**How to get the best out of the relationship between the Chair and the Chief Officer**

**Introduction**

On 8th January 2020, a group of thirty Chairs and Chief Officers[[1]](#footnote-1) from the Welsh sports sector met at the Vale Hotel, Hensol Park, near Cardiff, to discuss the relationship between the two roles.

The event was organised by The Welsh Sports Association[[2]](#footnote-2), as part of its Governance and Leadership Framework for Wales programme, an initiative funded by Sport Wales[[3]](#footnote-3).

The all-day event was facilitated by Seamus Gillen of Value Alpha.[[4]](#footnote-4)

While the event was focused on the sports sector in Wales, the lessons learned have wider application.

**Governance and Leadership Framework for Wales**

The Governance and Leadership Framework for Wales (GLFW) programme, was established by Sport Wales, the national organisation responsible for developing and promoting sport and physical activity in Wales. Sport Wales is the main adviser on sporting matters to the Welsh Government, and is responsible for distributing National Lottery funds to both elite and grassroots sport in Wales.

The GLFW has provided the means for funding Welsh National Governing Bodies (NGBs) with the resources needed to improve their governance structures and performance, so that they can better serve their communities, and hold themselves accountable for the publicly-funded services they offer. The GLFW has been instrumental in developing NGB governance capability and competence, helping to professionalise a sector which plays such an important role in daily life in Wales.

The Welsh Sports Association assumed responsibility for delivering the GLFW in 2019, under the umbrella of Vibrant Nation, and has a programme of activity which aims to continue this journey of transformation through: training; a Chairs’ Forum; a Governance and Finance Compliance Group; a Peer Support Register; specialist consultancy; a Knowledge Bank; an online Learning Forum; a quarterly Newsletter; an online resources and templates library; and Case Studies.

**Context**

With a large variation in organisational size and proportional volunteer workforce within sports NGBs, there is no one size fits all (or ‘best practice’) approach to governance arrangements, including the effective management of relationships.

That said, the roles of Chair and Chief Officer will always be the two most critical positions inside any organisation. Governance good practice dictates that it is the Chair’s responsibility to run the board, and the Chief Officer’s responsibility to run the organisation. Many cases of governance dysfunction stem from a failure to understand this basic principle, or of how to apply it.

The relationship between the Chair and Chief Officer is fundamentally important to an organisation’s health and performance. It is not sufficient simply for the two individuals to do what is expected of them from a technical perspective. They should also be able to work closely together, and collaborate successfully. Such teamwork is a basic prerequisite for harnessing the wider contributions of the board of directors and the management team.

When the Chair and Chief Officer don’t get on, subsequent tensions both inside and outside the boardroom can escalate to the point where conflict results, relationships become damaged, levels of trust diminish and, ultimately, value is destroyed. When such disagreements reach the public domain, the reputation and brand of the organisation also suffers.

**The day itself**

The participants discussed a range of governance issues, exploring both theoretical concepts and practical real-life case studies. The focus of the conversation was on individual director effectiveness, and collective board effectiveness, of which the relationship between the Chair and the Chief Officer was the principal point of focus.

Participants completed an exercise (explained below) which explored various aspects of the relationship between the Chair and Chief Officer. They broke for dinner and separated into two groups – Chairs together, and Chief Officers together – sitting in different rooms. They discussed their individual responses to the exercise from either a Chair’s perspective, or from a Chief Officer’s perspective. After dinner, the two groups came together, and compared the outcomes of their deliberations. The results form the content of this White Paper.

**The exercise**

In ‘A Question of Balance – a Guide to the Chair and Chief Officer Relationship’,[[5]](#footnote-5) the publication explores the Chair’s relationship with the Chief Officer in nine key areas of role and behaviour. Participants were asked to consider these areas, and answer questions posed from the perspective of the role they held.

In relation to the nine areas considered, participants were asked to mark – on a scale of 0 to 10

* where they considered the Chair currently to operate
* where they considered the optimal position for their board to be

where

0 = the Chair does not engage (at all) in this activity

10 = the Chair is completely engaged in this activity

Respondents were encouraged to consider that there were no right or wrong answers, and that the response might depend on where their board was in its evolution, where their organisation was in its evolution, and where the Chair and Chief Officer were in terms of the evolution of their relationship.

For example, in terms of the degree to which the Chair takes a helicopter view of the organisation’s activities, a low score implies that the Chair is hands on, and does not achieve much distance from the business. In the case of an organisation in difficulty, this behaviour may be desirable and may be welcomed by the Chief Officer. In the case of a healthy organisation, such an approach may be stifling for, and resented by, the Chief Officer.

On the other hand, a high score signifies that the Chair operates at altitude. In the case of a healthy organisation, such an approach may be liberating for the Chief Officer, who sees the Chair as a mentor, helping the Chief Officer learn and grow. In the case of an organisation in difficulty, the Chief Officer may feel that the Chair is simply too distant from the business, and unwilling to get involved. And if the Chief Officer is also underperforming, the Chair may be failing to secure desired levels of delivery and accountability.

In marking each area from either a Chair or a Chief Officer perspective, it was not necessarily the case that, if both marks coincided, i.e. there was no ‘gap’, an organisation was necessarily doing well. It might be that both the Chair and Chief Officer were equally ineffective, and were driving the organisation downwards together.

An equally bad outcome would be where

* there was disagreement about the gap, and/or its size
* or agreement about the gap, and its size, but disagreement about what to do about it.

Expanding on the thinking outlined in the publication, participants were asked to consider

* whether their Chief Officer/Chair colleague was likely to feel the same way about their marking, and their perception of the situation?
* how far they were from agreement on the optimal position?
* what they needed to do to close the gap?
* how had they got to this situation – by choice, personal preference, organisational culture, because something happened, or …?
* what specific issues arose from the analysis?
* what did other board members see?
* what did/would other board members think about the situation?

**The nine areas of the relationship between the Chair and Chief Officer**

**The Chair …**

* **Takes a helicopter view of activities**
* **Makes her/himself available on a flexible basis**
* **Is supportive**
* **Leads in board meetings**
* **Demonstrates a large degree of dependence on the Chief Officer**
* **Presents a united front with the Chief Officer in board meetings**
* **Speaks for the organisation**
* **Does not seek to base the relationship with the Chief Officer on friendship**
* **Is divergent in philosophy, approach and mindset**

**Outcome of discussion**

**Takes a helicopter view of activities**

The Chair should remain reasonably ‘high’ above the organisation, but it is always good to be close enough to retain visibility into the business. Factors which should be taken into account in finding the right level of elevation include

* avoiding the risk of ‘going native’ and not exercising effective oversight
* the capability and competence of the CEO to be allowed to ‘get on with it’
* whether the organisation is in steady state, operating ‘business as usual’
* if an extra pair of hands would be useful when resources are stretched

**Makes her/himself available on a flexible basis**

Bearing in mind that the Chair role will often be conducted on a voluntary and unpaid basis, reasonable expectations have to be set to which both the Chair and Chief Officer commit. Good practice suggests regular catch-ups, even over the phone, to establish a drumbeat of communication. The two parties should also agree a protocol for emergencies so that there is a common understanding about when to push the ‘red button’. The protocol should also cover the eventualities of whom the Chief Officer should contact when the Chair is not available.

**Is supportive**

The relationship between the Chair and Chief Executive should be based on trust, but this should not be exercised on an unconditional basis. The Chair needs to find the fine balance between being supportive, and offering constructive, creative challenge which will help the Chief Officer learn and grow. A key question for the Chair, and the wider board, to consider is whether they wish to have a Chief Officer who ‘asks for forgiveness’, or one who ‘asks for permission’. Both parties will want to think through what it means for the Chair to be a ‘critical friend’, and the ‘guide on the side’.

**Leads in board meetings**

It is the Chair’s board, and trustees/directors will be reassured by a high level of Chair leadership. There should nevertheless be a close relationship between the Chair and Chief Officer, and trustees/directors will be equally reassured by the Chief Officer playing a strong supporting role in presenting proposals for discussion and decision. Learning how to get the most out of trustees/directors in the small amount of time spent together is one where the Chair and the Chief Officer need to work together, including on issues such as responsibility for meeting preparation, preparing papers and writing the minutes.

**Demonstrates a large degree of dependence on the Chief Officer**

‘Dependence’ is a difficult word and may not best describe the level of maturity needed between the Chair and Chief Officer for the relationship to flourish. What is expected, versus what is accepted, requires a proper discussion. An important distinction can be made between day-to-day business, and moments of strategic change, when it will be legitimate for the Chair to become more involved. While reasonable to expect the Chief Officer to carry the load – ‘that is why we hired him/her’ – the Chair will occasionally need to lead the board in seeking and receiving reassurance that everything is OK.

**Presents a united front with the Chief Officer in board meetings**

There should be good planning before board meetings so that the Chair and Chief Officer are aligned on the subjects under discussion – trustees/directors will derive comfort in seeing a ‘common front’. But neither the Chair nor the Chief Officer should be excluded from the process of participating in the kind of healthy discussion where disagreements may legitimately surface. A distinction will always need to be drawn between the Chair remaining impartial – collective productivity suffers when the person at the head of the table has strong views on a particular issue – and the Chief Officer showing leadership in making proposals.

**Speaks for the organisation**

It can be difficult to strike the right balance in terms of identifying the person who best represents the organisation. A useful rule of thumb is that the Chief Officer should speak on behalf of the organisation when the matter is one of day-to-day responsibility, and the Chair should represent the organisation when the issue is of a strategic nature. Both parties should agree clear guidelines on when matters should be escalated up to the Chair.

**Does not seek to base the relationship with the Chief Officer on friendship**

A boardroom is not a place for making friendships, and it is important that both the Chair and Chief Officer keep in view that their principal duty is to promote and protect the interests of the entity. The ideal relationship is where both parties regard each other as professional colleagues. It is nevertheless acceptable for trustees/directors to have professional fun inside a board meeting and, again, the Chair and Chief Officer should not be excluded from that experience. Both parties should accept that while it is desirable to get on, it is also acceptably occasionally not to get on.

**Is divergent in philosophy, approach and mindset**

There is a difference between corporate philosophy and personal philosophy – the Chair and Chief Officer should be aligned on the former. While it may be true that the organisation can travel further and faster if both the Chair and Chief Officer think the same way, there is also merit in the understanding that differences of perspective, thinking and style can increase the diversity of thinking from the two principal actors in the boardroom.

**Observations**

The principal purpose of a board is to take high-quality, strategic decisions which drive the delivery of the organisation’s strategic objectives and create long-term sustainable value. The Chair and the Chief Officer share a common (fiduciary) duty to ensure that that happens. The discussion during the day pointed to the importance of defining, and developing a mutual understanding of, the expectations of both the Chair and the Chief Officer as they seek to deliver that duty.

Getting the best out of the relationship between the Chair and the Chief Officer requires effort. Participants acknowledged that there is a need for challenge and scrutiny but also support, trust and communication. Positive relationships are critical and the dynamic between individuals is key. Care needed to be exercised where the individuals involved were bedding into the role, or might even be acting in an interim capacity. Respect and sensitivity were always needed.

While formal approaches for achieving a strong relationship – such as a Memorandum Of Understanding (MOU) – may not always be necessary, it is good governance practice to put an MOU into place. The document should be discussed and agreed between the Chair and the Chief Officer, and should also be submitted to the board for its approval.

Whether or not an MOU is in place, the Chair and Chief Officer should consider the points raised in this White Paper and consider if there is a gap between ‘current’ and ‘optimal’ behaviour, the size and nature of that gap, and what needs to be done about it.

The discussion should also take into account the expectations of board members and members of the management team and how, in organisations which are often stretched for resources, the Chair and Chief Officer can efficiently organise the contributions of both teams.

While many of the issues considered during the day focused on the dynamics internal to the boardroom, it was also important to remember the importance of external stakeholders, and how a healthy relationship between Chair and Chief Executive had implications way beyond the boardroom and the organisation.

**Conclusion**

The Governance and Leadership Framework for Wales has provided the platform for helping NGBs to transform their governance performance. Since its inception, and now under the operational delivery of Vibrant Nation, the programme has seen significant improvements in governance capability in the sports sector in Wales.

It is recommended that

1. The Chair and Chief Officer within each NGB should use this document to discuss the nature of their relationship, as well as lead a wider board discussion on how trustees/directors and the management team can work more effectively together
2. Sport Wales and the Welsh Sports Association should assess the effectiveness of this initiative, and consider what further thought leadership may be useful in developing the governance capability of the sector

1. The term Chief Officer was used throughout the event. It would have been equally valid to use the term Chief Executive, CEO, or Managing Director or some similar title [↑](#footnote-ref-1)
2. [www.wsa.wales](http://www.wsa.wales) [↑](#footnote-ref-2)
3. [www.sport.wales](http://www.sport.wales) [↑](#footnote-ref-3)
4. [www.valuealpha.com](http://www.valuealpha.com) [↑](#footnote-ref-4)
5. ‘A Question of Balance – a Guide to the Chair and Chief Officer Relationship’, written by Ruth Lesirge and Roslaind Oakley, for the Association of Chairs, November 2015 [↑](#footnote-ref-5)