

The Nonprofit Board Chair-CEO Relationship

Background

An effective working relationship between a nonprofit organization's CEO and the board chair is often the most important determinant in a nonprofit organization successfully achieving its mission. If the relationship is healthy — i.e., built on mutual trust; respect for the distinct roles and responsibilities fulfilled by each position; and with a shared approach to planning and problem solving — the probability of success is enhanced substantially.

With the CEO and board chair functioning as a cohesive team, the critical tasks of an organization such as organizational planning; budget development and monitoring; program development and implementation; fundraising; and evaluation can be identified and processes designed to complete them in a timely manner. With such a relationship, board meetings can be focused on outcomes with meeting processes aligned to achieve them.

An organization served by such a leadership team is much more likely to achieve its objectives, and be recognized by its community as a credible entity worthy of support. If, however, the board chair and CEO lack a shared view of: organizational ends and operational principles; the leadership role each has and shares; the communication necessary for coordinating the organization's business; standards for establishing trust and respect; and processes for performance evaluation and compensation, it is highly likely that the organization's performance will be impaired.

Therefore, it is incumbent upon nonprofit organizations to be intentional about developing and fostering this critical CEO and board chair relationship.

Underlying Assumption

An organization's effectiveness can in large part be attributed to the quality and effectiveness of the working relationship that the CEO and board chair develop and maintain.

Bases for the Assumption

1. The leadership positions of these two individuals will significantly affect the extent to which the maximum potential of the organization's staff (CEO leadership with board support) and board (board chair with CEO support) are realized.

2. The extent to which this leadership duo do not share the view of mission, the organization's intermediate and long-term goals and objectives, the programs and resources needed to achieve those ends, and an approach to the organization's overall development, there will be levels of ineffectiveness in goal attainment.

Given the assumption regarding the significant extent to which the cohesiveness and effectiveness the organization's CEO and board chair team influences the success of an organization, it is important to examine ways to strengthen this team.

Six CEO/Board Chair Interactions to Achieve Excellence

1. Build a relationship of trust.

Clear, direct and regular communication; follow-through in completing responsibilities on schedule; mutual support; commitment to the success of one another and the organization; and the timely resolution of issues and conflicts are behaviors the CEO and board chair should delineate and follow. Such agreements on focus, and the successful implementation of these practices develops mutual confidence and trust.

2. Jointly reach agreement on the organization's goals and objectives and the primary means to attain them.

The CEO and board chair need to concur on the measures that will be used to assess whether the organization's goals and objectives have been achieved. There is also a need to clarify expectations that may exist for individual board members, and board and committee actions to attain those ends.

3. Regular and effective communication.

Some examples of such communication follow. A CEO and board chair should consider meeting prior to and following each board meeting. Meeting prior to the board meeting ensures that meeting outcomes are well-defined and shared. Meeting following the board meeting allows the CEO and board chair leadership team to assess the extent to which outcomes were achieved, the extent to which board member involvement took place and application of board member skill sets effected.

4. The CEO and board chair leadership team keeps the focus on the fundamentals:

- a. Focus clarity on goals and objectives and the means to get there.
- b. Ensure that organizational resources (staff and board) are being applied most effectively to meet those ends.
- c. Be sure issues and problems are identified and addressed in a timely manner.
- d. Ensure budgetary matters (organizational expenditures and revenue) are being met.
- e. Conduct continuing assessment of the organization's effectiveness in achieving its goals and implement corrective action when needed.

5. Mutual respect for the defined roles of CEO and board chair.

After concurring on the primary responsibilities for each position, there needs to be mutual support in those roles being implemented. For example, the CEO's role is to lead and manage the staff and resources to achieve the organization's goals. The board chair's role is to lead and manage board processes and recommend how the skill sets of board members can be applied in organizational work regarding goal setting, policy and governance work, and resource development and utilization. It is recognized that the CEO may work extensively with individual board members in carrying out these tasks.

Mutual support without usurping one another's responsibilities is the desirable mode for CEO/board chair interaction with the focus on engagement in mutual problem solving.

6. Transitions — new board chair or new CEO — effectiveness in dealing with such transitions is very important to ensure the organization' ongoing success.

a. Outgoing chair can present a set of assumptions, not mandates for the new chair to consider.

b. Though individuals may have a particular operational style, establishing agreement on the principles critical for the organization's effectiveness is vital to a new leadership team's success.

c. Focus communication on outcomes; metrics for measuring success, the actions needed to achieve them and the fundamentals to be followed in implementation.

d. Provide ample opportunity for discussion and evaluation regarding the "comfort" being experienced by the new leader and actions that might be taken to improve.

Certainly, examples abound regarding organizations that achieve substantial levels of success, go through periods of mediocrity, or fail. Among the factors that yield success or failure is certainly the quality of an organization's leadership. Individuals serving as CEO and the board chair have primary roles to play. However, as this paper has emphasized, it may also be the interaction and collective potential of both positions that yields the most substantial influence on an organization thriving.