



# The Role of Chairperson

## Practice Guide



If you have been nominated or elected as your Board of Management's Chairperson (also known as Chairman, Chair or President), then you will quickly realise that this role demands responsibility, skill and commitment. Board members have a collective responsibility to govern the organisation and stand accountable as a group (AICD, 2006), but it is the Chairperson who has the task of getting the best results from the group and ensuring that all members are productive and effective at their job.

### Skills Required

A Chairperson's role is a critical leadership and management position that requires excellent communication, negotiation, decision making and influencing skills. Successful Chairpersons use respect, tact and diplomacy to build a strong board culture. They know when to be assertive and demonstrate good strategic thinking and time management.

A Chairperson has the role of encouraging discussion and debate in the boardroom. Therefore, they must use good listening and communication skills to promote constructive disagreement while minimising conflict and mediating disputes. To carry this role out effectively, Chairpersons must build rapport with board members and gain their trust by demonstrating a high level of integrity and fairness.

*An empowered organisation is one in which individuals have the knowledge, skill, desire, and opportunity to personally succeed in a way that leads to collective organisational success.*

Stephen R. Covey



### The Chairperson's Authority

It is generally accepted that the Chairperson is nominated or elected by the Board of Management (Management Committee) to manage the performance of the board. This authority means the Chairperson has the responsibility to ensure that the board takes due care and diligence, manages conflicts of interests appropriately, assesses the organisation's financial position and performance and leads the board in supporting and monitoring the Chief Executive Officer (CEO). The Chairperson also provides leadership to the CEO and acts as a sounding board and advisor for the CEO.

To avoid board members being unclear about the authority of the Chairperson and other board members, it is good practice to write position descriptions or a board charter so that everyone has a clear guide about what is expected from them individually and collectively.

### The Chairperson's Role

The Chairperson is leader of the board, so must work collaboratively with the CEO to develop meeting agendas and then guide the board to discuss the most important and relevant governance issues. Good leadership skills include encouraging people to contribute to the agenda and discussion about board matters.

Chairpersons have a responsibility to keep the board focussed, engaged and making decisions that are in the interest of the organisation. All decisions should be made after thoughtful debate and discussion and using an approach that is agreed upon by the board. Commonly, an organisation's articles or constitution provide the Chairperson with a casting vote if it is required but beware, this casting vote should not be used arbitrarily or unjustly.

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*Time is the scarcest resource and unless it is managed nothing else can be managed.*  
Peter Drucker



Every board member has the responsibility to know their constitution and the key legislation that the organisation must comply with, but the Chairperson must particularly be familiar with the organisation's governance policies and Rules of Order, so at the appropriate times they can remind the board of their legal and ethical responsibilities.

The role of Chairperson also includes being the most senior spokesperson for the board and organisation. It is common practice for the Chairperson to speak as a representative to the media, government, key sponsors, donors and clients. The Chairperson should also support the CEO by speaking as an authority in times of significant crisis or change. This responsibility helps to develop and maintain positive relationships with employees, volunteers and the community and also promotes the desired organisational culture.

It is good practice for all boards to regularly review their own performance. This can be achieved in-house as a reflective exercise, or by engaging an independent consultant to help the board determine their strengths and areas for development. The Chairperson has a leadership and active role to play in any monitoring and evaluation process. It is the Chairperson's responsibility to ensure that board reviews take place and they are used to strengthen the board's governance structures and performance.

### Keys to Success

- 1 Use all relevant data, information and reports to inform the board and provide enough time for members to read and discuss board matters.
- 2 Encourage the board to ask questions, debate and participate in discussions.
- 3 Keep conversations focussed on relevant and significant issues.
- 4 Make decisions in the best interests of the organisation, not individuals.
- 5 Conclude all reports, conversations and discussions with a decision or recommendation.
- 6 Document decisions in the meeting minutes.

### Reflective Questions for Chairpersons

Do I use my leadership skills to create a healthy, positive and respectful board culture?

Does the board clearly understand my authority and how I fulfil my responsibilities?

Do I ensure that all board members feel actively engaged in boardroom discussions and decision making?

Do I help the board achieve the best results for our organisation?



### Further Reading

Australian Institute of Company Directors (2006) Chairman of the Board; a Role in the Spotlight. Available from [www.companydirectors.com.au](http://www.companydirectors.com.au)

Developing Your Organisation. Management Committees (Chapter Two). Available from the Australian Centre for Philanthropy and Nonprofit Studies: <http://goo.gl/BON3z>