

# How Board Chairs Foster Effective Working Relationships with CEOs

By Iain Brockbank

Effective collaboration between CEOs and Board Chairs is crucial for the success of any organisation. In this article, I explore key strategies that great Board Chairs employ to foster productive working relationships with CEOs, ultimately driving organisational growth and success.

## Importance of Effective Working Relationships Between Board Chairs and CEOs

In any organization, the dynamic between the Board Chair and the CEO is pivotal. It sets the tone for decision making, strategic direction, and overall organisational success. Fostering an effective working relationship between these key figures is paramount for the following reasons:

- **Alignment of Vision:** When the Board Chair and CEO share a cohesive vision for the organisation, it ensures that all actions and decisions are in line with overarching goals, driving the company forward with purpose and unity.
- **Maximising Board Effectiveness:** A strong relationship between the Board Chair and CEO enhances board effectiveness. Clear communication, mutual respect, and trust enable efficient governance, strategic oversight, and informed decision making.
- **Enhanced Accountability and Transparency:** An effective working relationship fosters an environment of accountability and transparency. This encourages open dialogue, honest feedback, and a culture of integrity throughout the organisation.
- **Optimised Strategic Decision Making:** Collaboration between the Board Chair and CEO leads to more informed and well-rounded strategic decisions. By leveraging their unique perspectives and expertise, they can navigate complexities and seize opportunities with confidence.
- **Stakeholder Confidence and Trust:** A harmonious relationship between the Board Chair and CEO instils confidence and trust among stakeholders, including investors, employees, and customers. This stability and cohesion contribute to long-term organisational success and sustainability.

In essence, nurturing a strong and effective working relationship between Board Chairs and CEOs is not just beneficial—it's essential for driving organisational growth, resilience, and prosperity.

# Four Things Effective Board Chairs Do to Foster Effective Working Relationships with CEOs

The skills required to be an effective Board Chair take in a broad range of different tasks and qualities, some of which go against the grain of what one typically imagines the role to embody.

Chairing a publicly listed or major private company board is no small task. Entrusted to some of the most seasoned businesspeople in the world, the role requires strategic acumen, interpersonal sensitivity, and an ability to move forward through ambiguity and amid competing perspectives. Of supreme importance is the relationship between the Chair and the CEO, where a strong basis of trust, coordination, alignment, and communication between the two can propel a company's market capitalisation and value forward.

From our many years supporting and recruiting Board Chairs, here are four behaviours that high-impact leaders make habitual.

## 1. Great Board Chairs Create an Environment of Clear Accountability, Humility, and Vulnerability

While humility and vulnerability may not be words that first come to mind when picturing a board room, it is crucial for both the company's executive leadership team and the Board of Directors to approach problems and decisions with curiosity, self-awareness, and the right level of acknowledgement, because it is unlikely that one individual will have all the answers.

*The highlighted paragraphs were originally published as part of a longer article in European CEO in February 2024; [click here to read it in its entirety.](#) →*

*Continue reading to discover 3 additional great Board Chair habits not published in European CEO.*

## 2. They Bridge Knowledge from a Range of Industries & Draw Parallels

Great Board Chairs excel in leveraging their extensive knowledge and leadership experience across a range of sectors and markets. They do the required 'translation work' to understand how their insights may apply to the business. Drawing such parallels between their learnings and the organisation's needs allows the Board Chair to work with the CEO to achieve more strategic and informed decision making.

For example, when the Board Chair of a publicly traded technology company was approached with a question about utilisation, efficiency, and marketplace imbalances, he drew on decades spent in the retail industry and dealing with inventory in very immediate terms. He supported the CEO's decision making by revealing a framework from the retail sector with constructive suggestions on how and where it could be adapted to meet their unique needs.

This example highlights the added value that Board Chairs bring through their broad experience, identifying where specific examples might be adapted, and appreciating the difference between Chair and CEO roles.

By leveraging their cross-industry knowledge and expertise, Board Chairs enrich strategic discussions, provide actionable recommendations, and ultimately contribute to the organisation's success in navigating complex challenges and opportunities.

### **3. They are constantly networking to build knowledge and even identify potential talent**

Exceptional Board Chairs are proactive, curious, and hungry for knowledge. They are adept at leveraging their extensive and diverse networks, actively engaging in conversations, asking the right questions, and identifying innovative solutions and best practices. By staying attuned to global developments, including geopolitical shifts that could impact the business landscape, they bring valuable insights to the boardroom, enriching the decision-making process.

In adherence to principles of good corporate governance, effective Board Chairs advocate for fair, open, and transparent processes in filling board seats. While organisations like Kingsley Gate support clients worldwide in implementing such processes, great Chairs go above and beyond. They constantly scout for talent, especially seeking diversity and specific skill sets necessary for achieving business objectives. Whether through networking events, industry conferences, or informal gatherings, they actively identify individuals who could contribute to board dynamics or excel in executive roles.

What truly distinguishes outstanding Chairs is their ability to invest time and resources into shaping a board and organisational culture that fully supports the CEO and executive team in driving business goals forward. By dedicating sufficient time to networking activities, drawing from their wealth of experience and knowledge, and leveraging their extensive network, they foster an environment conducive to innovation, collaboration, and success.

## 4. Great Board Chairs Prefer Questions Over Answers

Great Chairs prioritise asking insightful questions over providing immediate answers, fostering a constructive dynamic with the CEO, allowing for a mentorship-driven, supportive, 'critical friend' approach to their relationship. They engage the CEO in thought-provoking dialogue across all facets of business management. These questions, though sometimes challenging, are instrumental in guiding strategic direction and uncovering potential blind spots.

In this environment, the CEO feels empowered to engage openly with the Chair's inquiries, free from defensiveness or dismissal. This atmosphere of mutual trust, acceptance of vulnerability, and respect for the distinct roles played by both the Chair and CEO underpins productive discussions and decision-making processes. By emphasising questions over answers, great Chairs facilitate a culture of continuous learning, critical thinking, and innovation within the organization.

## Enhance Your CEO-Board Chair Relationship Today

In conclusion, fostering a successful relationship between Board Chairs and CEOs is crucial for organisational growth and resilience. Despite the array of challenges, effective collaboration between these stakeholders is attainable with the right strategies. Prioritising open communication, mutual respect, and alignment of goals allows Board Chairs and CEOs to overcome obstacles and drive positive outcomes.

The partnership between Board Chairs and CEOs demands ongoing attention and effort. By embracing principles of accountability, humility, proactive networking, and prioritising questions over answers, leaders can create an environment where collaboration thrives and decisions are well-informed. At Kingsley Gate, we've witnessed first-hand the transformative impact of strong partnerships within organisations and encourage further exploration of this topic.

In closing, great Board Chairs approach their roles with a sense of great responsibility, a level of humility, curiosity, and an approach that complements, not duplicates, the role of the CEO and executive team.

For more insights, explore my full article in *European CEO*, where I delve into the dynamics of CEO-Board Chair relationships and offer additional perspectives on effective leadership partnerships.

To explore Kingsley Gate's solutions, please get in touch [here](#).



 **Kingsley Gate**

