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Commentary

Building a Solid Board Chair-CEO Alliance

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Consider this true story from the field: When the board-savvy general manager (CEO) of the regional transit authority approached his board chair about the need for a better designed process for board evaluation of his performance, suggesting that the board's governance

committee devote a couple of work sessions coming up with a new approach, he got the gut response he'd expected: "If it ain't broke, why bother trying to fix it? We've got plenty going on already."

No one on the board was pressuring him to improve the process, the chair pointed out; in fact, everyone seemed pretty satisfied with the questionnaire they'd been using for a decade or so. The GM didn't press the point at first, instead opting to educate his chair over the next few weeks. They were early in the new fiscal

year, so there was time to re-design the process and actually use it at the end of the year. So over the course of a series of breakfast meetings, the GM convinced his chair that the current process, involving a questionnaire that essentially measured board members' opinions about the GM's

functional competence in areas like financial planning and supervision, was dangerously subjective, missing the key outcomes piece and leaving both the board and GM at a disadvantage.

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The next steps were for the chair and GM to reach agreement on the outline of a more outcomes focused process and on the chair's playing the leading role in fleshing out the outline with the governance committee over the course of two work sessions, which the chair agreed to schedule. Naturally, the chair suggested that the

GM, being the CEO and having a big stake in the outcome, take the lead in the work sessions, but he came around when the GM pointed out that it'd take the chair's influence to overcome the inevitable resistance from committee members who were pretty comfortable with the

way evaluation had been done for as long as they'd been on the board. As the GM expected, the board chair's strong leadership did the trick, and the upgraded evaluation process was implemented during the current fiscal year.

What Board-Savvy CEOs Know

I could share many more true stories of successful board chair-CEO collaboration, but the reader can easily see what board-savvy CEOs well know: Investing in the development of a rock-solid board chair-CEO working relationship can yield powerful organizational dividends. In fact, I would suggest that one of the preeminent priorities of a truly board-savvy CEO is to transform her board chair into a strong governing partner, a reliable ally, and when needed, an ardent change champion. The board chair makes an especially important partner for the CEO not only because of her formal authority as "CEO" of the governing board, but also the fact that board chairs are often major

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actors who wield tremendous influence in their communities, including in the profession or industry an association represents. I've seen board-savvy CEOs successfully employ five major strategies in building close and productive working relationships with their board chair:

1. Reach agreement with the board chair on the fundamental division of labor with the CEO.
2. Get to know the board chair really well.
3. Actively help the board chair succeed in her formal governing role.
4. Actively assist the board chair in having a richer, more satisfying experience beyond her formal leadership role.
5. And never miss an opportunity to provide the board chair with ego satisfaction, often in little but important ways.

A Closing Word on the Division of Labor

"I'm not sure why you're talking about CEOs reaching agreement with their board chairs on the division of labor. Isn't it pretty obvious?"

My response to this question, which came up last week in a nonprofit CEO seminar I was conducting, was an

emphatic "Yes and no."

Yes, it's true that the board chair is the formal leader of board deliberations, and normally organizational bylaws specify that she has the authority to appoint the chairs and members of the board's standing committees and ad hoc task forces and committees and to refer matters to the appropriate committee.

But when you think about it, even that seemingly clear responsibility must be shared with the CEO for the simple reason that board chairs, being part-time volunteers for the most part, can't possibly play their board leader role alone.

Active collaboration with, and strong support from, the CEO is essential for their success. And in the realm of external relations, both the board chair and CEO are commonly viewed as major actors, so they'd better pay some attention to coordination and division of labor or

they'll be stumbling all over each other. So every board-savvy CEO I've ever worked with has made a point of sitting down ;with a new board chair to discuss in detail how they'll be working together.

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This article is excerpted with permission from Eadie's 20th book, The Board-Savvy CEO: Building a High-Impact Partnership With Your Board (www.theboardsavvyceo.com), and was the subject of a podcast with APTA President & CEO Michael Melaniphy which can be viewed at <https://youtu.be/VUoxmltdSXQ>. Eadie is also scheduled to present

at APTA's Transit CEOs Seminar, Feb. 8-11, in New Orleans. Contact Eadie at Doug@DougEadie.com or www.dougeadie.com.

This "Commentary" section features different points of view from various sources to enhance readers' broad awareness of themes and views that affect public transportation.