

The Board Chair-CEO Partnership

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Objectives

- Define the essential characteristics of highly effective and productive board chair-CEO partnerships.
- Describe the impact on the board and the organization when the board chair and CEO are operating as partners.
- Propose considerations and observations related to board chair selection.
- Recommend actions to advance existing board chair-CEO relationships to the partnership level.

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**The Governance Institute's Leadership Conference – Hybrid Event
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A Silver Lining



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Research Questions

- How is the board chair-CEO relationship changing?
- What are the characteristics of effective board chair-CEO relationships?
- What are the essential steps for a newly established board chair-CEO relationship?
- How can a board chair and CEO advance to a full partnership?

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Foundational Elements

- Transparent communication
- Mutual respect
- Time investment
- Trust



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Partnership of Equals

- Distinctive roles/job descriptions
- Healthcare industry knowledge
- Sounding board
- Thought partners



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My Favorite Definition

“A thought partner challenges your thinking, causes you to modify or change your paradigms, assumptions or actions and has information or a way of thinking that provokes you to innovate or otherwise leads to value creation in your business, career or life.”

- Forbes



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The Chair and Full Board Relationship

- Chair maintains responsibility for keeping the board engaged and informed
- Facilitation skills are paramount
- Executive sessions
- Periodic, personal connection with each board member
- Opportunity for feedback on the chair's performance
- Term limits

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Board Chair Time Commitment/Compensation

- TGI 2021 Biennial Survey:

Board Chair Compensation
Systems - 15.2%
Independent Hospitals - 12.3%
Subsidiary Hospitals - 10.1%
Government Hospitals - 19.8%



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Risks

- Governance/Management boundary
- Board chair relationship with fellow directors
- Partnership vs. friendship
- Priorities - The organization and its needs are always both primary and central



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Board Chair Selection

- Commit to succession planning
- Consult the CEO
- Assess previous experience and comfort level with partnership arrangements
- Assess facilitation expertise
- Consider status of relationships with other directors



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Board Chair Selection - Key Questions

- Are the strengths of the CEO and the potential chair overlapping or complementary?
- Has the potential chair proven his or her understanding of the difference between governance and management?
- Have meeting facilitation skills been directly observed?
- Is the potential chair a role model for ongoing learning about healthcare?

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Start-Up Tips

- Commit to a regular meeting schedule
- One-on-one time is essential
- Meet off campus
- Establish a personal relationship
- Establish mutual expectations
- CEOs: Educate yourself about the chair's professional background, expertise and previous governance experiences

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Moving an Existing Relationship Toward Partnership

- Start with a conversation - "How can I help you?"
- Openly discuss time expectations of both parties
- Assess and potentially revise the communication structure
- CEOs: Are you focusing on management matters when you spend time with the chair?

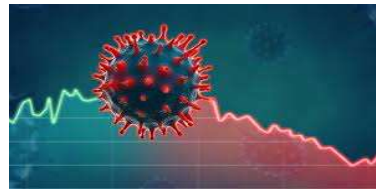


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The Pandemic Impact

- Board chair role increased in difficulty due to the increasing complexity facing the organization
- Board chair and CEO increased communication frequency
- Transition from F2F to Virtual
- Board chair often became the “glue” bonding the board together during crisis peaks



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Attention Board Chairs (The CEO Perspective)

- Understand the perspectives of each board member
- Can facilitate meetings and build consensus
- Keeps me informed about executive sessions
- Can assist the board in providing clear direction
- Be a role model for distinguishing governance from management
- Must be selfless; the organization and its mission are first

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Attention CEOs (The Board Chair Perspective)

- Help the board understand the complexities of health care while providing focus on the most relevant elements
- Communicate clearly and with the appropriate frequency
- Support the need for executive sessions



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Benefits from the Board Chair-CEO Partnership

- Leads to more targeted and effective governance
- Maximizes strengths and contributions
- “All hands on deck”
- Prevention & early intervention strategy
- Major contributor to effective CEO leadership
- CEO retention
- Director recruitment and retention
- Strategic advantage



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Final Thoughts

“I can do things you cannot, you can do things I cannot; together we can do great things.”

Mother Teresa



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Questions???

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*Thank
you*

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Resources

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- Stanislav Shekshnia, “How to be a Good Board Chair,” Harvard Business Review, March-April 2018

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