeting they focus on how to structure conversations; allocate time for presentations, committee reports, and discussions; and which directors should open or close discussions. As one chair put it "If I want to see the whole picture and facilitate the work of the group, I should not play. I should become an onlooker without any stake in the game."

Measuring inputs. It's hard to measure effectiveness of a board of directors whose decisions will continue to have an impact on the company for many years. Yet it has to be done. Good chairs recognize that the quality of the board's outputs – decisions it makes, cannot be accurately measured in real time. Instead they use the quality of the inputs as a proxy – if the inputs are good, the desired outputs will—in general—follow. Five inputs are critical for board effectiveness: people, board agendas, board materials, board process, and board minutes. Effective board leaders ensure that they are first-rate.

Not trying to be the CEO's boss. As leaders of the highest decision making body in the organization some chairs come to see themselves their CEOs bosses. Good chairs do not make this mistake. They always remember that they represent the board in relationship with the CEO and keep other directors informed about all new developments and insights. They understand that the board is the collective "boss" of the CEO and that the task of the chair is to make sure the board provides the goals, resources, rules, and accountability the CEO needs.

The complete article is available is [here](#).

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