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Selecting & Preparing a Chair Elect

By Barry S. Bader

If hiring and overseeing the CEO is a governing board's "number one" responsibility, as Peter Drucker once said it was, then number two has to be selection and evaluation of the Board Chairperson.

A chairperson plays a powerful role as the individual who sets meeting agendas, determines board work, and presides over the executive committee. The chair is the primary liaison with and sounding board for the CEO, and leads the CEO evaluation process. The chair is a role model, enforces the code of board conduct, appoints committee members and committee chairs subject to board approval, and acts as the external "voice" of the Board. A board chair leads the board – and in turn must have the confidence of the board and the respect of the CEO.

Despite the importance of the role, many boards do not give selection and preparation of the board chair the attention they should. In a recent survey by The Governance Institute, 64% of boards said they had established an explicit process for selection of the board chair but these processes often are little more than a thoughtful conversation among the executive or governance committee about the next chair. Just 28% formally name a "chair-elect" at least a year in advance to allow time for preparation. Only 29% have identified a "pipeline" of potential future chairs and support their development.

Selecting the Next Chair

Today, governance experts recommend that the selection process for a Chair embody these principles:

- 1. Recruitment.** Seek individuals with the ability to serve as a chair one day. Some boards make this a criterion for *every* new member.
- 2. Transparency.** Document the process for selecting the chair in a policy so it's known to all members.
- 3. Inclusion.** Give all board members an opportunity for input into the process. For example, the current chair can interview board members about their preferences and personal aspirations, and then make a report to a

governance committee or special nominating committee.

4. Criteria. Choose a chair based on objective criteria, such as exemplary service on the board, integrity, executive leadership experience, and communications ability.

5. Succession planning. Maintain a "pipeline" of members who have expressed their willingness to serve as chair in the future if asked. Give these members receive appropriate development, such as important committee chairmanships, education or special assignments. At least a year in advance of an anticipated vacancy in the office, the board should formally name a chair-elect.

Preparing the Next Chair

It's easy to assume that an individual so highly regarded that she's named chair-elect is ready to accept the torch with little fuss. The assumption is risky. The failure to plan for a new chair can result in many problems, such as:

- The new chair and CEO differ on important process matters, such as how often to confer and how they'll plan board meeting agendas.
- The new chair lacks a deep appreciation of the work of committees on which she hasn't served.

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- The new chair is unaware of some confidential projects or problems.

Different individuals will require different types and amounts of preparation. In addition to committee chairmanships or special assignments, the chair-elect's preparatory year also may include:

- Meeting with the CEO to craft their working relationship

- Meeting with the outgoing chair and CEO to be briefed on confidential matters

- Attending at least one meeting of each committee, and meeting with each of the committee chairs to discuss their future plans

- Attending an outside educational conference with the CEO (The Governance Institute's Board Chair-CEO conference offers members one such opportunity).

Sound like a lot of work? It is, but spaced over a year, it's workable.

The homework is critical and can facilitate a seamless transition from one leader's watch to the next.

Barry S. Bader is a governance consultant based in Potomac, Maryland and is the publisher of Great Boards.