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Three Essentials For A Successful CEO And Board Chair Relationship

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One of the “make or break” factors of nonprofit management is having a successful CEO and Board Chair relationship.

However, how do we form such a strong and effective relationship to ensure success in our organization?

I have most admired and applied the advice provided by one of my mentors, Shelley Hoss, within my nonprofit management experience.

In the 21 years that Shelley Hoss has served as a chief executive in the nonprofit sector, she has taught me that having a successful relationship with a board chair is one of the greatest sources of joy, reward and accomplishment in nonprofit management. In her current role as President of the Orange County Community Foundation (OCCF), this CEO and Chair relationship has been catalytic in growing OCCF to be the seventh most active grant-maker and in the top 10% in assets among more than 780 U.S. community foundations.

I have applied her recommendations within my management and consulting experience and found them to be an effective guide for either founding a board or

transitioning leadership. The following three principles will help

you to foster a strong CEO and Chair relationship:

1. The CEO and Chair should have mutual appreciation and respect for their relationship.

The CEO-Chair relationship is akin to entering a marriage.

Why? Similar to the marriage between two people, the CEO and Chair enter into an agreement accepting legal and financial responsibility for the prosperity of constituents beyond themselves: employees, donors, people or planet.

A CEO and Chair must appreciate how critical their relationship is to the success of the organization and its purpose. Little can be accomplished in the organization should the CEO and Chair relationship crumble. The relationship is a partnership that helps to define how the organization will function. When a marriage is in trouble, the entire family is affected. In a nonprofit, the family includes all constituents and the cause.

A best practice we recommend for initiating this relationship is to have a “prenuptial conversation” six

months prior to the Chair's inauguration.

In this conversation, you should determine which practices will best support the relationship by discussing the CEO and Chair's work style, preferences and expectations. It helps to further define the terms of a successful relationship built on three building blocks: mutual respect, trust and effective communication.

1. The first building block is to build mutual respect. Every CEO and Chair brings different experiences, beliefs, culture and values to the table. Respecting one another not only for their similarities but their differences is the most important first step to building the relationship.

2. The second step is to instill trust. Ask the tough questions of one another: What does success look like to you? How do you prefer to lead the Board (Chair) or organization (CEO)? How do you prefer to communicate?

3. The third critical factor is to establish open communication and strong rapport. Be intentional about communicating the right messages at the right time with the right tone for the relationship. Once again, everyone communicates differently. Discuss and learn one another's preferred communication styles, format and pace to ensure that you're on the same page.

The cement to ensure these three building blocks are unbreakable is to

have a "no surprises" agreement. The CEO and Chair should be fully informed of one another's positions, priorities and concerns at all times. Be intentional to communicate thoroughly and respectfully, especially when the going gets tough.

2. The CEO should have a voice in choosing board leadership.

A CEO is not responsible for choosing the Chair. That is the responsibility of the board.

Nonetheless, the CEO should be engaged and have a voice in the recruitment process since the CEO will collaborate closely with the Chair.

One of the fears I have had in transitioning leadership, or in the building a new board, is preserving the culture and values of the organization within the new board. This especially applies to startup nonprofits who found a leadership team and culture before a board is created. The invited board members may not yet understand or appreciate the culture of the organization created by the CEO.

Another challenge is that not every distinguished business or community leader makes a great board member. Further, not every excellent board member would make an excellent board chair. Therefore, it is important for the CEO to provide a perspective that reflects their interests as well as the organization's leadership.

I have learned by consulting nationwide nonprofits that a best practice for mitigating these two issues is to develop a recruitment committee. This committee should be led by a board member and include the CEO. The participation of the CEO preserves a vote that ensures the CEO's voice is represented in the decision for a new Chair.

3. The CEO and Chair should have role clarity.

The most important principle of all three is that the CEO and chair need to have clarity in their roles. If the roles are not clear, then the whole relationship can be put in jeopardy.

The job of the Board Chair is to run the board. The job of the CEO is to run the organization. I often see this confused.

For example, I have served on a board where the decision-making process was influenced by a Chair or board member who was also a large donor. This can create problems, as pleasing the donor may become a priority. The CEO's decision-making may be affected by the donor. The Chair must mitigate this issue and inhibit board members from overstepping their boundaries. The same applies to the Chair themselves. There can be conflict in doing what is right for the organization and its mission, versus what is right to please the donor.

Therefore, the CEO and Chair need to have respect and faith in not only

one another but their respective leadership teams as well. If they cannot fight in the trenches together, nor reciprocate with constructive feedback, then they do not have a genuine and healthy relationship.

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