

What makes Chairs of Governing Bodies Effective?¹

A report prepared for the National Council for Voluntary Organisations and the Charity Trustee Network by

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Executive Summary

Relatively little research has been carried out on the important leadership role of chairs of governing bodies. What research has been done across different sectors suggests that the impact of chairs is highly variable. It is important therefore to understand in more detail what distinguishes effective from less effective chairs.

This report helps to fill that gap. It presents the results of an online survey of board chairs and the people they work with, including chief executives, board members and staff. The survey collected data on perceptions of the chair leadership role, including the quality of the chair's relationships (with management, the board, and stakeholders), chair impact, and the influences on chair leadership.

Key Findings

Chairs that were seen as *fair, open to ideas*, focused on *building high quality relationships* with others and *encouraging team work* were seen as having a considerable impact on the effectiveness of the board, Chief Executive (CE), and organisation. The least effective Chairs were those that were not seen as team players and were unable to manage inadequate performance by the key actors with whom they interact.

Various dimensions of a Chair's emotional and spiritual intelligence were associated with his or her level of impact. In particular chairs with high impact were perceived as being *socially aware*, able to *manage relationships* and *helping and service* motivated.

The Chairs' contribution was seen primarily in terms of *process* (e.g. managing board meetings) and *content* (e.g. providing information) rather than as a source of *inspiration* to boost board morale and board member engagement.

Chairs tended to rate their own performance and impact higher than other people they work with did. There is a potential danger that if this gap becomes too wide these relationships could become dysfunctional.

¹ We would like to acknowledge the support of the NCVO Governance and Leadership Team and the Charity Trustees Network in helping with this research.

Practical implications

The research has a number of implications for the recruitment and development of chairs:

1. The research suggests it is the softer *inter-personal* and *leadership skills* that distinguish effective from ineffective chairs. Effective chairs were perceived as being *socially aware, helping and service motivated* and good at *managing relationships*. It is important therefore when recruiting chairs that these softer leadership and inter-personal skills are given as much or possibly more weight than cognitive and analytical skills such as problem solving or strategic thinking.
2. Those chairs whose performance was seen as more satisfactory were seen as *fair and impartial, open to new ideas, did not distract from the organisation's goals, provided autonomy and independence for the board and CE, and engaged in board team building behaviours through valuing team members, encouraging and acknowledging different contributions and creating a safe climate where issues can be discussed*.
3. Chairs tended to rate their impact more highly than CEs, board members and other key actors. It is important therefore that chairs receive *feedback on their performance*. This can be done formally through an annual 360 degree appraisal, and informally by chairs seeking more regular feedback, particularly from other board members and the CE.
4. The further someone is away from the Chair the lower they are likely to perceive his or her impact. The same is also likely to hold true of boards more generally. Boards should consider developing a communication strategy that keeps key stakeholders informed of the work of the board and the key issues it is addressing.
5. Chairs and those people who wish to become chairs need opportunities for *training and development*, both to keep up with important developments in their field and to enhance their chairing and leadership skills. In addition to formal training events, seminars and conferences this might include peer learning circles or mentoring by an experienced chair.

1. Introduction

Most research on the leadership of voluntary organisations has tended to focus on the leadership roles of the Chief Executive (CE), or the governing body or board as a whole. Relatively little attention has been paid to the particular leadership role of the Chair of an organisation's governing body or board. What research has been done across different sectors suggests that the impact of chairs is highly variable ranging from very little to very great and from highly beneficial to highly dysfunctional².

It is important therefore to understand in more detail what distinguishes effective from less effective chairs. The research reported here was designed to help fill this gap by examining the role and impact of board chairs in UK voluntary organisations. The key questions the research asks are:

- What is the nature of the role of the board chair?
- What distinguishes effective from less effective board chairs?
- What impact does board chair behaviour have on the effectiveness of the board, chief executive (CE), stakeholder relations and indirectly on the organisation?
- What factors influence board chair behaviour?

The report presents the results of an online survey of board chairs and other key actors they work with, including chief executives, board members and staff, carried out in early 2009. The survey was designed to collect data on perceptions of the chair leadership role, including the quality of the chair's relationships (with management, the board, and stakeholders), the impact of the chair, and the influences on chair leadership. The survey is part of a larger comparative study of chair leadership in the US, Canada and the UK and uses a similar survey instrument to one that was piloted and tested in North America (NA)³. Some relatively minor changes were made to the questionnaire to make it suitable for the UK context. (Other papers will compare the results of the UK and NA surveys⁴.)

The sample for the UK survey came from the following sources:

1. Members of the Charity Trustee Network, who responded to an invitation in an e-newsletter in February, 2009.
2. Subscribers to the National Council for Voluntary Organisations (NCVO) e-newsletter who responded to an invitation to participate in the survey in February 2009 and respondents to a direct email invitation from NCVO in April 2009. A link to the survey was also available on the NCVO website.

2. Conceptual Framework

Chairs can exert influence through three critical relationships:

1. With the board and board members;
2. With the CE; and
3. With staff and external stakeholders.

² For some other relevant research see Kakabadse et al (2006), Kakabadse & Kakabadse (2007), McNulty & Pettigrew (1999), Millisen (2004), Otto (2003) and Robinson & Exworthy (1999).

³ See Harrison and Murray (2006 & 2007)

⁴ For example Harrison et al, 2009

They do this by engaging in *behaviours* unique to each relationship, hence it is important to explore them separately. As shown in Figure 1, it is proposed that the *Chair's leadership behaviours* combine to influence the quality of the Chair's *relationships* (with the CE, board members, other staff and external stakeholders) and *satisfaction* with the Chair's leadership. It is through these, relationships that the Chair may have an impact on the *effectiveness* of the CE, the board and the organisation as a whole (though of course they would only be one set of influences among many others).

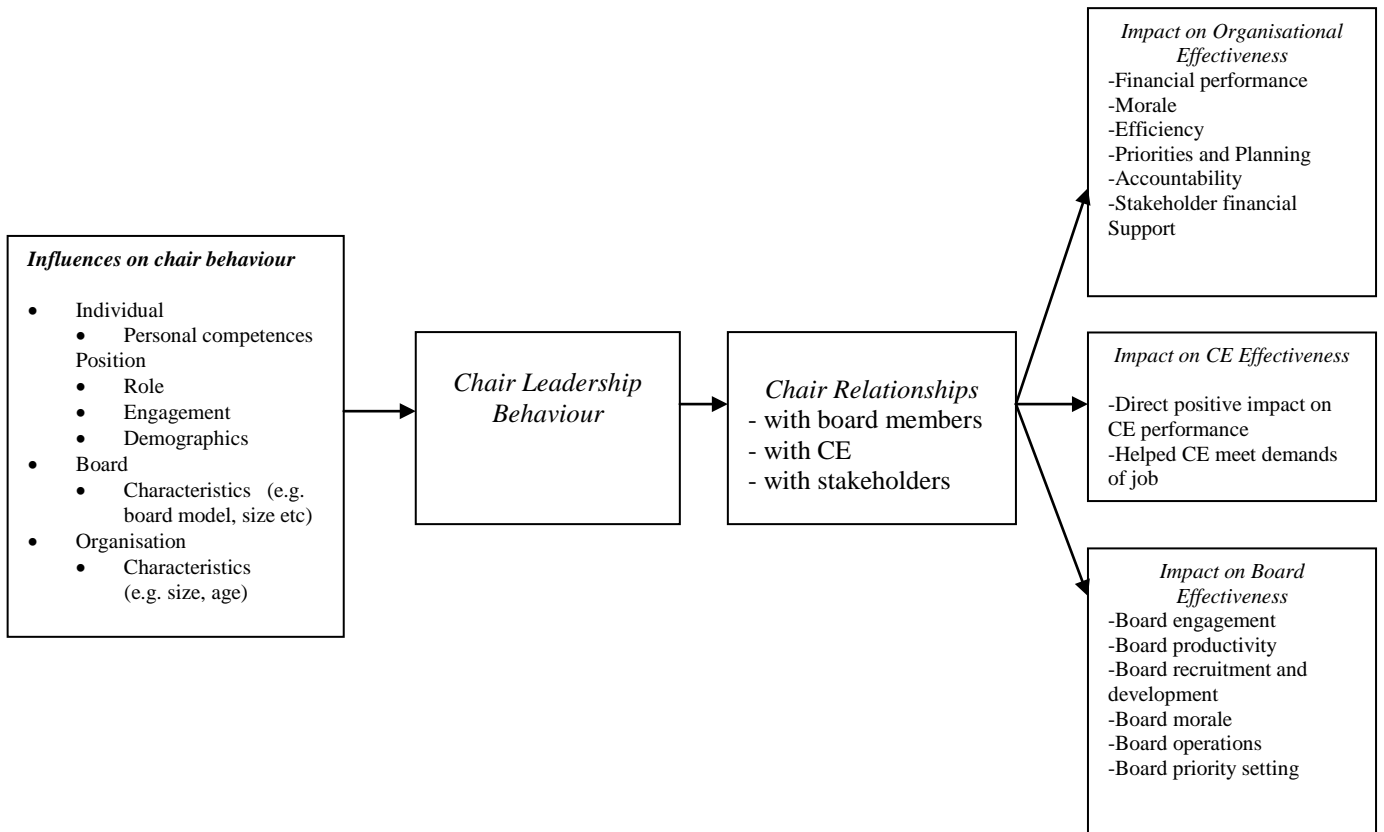


Figure 1. Influences on and impacts of Chair Leadership

The model also incorporates factors that might influence Chair leadership behaviour. At the individual level, these include personality characteristics found to be associated with competent leadership. These include ‘emotional’ and ‘spiritual’ intelligence which were reported in our earlier research⁵. We also included characteristics of the respondent (e.g. demographics, role, and experience), board characteristics, and features of the organisation which the respondents were associated with (e.g. size and age).

3. Findings

3.1 Characteristics of sample

⁵ See Harrison and Murray (2006 & 2007)

Table 1 shows the number of completed survey responses and the types of respondent. Overall there were 263 responses of which 72 were from Chairs and the remainder from other ‘key actors’ i.e. other people that Chairs relate to.

Table 1: *Respondents’ characteristics*

<i>Respondent Type</i>	Freq n	Percent %
Key Actors	191	100
Board Members/Trustees	83	44
Chief Executives (CE)	70	37
Others (staff, vols. etc)	38	14
Chairs	72	100

Table 2 below shows the frequency with which respondents came from different size organisations. Responses were obtained from a spread of voluntary organisations ranging from small to large. However, in comparison to the population of organisations as a whole a disproportionately large number of responses came from medium to large size organisations. This is illustrated by the fact that in 2009 approximately 87% of registered charities in England and Wales had a turnover of less than £100k⁶, whereas only 44% of organisations in our sample did.

Table 2: *Characteristics of Respondents’ Organisations*

<i>Turnover</i>	Frequency	Percent
Less than £100,000	37	19
£101,000 to 500,000	51	25
£501,001 to £1,000,000	34	17
£1,000,001 to 10,000,000	55	27
Over £10,000,000	25	12
Total	226	100

3.2 Perceptions of the chair’s leadership behaviour

A number of questions in the survey asked respondents to rate the degree to which the Chair displayed certain characteristics of leadership that were derived from earlier research and a review of the relevant literature on chair leadership. A four point scale was used to record perceptions where 1 is ‘false’, 2 is ‘more false than true’, 3 is ‘more true than false’ and 4 is the perception that the characteristic is a ‘true’ reflection of chair leadership. We found that the more key actors were satisfied with

⁶ Figures derived from the Charity Commission’s website (www.charity-commission.gov.uk)

the performance of the chair the more they perceived the following leadership characteristics were ‘true’ of their chair (see table 3 below for results):

- Does not distract the organisation from its goals
- Makes people feel like a valuable member of the team
- Looks for and acknowledges the contributions of others
- Is fair and impartial
- Is open to new ideas and information
- Creates a safe climate where issues can be discussed
- Provides autonomy/independence for board/CE
- Confronts and resolves inadequate performance in a respectful way

Table 3: *Key Actor Satisfaction with Chair Leadership and Leadership Behaviours*

<i>Key Actor Satisfaction with Chair Leadership</i>		N	Mean	Std. Dev
Less Satisfied	Does not Distract	46	3.07	1.02
	Safe Climate	46	2.41	1.21
	Part of Team	45	2.69	1.02
	Recognizes others’ contribution	46	2.83	.83
	Open to Ideas	46	2.87	.89
	Fair	46	2.43	1.20
	Resolves Conflict	46	1.78	0.99
	Autonomy	46	2.15	1.03
More Satisfied	Does not Distract	95	3.79	.58
	Safe Climate	95	3.69	.53
	Part of Team	95	3.75	.58
	Recognizes others’ contribution	95	3.79	.44
	Open to Ideas	95	3.77	.56
	Fair	95	3.78	.72
	Resolves Conflict	95	3.04	1.15
	Autonomy	95	3.54	.78

3.3 The perceived impact of Chairs on CE, board, and organisational effectiveness

Table 4 shows chair and key actor perceptions of the Chair's impact on helping the CE become more effective, helping the board meet the demands of the governance function, and helping the organisation as a whole in achieving its mission.

How Chairs Perceive Their Impact

Chairs perceived they had the most impact on the board, second most on the CE, and least on the organisation.

How Others Perceive Chair Impact

Interestingly key actors perceived the chair had the most impact on the CE, followed by the board and then the organisation, with very similar levels of impact.

When we break out our findings by respondent's role, we find that staff perceptions of chair impact are significantly lower than the perceptions of CEs and board members. This suggests that the more distant a group is from the Chair the less impact they perceive the Chair as having.

Table 4: *Perceptions of Board Chair Impact*

7 point scale where 1 is no impact; 7 is a great deal of impact

	N	Mean	SD/Sig
CE Impact			n.s.
Chair	72	4.67	1.86
Key Actors	146	4.39	2.0
- CE	60	4.60	
- Board Member	57	4.60	
- Staff/Other	29	3.55	
Board Impact			p< .001
Chair	72	5.26	.92
Key Actors	133	3.94	1.59
- CE	57	4.12	
- Board Member	51	4.15	
- Staff/Other	25	3.10	
Organisation Impact			p<.001
Chair	72	4.89	1.37
Key Actors	146	3.91	1.61
- CE	59	4.23	
- Board Member	58	4.15	
- Staff/Other	29	3.06	

Areas of Lower Impact

Chairs and key actors both perceived that chairs had a relatively low impact on managing disagreements among board members. Board members and CEs also perceived chairs had low impact on encouraging board member engagement⁷.

Areas of Greater Impact

Key actors perceived the chair had more than a moderate impact on the *board* in the following areas:

- Fulfilling fiduciary responsibilities (CEs)
- Influencing board morale (CEs)

⁷ They fell significantly below 4 on a 7 point scale

- Managing board meetings (CEs and board members);
- Increasing board efficiency (board members); and
- Ensuring the board had the information and reports it needs (board members)

Perceived Impact on the Organisation and CE

Board members and CEs perceived that Chairs had more than a moderate impact on the priorities and planning *and* morale of the organisation, and on helping CEs meet the demands of their job.

3.4 The quality of the Chair relationships

Since Chairs play out their roles within key relationships with board members, CEs, staff, and stakeholders, we incorporated measures of the perceived quality of these relationships within our survey instrument.

Table 5 below shows perceptions of the working relationship from the perspectives of the chair and other key actors. Unsurprisingly, we find significant differences between perceptions of the quality of the working relationship. CEs and board members were significantly more positive about their relationship with the Chair than other respondents (e.g. staff). Similarly chairs were more positive about their relationship with board members and CEs than other stakeholders. Interestingly the different parties in each of the relationships rated them similarly.

Table 5: *Perception of Relationship Quality*

<i>5 Point Scale</i>			
	N	Mean	SD
<i>Chair--CE</i>			
Chair	53	3.96	1.46
CE	59	3.81	1.13
<i>Chair—Board</i>			
Chair	53	4.16	.72
Board Member	53	3.92	.91
<i>Chair—Stakeholder</i>			
Chair	53	3.32	1.29
Others	26	3.25	1.32

3.5 The Individual Characteristics of Effective Chairs

We found a significant positive relationship between key actors’ perceptions of the level of the chairs’ emotional⁸ (EI) and spiritual⁹ intelligence (SI) and satisfaction

⁸ Emotional intelligence is a construct that consists of four dimensions: self and social awareness, relationship management and social awareness. These dimensions and their indicators are captured in the Emotional and Social Competency Inventory, which we were granted permission to include in our survey (Wolfe of the Haygroup, August 14th, 2007).

⁹ Spiritual Intelligence is a construct that consists of three dimensions: the definitive dimension of spirituality and correlated dimensions. These dimensions and their indicators come from the Spirituality Assessment Scale (Beazley, 1992) which we received permission to include in our survey.

with chair leadership behaviour, perceived quality of their relationship with the Chair, and the impact of the Chair on the CE, board, and organisation. (It should be noted that the dimension of spirituality that might be called “religiosity” (e.g. prays, believes in God etc.) in the SI inventory was not included the UK survey.) The Chairs’ self-assessed level of spiritual and emotional intelligence is also significantly and positively related to organisation and board impact.

For key actors it was the *social* dimension of EI that was the most important influence on Chair leadership performance, particularly the indicators of *social awareness* (understands others and the informal nature of organisations and how they work) and *relationship management* (influencing, coaching and mentoring others, managing conflict, working well in a team, inspiring others around a vision or set of work tasks). It was the *helping and service* dimension of SI (e.g. advancing the group’s purpose, cooperating with others for the good of the group, giving others credit for good, showing concern for the well-being of others, connecting to the group in ways that matter and values being consistent with actions) that was the most important influence on Chair leadership effectiveness and impact.

For Chairs it was the *relationship management* and *self management* dimension of EI that were significant predictors of satisfaction with chair leadership performance.

4. Conclusions

Chairs that were seen as *fair, open to ideas*, focused on *building high quality relationships* with others and *encouraging team work* were perceived by key actors as having a considerable impact on the effectiveness of the board, CE, and organisation. The least effective Chairs were those that were not seen as team players and were unable to manage inadequate performance by the key actors with whom they interact.

In terms of perceptions of impact, we found distance from the chair matters. Specifically, those respondents that were less involved directly with the chair (primarily staff, volunteers and other stakeholders) were the least positive about the chair’s impact. Key actors perceived the chair’s impact primarily in terms of both *process* (managing board meetings) and *content* (providing information) rather than as a source of *inspiration* to boost board morale and board member engagement (in contrast to the perceptions of North American key actors). Chairs tended to rate their own performance and impact higher than other key actors. There is a danger that if this gap becomes too wide the relationship could become dysfunctional.

Various dimensions of a Chair’s emotional and spiritual intelligence were also associated with his or her level of impact. In particular chairs with more impact were perceived as being *socially aware*, able to *manage relationships* and *helping and service* motivated.

Practical implications

The research has a number of implications for the recruitment and development of chairs:

1. The research suggests it is the softer *inter-personal and leadership skills* that really distinguish effective from ineffective chairs. Effective chairs were also perceived as being *socially aware, helping and service motivated* and good at *managing*

relationships. It is important therefore when recruiting chairs that these softer leadership and inter-personal skills are given as much or more weight than cognitive and analytical skills such as problem solving or strategic thinking.

2. Those chairs who were perceived to perform well engaged in leadership behaviours that both created a *good environment* for their board and CE to work in by:

- *being fair and impartial*
- *being open to new ideas*
- *not distracting from the organisation's goals by imposing their own personal agenda*
- *providing autonomy and independence for the board and CE*

and were good at *team building* through:

- *valuing team members*
- *encouraging and acknowledging different contributions, and*
- *creating a safe climate where issues can be openly discussed.*

3. Chairs tended to rate their impact more highly than CEs, board members and other key actors. While this is common across sectors¹⁰ too large a gap could indicate potential problems, with chairs thinking they are performing well while other key actors have a lower opinion of their performance. It is important therefore that chairs receive regular *feedback on their performance*. Formally this can be done through an annual 360 degree appraisal, where board members and senior staff are given the opportunity to feedback on the chair's performance. Informally chairs may usefully seek more regular feedback particularly from other board members and the CE, for example checking with the board how well they think board meetings have gone and whether any issues could have been handled better.

4. The further someone is away from the Chair the lower they are likely to perceive his or her impact. The same is likely to hold true of boards more generally. Where it is important for chairs and boards to maintain good relations with other key actors beyond the board and chief executive it will be important to address this potential gap, for example by developing a communication strategy that keeps key stakeholders informed of the work of the board and the key issues it is addressing.

5. Chairs and those people who wish to become chairs need opportunities for *training and development*, both to keep up with important developments in their field and to enhance their chairing and leadership skills. In addition to formal training events, seminars and conferences this might be through peer learning circles or through the provision of mentoring by an experienced chair. Those being considered to succeed into a chair role should also be given practical opportunities to develop their chairing skills, for example by chairing sub-committees or task groups. This has the added advantage of letting the board see how they perform in these different roles.

¹⁰ See Kakabadse et al (2009: 32)

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