



**SPORT
NEW ZEALAND**
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The Board Leadership Team – exploring structural options

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Context

Models of board leadership are evolving. This short opinion piece considers the core function of the board chair and how other associated roles may add value. These roles include the Chair, Deputies, Co-chairs, and Presidents.

The Chair – core responsibilities¹

One commentator has described the chair as the Chief Governance Officer (CGO). This underlines the chair's primary obligation is to draw the best possible performance from the board. The analogy of the chair as 'conductor' is also common. The conductor of an orchestra plays no instrument but ensures the musical forces in front of her work together to deliver a harmonious rendition of the work.

However, a board chair is not the boss of the board, nor the singular head of the organisation. We prefer Robert Greenleaf's concept of servant leadershipⁱ. The chair serves the board to provide assurance of its effectiveness and should be regarded only as a 'first among equals.'

Before considering associated roles that may strengthen board leadership, we should be clear about the core responsibilities of an effective board chair. The recipe for the role will vary across diverse types of organisations and according to their stage in development.

1. Meeting management

Board meeting time is precious, and the chair must ensure it is used to best effect. Effective time keeping in general and across the agenda is essential. Matters of governance relevance should be to the fore and when discussion strays the chair should pull the board back on track. When decisions are made it should be clear what has been decided and management are in no doubt about the board's expectations.

2. Agenda planning

Effective chairs lead their boards in developing a high-level annual agenda to ensure the board has a shared sense of priorities for its attention. The chair then decides what is to go on the agenda for each meeting and the order in which matters will be addressed.

3. Decisions and information

In conjunction with the chief executive the chair will frame the information the board needs to support its meetings. For significant decisions, the chair will also ensure the board has an agreed process and defined decision-making criteria. For complex matters a chair may touch base with each director ahead of time to ask what information they need to make a decision.

The chair ensures that only relevant information is provided to the board, working with management to keep board meeting pack content manageable. The chair also helps the board to articulate how much information, and in what form, it needs to satisfy itself that the organisation's performance is on track.

¹ Here we are considering prevailing practice in Aotearoa New Zealand where the chair is typically a non-executive role. The practice of combining CEO and board chair roles is still common in North American but becoming less so.

4. Boardroom culture and team efficacy

The chair must be the exemplar of the board's code of behaviour and remind individuals and the group when they stray. A good chair knows how to draw out balanced contributions and how to structure the dialogue, spotting and reacting to non-verbal cues. A skilled chair also knows when to insert his own opinion and how to draw discussion to a conclusion. Applying these and related competencies is central to ensuring the boardroom team is greater than the sum of its parts.

5. Partnering with the chief executive

The chair must cultivate a constructive and mutually supportive working relationship with the chief executive. The chair ensures that the board is a good employer and that it honours its policy and delegation framework.

Good chairs 'check in' with their chief executives regularly but respect several 'must avoid' possibilities in the relationship. For example, that the chair is not 'the boss' of the chief executive who is accountable to the board as a whole. Nor should the chair become the primary information conduit between the chief executive and the board. Wise chairs avoid the relationship becoming so close that the two start operating on their own (joint) initiative leaving the board out of important decisions.

6. Stakeholder relations

While the chief executive is usually expected to be the 'face' of the organisation, there is a significant role for the chair in dealing with stakeholders particularly those that have a defined constitutional role.

7. Accountability and development

A good chair reinforces the expectation that the board and its members are accountable for their performance, adding value to the organisation. This is likely to involve the chair ensuring there are regular effectiveness reviews both of the board collectively and its members individually, together with follow-up professional development activity.

8. Knowledge and attributes

A board sets the tone and the chair more than anyone must live the values of the organisation. Displaying integrity, even handedness, holding to account, committing the necessary time, inspiring trust, displaying self-knowledge etc, are all essential. A certain level of relevant knowledge and capability is also required. This must be applied to at least agenda design, basic meeting management, application of the board's policies and delegations, compliance with relevant legal and regulatory frameworks developing the team and leading well designed decision processes.

Should the Chair be a solo act?

The chair's role is unquestionably a demanding one for one individual to undertake. It is not surprising that it is widely accepted that the time commitment required of a chair is at least double that of an individual director. So, how might the chair's workload be shared, at least in part, with others?

Deputy Chair

This is a commonly specified role on many boards. It can be titular, no more than a spare wheel only called on in an emergency. In other cases, it is the 'chair in waiting'. This might be dictated by an organisation's constitution, but more often uncontested succession is by custom. A good 'number two' does not always make a good 'number one' so, if possible, succession should not be automatic.

Deputy chairs can be valuable in a variety of ways. More often than not this is determined by a combination of the capabilities and attitude of the deputy and the extent to which the chair is willing to delegate aspects of the role they would otherwise have to take on themselves. Mutual expectations should always be clear and, to a significant extent, are negotiable.

One useful function of a deputy chair is to lead the Chief Executive performance management process. We suggest that removing the chair from this responsibility not only reduces the chair's workload but keeps a source of tension from the chair/chief executive working relationship.

Co-Chairs

Shared leadership models are not new in New Zealand. They occur in both executive and governance structures particularly in more political contexts. There are gender-based models but the adoption of co-chair structures are increasingly directed to honouring the partnership intent of Te Tiriti o Waitangi. In the Treaty context it can help bring a te ao Māori perspective to the heart of governance where that is important for the fulfilment of organisational purpose.

The co-chair approach is best described as a work in progress. Certainly, there are few fully formed models, with a proven track record to reference except in respect of special purpose decision making bodies in the environmental management sphere.

The approach is at present prevalent only in government and the non-profit world. It has not caught on internationally or in the private sector

In considering the applicability of the model there are a number of questions to reflect on. For example, does this approach serve the purposes of the organisation, does it add to or detract from the effectiveness of board leadership, is it the best way to display gender-equity intent or a Treaty partnership commitment, do the founding documents allow a shared role?

In terms of chair workload, can dividing the job between two individuals make the job more 'doable'? Possibly but only if the two co-chairs have clearly defined authority for various parts of the job. Otherwise, there is a constant need to negotiate who is doing what. Conducting the chair functions by rotation (i.e., one chair at a time) is a feature of some Treaty settlement arrangements. Rotating specific tasks can also work (e.g., the chairing of meetings).

Other fishhooks include how the Chief Executive relationship is managed. Matters are simple when the chair is one person and voice. If the organisation also has co-management each relating to a different board co-chair, then there is a danger of creating two streams of information flow not necessarily always connected.

Any extra time commitment on an already busy chief executive needs to be carefully considered when there are two chairs. For the sake of continuity, it is also important that the co-chairs' terms do not end at the same time.

There is undoubted potential in a co-chair arrangement to give effect to a genuine commitment to partnership. However, expectations about what would need to change in terms of ways of working and thinking together, and with the board as a whole, need to be clearly set out. In some organisations the model appears to function well. Others, including some iwi, have tried, and then put aside the model. Some organisations have been successful in partnership with Māori without a co-chair. Among these an option is a fully involved Kāhui (advisory group) with a seat at the table. Genuine partnership is broad and long term far beyond who sits in or shares the chair role.

From a gender diversity perspective, the co-chair model can also provide leadership opportunities for women.

President

Distinctly separate roles for a President and a board chair have been common in membership organisations but are prone to role confusion unless both positions are clearly specified. This is partly because it is often difficult for individuals both inside and outside the organisation to know which role carries what authority. The wrong incumbents can easily fall into a kind of ego contest.

The most successful arrangements of this kind occur when the Presidential role is not a governance role per se but more a ceremonial one. The chair's usual workload inevitably limits their ability to attend as many events, functions, and regional gatherings as might be desirable. A President with

mana and the time to get out among the organisation's stakeholders can be a more than acceptable 'off course substitute' particularly if they can be trusted to carry stakeholder thinking back to the board. Someone of this nature keeping a wise ear to the ground can be invaluable for both chair, board, and chief executive. Presidents are often welcome to attend a board meeting but not vote.

Common themes

Where there is a choice about which approach (if any) to adopt instead of a singular board chair, it is a matter of 'horses for courses.' Successful sharing models invariably have compatible personalities in the associated roles. Without trust, connection, and clarity of ground rules in the relationship a chair/deputy, co-chair, or President/chair role split model will certainly detract from the quality of board leadership and, thus, board effectiveness. The distribution of role components must be complementary even synergistic. Whichever option is chosen it must serve the purposes of the organisation.

In the chair/deputy and President/chair models it must be clear which party is accountable for board effectiveness. In the co-chair model both parties must be seen as equals with comparable mana. There is no room for one to be in an adjunct position. When the arrangement works the co-chairs will necessarily have spent considerable time talking through their approach and can effectively communicate the arrangement and how they will make it work to others.

ⁱ See Greenleaf, R.K. *Servant Leadership. A Journey into the Nature of Legitimate Power and Greatness.* Paulist Press. 1977