

**THE ROLE AND IMPACT OF CHAIRS
OF NONPROFIT ORGANIZATION BOARDS OF DIRECTORS:
AN EXPLORATORY STUDY**

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Abstract

Most research on nonprofit boards has tended to focus on the board as a whole and its role vis a vis the organization's management. Comparatively little empirical attention has been paid to the role and impact of board chairs. This paper reports on a pilot study exploring the differences between highly effective and highly ineffective chairs as perceived by experienced Executive Directors and board members in a small sample of nonprofit organizations in Seattle, WA and Victoria, BC. The paper presents a conceptual framework for studying chair behavior, its impact and its determinants. Preliminary findings from this exploratory research suggest that there is considerable communality in the perceived qualities of very effective chairs and their opposites. The need for, and approach to, future research is described.

Introduction

The criminal charges against the chair of the board of Hewlett Packard as “the boss who spied on her board members” have raised important questions about the role and impact of the board chair on the decisions and actions of a major public corporation (see story by Kaplan (2006) in Newsweek; Darlin in the October 5th, 2006 New York Times). While the story details leadership problems in one company, it represents a wider issue—that of the Chairs' influence on board effectiveness. The significance of board chairs that become ineffective is great. For example one report by Donaldson (2003) estimates that board ineffectiveness “contributed to a US \$7 trillion dollar loss in the aggregate market value of American corporations as of March 2003” (p. 16). No such estimates exist with regard to the impact in the nonprofit sector however one can assume that it can be as great as in the for-profit world albeit perhaps not as significant in terms of money.

Unfortunately, there is little empirical research that focuses on the impact of the board chair on the performance of the board or any other aspect of the organization. The limited studies that are available suggest that this impact is highly variable ranging from very little to very great and from highly beneficial to highly destructive (see Daily and Schwenk, 1998; Donaldson, 2003; Leblanc & Gillies, 2005; McNulty & Pettigrew, 1999; Mueller, Harvey & Howorth, 2003; Otto, 2003; Robinson & Exworthy, 1999; Stewart, 1991).

Our position, simply put, is that the role and impact of the board chair, as well as the determinants are in need of much additional research. The key questions addressed in the research project on which this paper is based are:

1. Are some board chairs more effective in carrying out their work than others?
2. What are the characteristics of effective and ineffective board chairs?
3. What is the impact of board chair behavior on the effectiveness of the board, organization, CEO, and external stakeholder support?
4. What factors influence board chair effectiveness?

The paper begins with background information on the nature of the role of the board chair and how it is different from other leadership roles. Next, we present a conceptual framework for analyzing the impact of board chairs. A description of the methodology used in the first two phases of this research project and the initial findings follow. The paper concludes with a discussion of the findings and preliminary ideas for the third phase of the project which is currently in development.

Background

While the role of the board chair is often perceived as an independent but ambiguous position (see Leblanc and Gillies, 2005; Kakabadse, Kakabadse and Barratt, 2006), it is also a position that has “enormous influence over the manner in which the board operates” (Leblanc and Gillies, 2005, p. 202). Highly influential board chairs are considered “effective” because they are capable of shaping the board’s performance. Ineffective board chairs are those who are less influential in this role (Leblanc & Gillies, 2005).

However, it is also possible that board chairs can affect the organization in ways which are not exclusively carried out through the board. In all, there are three types of relationships within which nonprofit board chairs play out their roles.

1. Board Chair-Board Member Relations

One of the nonprofit chair's key roles is that of “gate-keeper” of board information and as the leader of meetings of the board (Murray, 2004; 2006). The gate-keeper role strongly influences the extent to which information is shared and issues are brought forward and discussed by the board. With regard to how board chairs facilitate

board work through meetings, Murray (2004) and others have hypothesized that they affect their boards in ways such as the following:

- *Control of meetings.* Effective chairs know how much control to use to run a meeting. Less effective chairs can be too controlling or overly loose so members feel free to do and say whatever they want, for as long as they want to.
- *Their use of meeting time.* Effective board chairs run organized meetings that start and stop on time, and discussions end with clear action plans that appear in order of importance. Less effective chairs run meetings that leave board members hanging, without direction.
- *Facilitation of discussion.* Effective chairs foster a culture of discussion (e.g. draw-out non-speakers). Less effective chairs tolerate digression and/or foster a culture of silence where members feel there is no point in speaking.
- *Motivation of others.* Effective chairs use their personal charisma to spark creativity, synthesize, and articulate the contributions of others. Less effective chairs use their personal charisma to inspire a devotion of followers.

Empirical evidence coming out of the corporate sector supports these hypotheses (Leblanc & Gillies (2005). Specifically, effective corporate board chairs provide control around the board's agenda; bring issues forward (major and minor); are able to facilitate the asking of difficult questions; create a culture of "give and take that allows for dissention"; are inclusive, and freely share information (pp. 202-203).

2. Board Chair-CEO Relations

Apart from how board chairs relate to board members, it is generally agreed that the relationship between the chair and the E.D. is the most critical (e.g. Herman & Hermovics, 2005; Hoyer, 2004, Otto, 2003; Robinson and Exworthy, 1999). There may be formal position descriptions and clauses in the by-laws that define the structure of the relationship, but few of these practices have ever been empirically linked to what Hiland (2006) refers to as "relationship effectiveness" (p. 49). Moreover, it is the non-formal "negotiated" relationship of everyday interaction that is seen as the most important (see Hiland, 2006). While the relationship is described as the most significant, it is one that is often poorly understood and managed.

3. Board Chair – External Stakeholders

Similar to the other relationships, there may be formal statements in the chair's position description that describes when and how the chair might interact with external bodies (e.g. media, funders and government agencies). The role is usually as a 'spokesperson' representing the board of the organization as a whole. The board chair may engage in formal relationships with external bodies through interactions with individuals from these organizations but even more important may be the off-the-record interactions with people in personal networks that can lead to major benefits for the organization (e.g. donations, sponsorships and other forms of support).

Conceptual Framework

As a basis for designing research on the role and impact of chairs, the conceptual framework shown in Figure 1 was developed.

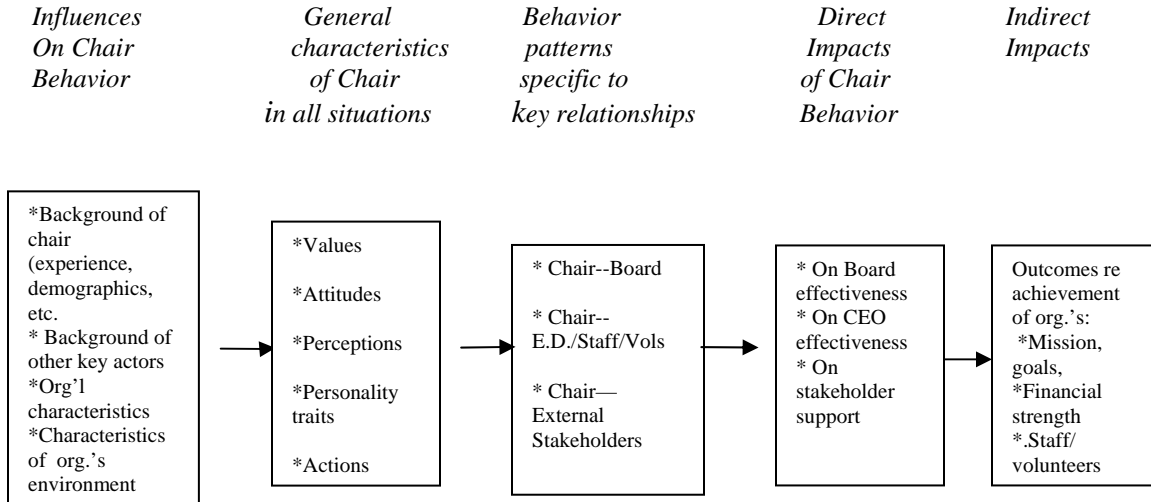


Figure 1. A simple logic model of the determinants, forms and impacts of Chair behavior

It was expected that, within each of the sets of relationships discussed above chairs might engage in certain *behaviors* unique to each, hence it was important to explore each of them separately. However, it was also realized that they might have certain *characteristics* that are general to all settings, for example, certain attitudes, values, perceptions, and personality traits.

As seen in Figure 1, the *general characteristics* and situation-specific behaviors combine to produce an immediate, short-term, impact on those with whom the chair interacts. These *direct impacts* may combine to have a more or less powerful influence on the organization’s performance, though of course they would only be one set of influences among many others. These are the indirect impacts shown in Figure 1.

Finally, although the exploratory research could not explore this in detail, the framework outlines some of the *possible influences* that might shape the behavior of chairs, such as their background (e.g. age, gender, education, previous leadership experience), certain characteristics of others in the relationship (such as the CEO and of the organization (such as its age, mission or culture), as well as characteristics of the larger environment in which the organization exists, such as its economic and political contexts, its climate of competitiveness or cooperativeness, etc.). Future research is intended to explore these influences in more depth.

Research Methodology

The research methodology was developed in two phases.

Phase I

Phase 1 consisted of a grounded theory qualitative methodology. It was based on in-depth interviews with a small sample of 10 nonprofit organization CEOs and 11 board members carried out in the summer and fall of 2006 in Victoria, British Columbia, Canada, and Seattle, Washington, USA. The interviews asked respondents to focus on their memories of the most effective and least effective board chairs they had known.

Respondents had a minimum of five years experience in their roles and had worked with at least three chairs (indeed, most had worked with many more than this; between them they reported that they had experience working with some 160 chairs in their lives). Even though the sample was one of convenience, there was considerable diversity with regard to the nature of the organizations represented by it in terms of their mission, budget size, staff size and dependence on volunteers.

Phase II

Based on the responses provided by the interviewees in Phase 1, an online survey questionnaire was developed to be taken by a much larger sample of respondents. This comprised Phase II of the methodology. The online survey when pre-tested took approximately five to ten minutes to complete, and was disseminated to a sample of convenience through nonprofit networks across Canada¹ and the USA² in early April of 2007. Because of the need to keep the survey short, respondents were asked to report on their observations of only the very best chairs they had ever worked with.

The actual size of the population from which this sample was drawn is unknown because the size of the network the survey was disseminated to is unknown. In spite of this limitation, the data that come from this phase of the research is diverse in three ways:

1. The perspective from which the questionnaire was answered (e.g. from that of CEOs, board members, volunteers, staff, external stakeholders)
2. Number of board chairs observed (e.g. see table 1 below).
3. The variety of organizations in which board chairs were observed (e.g. mission, size, age, CEO experience).

¹ In Canada an email with links to the online survey was sent to Volunteer Centers in each province of using the Volunteer Canada online map of Volunteer Centers. The Center for Nonprofit Management out of the University of Victoria disseminated the survey to its membership throughout the province of British Columbia (n=900). Those receiving the survey were also asked to pass it along to others in their networks. A similar snowballing technique was used in the US. Thus the response rate for this survey cannot be determined because the number of recipients of the email is unknown.

² The Center for Nonprofit and Social Enterprise Management out of Seattle University disseminated the survey to its membership (n=200).

Table 1

Number of board chairs observed

	Percentage	Number of respondents (n)
Less than 3	15.9	31
3-9	34.4	67
More than 9	49.7	97
Total	100	195

Respondents from Canada had observed significantly fewer board chairs than US respondents ($p=.05$). It is not clear why this is the case.

Findings

The findings of the two phases of this exploratory research are presented separately but discussed together.

Findings Related to Phase 1

Data Analysis. Because the first phase of the research was a grounded theory study using exploratory qualitative methods, no attempt was made to quantify the information obtained from the interviews. However, the data were scanned for commonalities that existed among respondents in both locations (Seattle and Victoria) and among both sets of respondents (CEOs and board members) within the categories within the conceptual framework in figure 1.

Under the heading “General characteristics of chairs” we report those supplied by three or more respondents in both groups (CEOs and Board Members) and both locations (Victoria and Seattle). The behavior patterns specific to key relationship clusters tended to be reported differentially by CEOs and board members. That is, CEOs naturally tended to focus on behaviors and impacts specific to their relationships with chairs while board members spoke mostly about board-related behaviors and impacts. Both groups contributed examples of the chairs’ behaviors vis a vis various external stakeholders.

All respondents readily agreed that, in their experience, the behavior of board chairs could be highly influential. Chairs who they perceived as filling their role exceptionally well were also seen as having a very beneficial impact on the organization. Conversely, those who were thought to have played their role very poorly were seen as causing many additional problems that the respondent had to deal with. It is also interesting that, when asked if they had experienced especially effective or ineffective

chairs, all respondents readily agreed that they had though, in general, they tended to recall more very effective chairs than very ineffective ones. This could either mean that the good actually outnumbered the bad or that people tend to recall the best more easily than the worst.

Phase I results below are reported using the categorization of variables presented in Figure 1.

Respondent Reports on Highly Effective Chairs

General characteristics (perceived by both CEO and board members respondents):

(a) Chair's attitudes, values and perceptions:

- Committed to the mission (“passionate”, “enthusiastic”, “engaged”);
- Knowledgeable about the organization’s business and issues facing it;
- Able to see the “big picture”.

(b) Personality traits:

- “Charismatic” (“inspirational”, “communicates a broad vision others can connect to”)
- Extraverted (though not bombastic); at ease with people of all types;
- Trustworthy,
- Calm,
- Very bright; quick to grasp complex situations;
- Has a sense of humor (reported more from CEOs than board members).

(c) Actions

- Proactive; takes initiative in raising issues
- Takes time—interacts frequently; people have no feeling of being rushed;
- Listens, does not argue or criticize
- Excellent at clarifying and/or redefining issues making them easier to deal with;
- Good at finding common ground when differences arise; a good conflict manager.

Chairs' behaviors in specific relationships

(a) With the CEO (Data reported mostly by CEO respondents)

- Exceptional mentor and coach
- Always available when needed; made regular times available for meetings
- Non-judgmental, collaborative.
- Always enthusiastic about the organization.

(b) With the board (Data reported mostly by board respondents)

- Always well prepared for meetings;
- Ran excellent meetings: kept them on topic, on time, action-oriented

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- Very clear about the role of the board and able to communicate this to others
- Was a facilitator rather than a boss
- Knew how to delegate; an excellent team builder and team player
- Made individual board members feel they were valuable and appreciated.

(c) With stakeholders (Data reported by all respondents)

- Had exceptional contacts with key people outside the organization
- Willing to use contacts to help the organization

Direct Impacts of Highly Effective Board Chairs

(a) On CEO

- Chair's behaviors increased the CEO's feelings of competence and boosted morale
- CEO reports making better decisions as a result of mentoring by chair.

(b) On Board

- Meetings were more focused, more efficient; actions to be taken clear
- Increased board commitment to mission
- Board focused more on big picture issues; produced clear plans
- Reduced unwanted board turnover
- Found high quality people to join the board.

(d) On Stakeholders

- Facilitated funding by helping to get grants or contracts
- Improved relations with existing or potential partners.

Indirect Impacts of Highly Effective Board Chairs

(a) On mission

- "Took us in a whole new direction"; "Was very influential in creating a major paradigm change in the organization".

(b) On finances

- "Saved the organization from going broke by helping us get renewal of a major grant"

(c) On the organization's operations

- "Had a big influence on improving staff morale"

Respondent Reports on Highly Ineffective Chairs

General characteristics (perceived by both CEO and board members respondents):

In general, those interviewed responded with greater diversity when asked to talk about the least effective chairs they had worked with.

(a) Chair's attitudes, values and perceptions

- *Detail oriented; unable to see big picture issues*
- *Did not convey sense of commitment to the organization and its mission*
- *Seemed to be using position mainly to advance personal career or agenda.*

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(b) Personality traits

- “Big ego”, dictatorial (reported by some)
- Introverted, “nice”, “well meaning but not able to inspire others”; “uncomfortable in leadership position” (reported by some)

(c) Actions

- Not a good listener
- Not sufficiently action oriented
- Micro manager
- Vacillated; took different positions depending on who s/he spoke to last
- Created or avoided conflict

*Chairs’ behaviors in specific relationships**(a) With the CEO (Data reported mostly by CEO respondents)*

- Didn’t seem to respect or trust the CEO
- Prone to be critical, not supportive.

(b) With the board (Data reported mostly by board respondents)

- “Just chaired meetings”; failed to lead
- Ran poor meetings—disorganized, too easily allowed meeting to get off topic
- Contributed to confusion over role of the board
- Failed to take action; allowed board to drift and avoid confronting problems
- Too protective of CEO and staff; not willing to have board assess their performance.

(c) With stakeholders

- Not proactive in contacting stakeholders
- Didn’t have any useful contacts on the outside
- Used position for personal benefit.

*Direct Impacts of Ineffective Board Chairs**(a) On CEO*

- Increased turnover of valued staff
- Inhibited needed major change; “contributed to the slow death of the organization”.

(b) On the board

- Increased board turnover
- Board failed to resolve major problems, such as poorly performing CEO or lost funding, until too late.

(c) On stakeholders

- Potential support of key stakeholders was lost.

Indirect Impacts of Ineffective Board Chairs

Our respondents did not provide any examples of the behavior of ineffective chairs resulting in serious damage to the organization. The direct impacts mentioned above of course have the potential for doing larger damage but respondents usually indicated that the problems they caused were fixed before permanent damage was done.

Findings Related to Phase II

The data from the online survey were analyzed and quantified using descriptive, correlation, and factor analysis and reliability statistics. Because of deadline requirements only a partial analysis of the first 200 respondents is reported. A more detailed and sophisticated analysis of a larger sample (n=432) will follow.

1. Are some board chairs more effective in their role than others?

Consistent with the findings of Phase 1 and other research (see Leblanc & Gillies 2005), we found that not all board chairs were the same. 98% (n= 195) of respondents said that some of the board chairs they had observed were more effective in their role than others. In fact, one respondent reported under the category of “other” that some of the board chairs he/she observed were “complete bloody disasters”.

Table 2 shows that there was variation in the percentage of exceptional board chairs respondents had observed. Over a third of respondents reported that less than 10% (36%, n=71) of the board chairs they had observed were exceptional. Less than a quarter (22.4%, n=44) reported between 20-30 % and a slightly larger number (23.5%, n=46) indicated over 30% of the board chairs they had observed were exceptional. Considerably fewer reported exceptional board chairs between 10 and 20% (17%, n=35). Collapsing the variable of exceptional chairs observed into fewer than 20% and more than 20%, no significant differences between the US and Canadian samples for percentage of exceptional board chairs observed were found. Interestingly, those reporting from the CEO perspective had observed significantly fewer exceptional board chairs (less than 20%) than “other” respondents ($p < .05$ (Fishers exact test, $N=196$)).

Table 2

Percentage of all board chairs perceived to be exceptional

	Percentage	Number (n)
Less than 10% of board chairs were exceptional	36.2	71
10-20%	17.9	35
20-30%	22.4	44
Over 30% of board chairs were exceptional	23.5	46
Total	100	196

Respondents were asked whether the best chairs performed this way all of the time or came to the fore only in certain situations. Table 3 shows that the majority thought their exceptional board chairs were exceptional all the time. Very few were observed to be exceptional only in a specific situation.

Table 3

When were some board chairs exceptional?

	Percentage (%)	Number (n)
A. Mainly in certain situations	4.6	9
B. They were exceptional regardless of the situation	36.2	71
C. A & B— some were exceptional because of a situation while others were exceptional all the time	51.5	101
Other	7.7	15
Total	100	100

2. *What are the behavioral characteristics of highly effective board chairs?*

Table 4 shows the behavioral characteristics of exceptional board chairs. Interestingly, the qualities rated least desirable were those found to be characteristic of ineffective chairs as reported in the first phase findings above—e.g. “focusing on the details” was rated lowest and “seeing the big picture” was rated the highest). The data also show variation in respondent ratings with more agreement on the characteristics of “effective” than “ineffective” board chairs as identified in the first phase research. For example, the standard deviations for the “effective” characteristics (e.g. “see the big picture”) we included in the survey were smaller than the “ineffective” characteristics (e.g. focus on the details).

Table 4

General qualities of exceptional board chairs

	Number	Mean	Standard Deviation
1. Ability to see the big picture	188	6.49	.81
2. Clarity about their role	188	6.45	.80
3. Commitment to the organization	188	6.44	.85
4. Ability to clarify issues	188	6.40	.84
5. Ability to handle contentious issues	188	6.24	.92
6. Commitment to getting things done	188	6.20	.99
7. Ability to be collaborative	188	6.13	.98
8. Tendency to be proactive	188	5.94	1.0
9. Knowledge about the organization	188	5.88	1.1
10. Ability to coach and mentor others	188	5.53	1.3
11. Connections and influence they use with key people	188	5.38	1.2
12. Use of connections to advance the organization	188	5.35	1.3
13. Time they devote to the organization	188	5.34	1.1
14. Ability to focus on the details	188	4.48	1.6

Table 5 shows the personal qualities of exceptional board chairs. Again, these qualities mirror first phase findings (e.g. trustworthy rated the highest and had own agenda as the lowest).

Table 5

Personal qualities of exceptional board chairs

	Number	Mean	Standard Deviation
1. They were trustworthy	188	6.57	.685
2. They were good listeners	188	6.17	.89
3. They were bright/intelligent	188	6.07	.98
3. They were focused	188	6.07	.99
5. They were empowering	188	6.03	.98
6. They were at ease with people of all types	188	5.95	1.06
7. They were confident (not inappropriately so)	188	5.94	.96
8. They had a sense of humor	188	5.93	1.05
9. They were organized	188	5.92	1.17
10. They were calm	188	5.70	1.22
11. They were flexible	188	5.57	1.18
12. They were non-judgmental	188	5.55	1.25
13. They were innovative	188	5.55	1.22
14. They were friendly and nice	188	5.11	1.32
15. They were altruistic	188	5.06	1.50
16. They were humble	188	4.8	1.48
17. They were strong and authoritative	188	4.31	1.49
18. They were critical	188	4.06	1.63
19. They had their own agenda	188	3.10	1.60

Competency dimensions of effective board chairs. Next, we conducted a factor analysis that showed the characteristics described above could be combined into five effective board chair leadership characteristic categories or competency dimensions:

- Dimension # 1: Relationship Competency
 - Flexible
 - At ease with people of all types
 - Non-judgmental
 - Good listeners
 - Calm
 - Friendly and nice
 - Humble

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Factor loadings were at or above .65 accounting for 53% of the variance;
Reliability .85

- Dimension # 2: Commitment and Action Competency
 - Highly committed to the organization
 - Committed to getting things done
 - Proactive
 - Devoted much time to the organization

Factor loadings at or above .65 accounting for 53% of the variance; Reliability .71

- Dimension # 3: Analytic Skill Competency
 - Able to see the big picture
 - Able to clarify issues
 - Able to handle contentious issues

Factor loadings at or above .74 accounting for 66 % of the variance; Reliability .74

- Dimension #4: “Willingness to Create” Competency
 - Very bright/intelligent
 - Innovative
 - Confident

Factor loadings at or above .72 accounting for 56% of the variance; Reliability .60

- Dimension # 5: Influence Competency
 - Use of connections to advance the organization
 - Possession of connections and influence with key people

Factor loadings at or above .95 accounting for 90% of the variance; Reliability .89

In all but one dimension there was agreement among respondents from different perspectives (i.e. CEOs, board members and others) with respect to the competency dimensions of board chairs discussed above. There were no significant differences in all areas except that CEOs were significantly more likely than those coming from other perspectives to perceive board chairs as being less influential in their role ($M=5.30$, $SD=1.27$, $n=112$ vs $M=5.44$, $SD=1.1$, $n=76$, $p < .05$).

Indicator of ineffective board chairs. Next, using the two of the lowest rated characteristics of board chairs, which were also identified as characteristics of ineffective board chair characteristics in our earlier research, we created the following indicator of lack of board chair competency:

- Ineffectiveness Indicator: Domineering Behavior
 - Strong and authoritative
 - Had own agenda and got on with it

Factor loadings above .87 accounting for 77 % of the variance; Reliability .70

3. *What is the impact of board chair behavior on the effectiveness of the board, CEO, organization, external stakeholder support)?*

Overall, the data in tables 6 to 9 below shows that exemplary board chairs were perceived to have more than a moderate impact on the effectiveness of the board, the organization, the performance of the CEO, and the support of external stakeholders, with means between 5.10 and 6.42 on 7 point scales.

However, there were also some significant differences among respondents especially with regard to the perceived impact of these board chairs on organizational effectiveness. CEO and external stakeholder respondents held opposing views of this impact. External stakeholders were significantly more likely to perceive that the board chair had a positive impact on the financial position and stability of the organization whereas CEOs judged board chairs as significantly lower than the other perspectives regarding board chair impact on the financial stability *and* innovativeness of the organization. Service volunteers held yet another view of the impact of board chairs on effectiveness. Like external stakeholders, they were more likely to rate the impact of board chairs on nonprofit organizational effectiveness as significantly higher than others.

Table 6

Perceived Impact of Exemplary Board Chairs on Effectiveness—All dimensions

	Number	Mean	Standard Deviation
Performance of the board	199	6.42	.85
Success of the organization	199	5.51	1.31
Performance of the CEO	199	5.46	1.31
Support of External Stakeholders	199	5.10	1.45

Table 7

Perceived Impact of Exemplary Chairs' Actions on Board Effectiveness

	Number	Mean	Standard Deviation
Direct impact on clarity of board's role (vis a vis role of management)	180	6.26	.81
Direct impact on board efficiency and effectiveness	180	6.18	.91
Direct impact on the board's ability to attract top quality board members	180	5.99	1.06
Direct impact on the board's due diligence function	180	5.81	1.10

Table 8

Perceived Impact of Exemplary Chairs' Actions on Organizational Effectiveness

	Number	Mean	Standard Deviation
Direct impact on the organization's financial position	180	5.45	1.33
Direct impact on the organization's stability (successful resolution of crises)	180	5.11	1.64
Direct impact on the organization's morale of staff, volunteers or members	180	4.94	1.52
Direct impact on the organization's efficiency	180	4.57	1.66
Direct impact on the organization's innovativeness	180	4.56	1.47

Table 9

Perceived Impact of Board Chairs' Actions on CEO Performance and External Stakeholder Support

	Number	Mean	Standard Deviation
Direct impact on CEO's effectiveness in doing his/her job	180	5.88	1.05
Direct impact on amount of support from key stakeholders	180	5.17	1.40

As shown in Table 10, there was a significant difference between CEO ratings of board chair impact and respondents who had observed board chairs from the other perspectives. CEOs were more likely to rate board chair impact on organizational effectiveness significantly lower than respondents who observed board chairs from the other perspectives ($p = .02$). In contrast, external stakeholders were more likely to rate board chairs significantly higher for organizational and board impact than the other respondent perspectives (organizational impact, $p = .03$; board impact ($p = .002$)). Like external stakeholders, service volunteers rated the impact of board chairs on organizational effectiveness significantly higher than those who had reported observations from non service volunteer perspectives ($p = .03$).

Table 10

Perceptions of Board Chair Impact by Differing Groups of Respondents

Perceived Impact	Perspective #1	Perspective #2	t	Significance (p)
	CEO	Other Perspective		
Organizational Effectiveness	4.75	5.17	-2.31	.02
Board Effectiveness	6.01	5.97	.42	ns
	Board Member	Other Perspective		
Organizational Effectiveness	4.97	4.81	.81	ns
Board Effectiveness	6.05	5.88	1.45	ns
	Staff Member	Other Perspective		
Organizational Effectiveness	4.96	4.84	.36	ns
Board Effectiveness	6.02	5.98	.39	ns
	External Stakeholder	Other Perspective		
Organizational Effectiveness	5.20*	4.80*	2.10	.04
Board Effectiveness	6.25**	5.89**	3.10	.002
	Service Volunteer = 1	Other Perspective		
Organizational Effectiveness	5.24*	4.80*	2.18	.03
Board Effectiveness	6.14	5.95	1.56	ns

*significant at the p<.05 level

**significant at the p<.01 level

Finally, we conducted a correlation analysis to determine the nature of the relationship between the characteristics of board chairs and their impact on the success of the organization, performance of the board and CEO, and stakeholder support. Table 11 shows significant positive correlations between the five exemplary leadership characteristic dimensions and these impacts. No significant relationship is found between the domineering behavior dimension and impact. Significant differences were noted in

how CEOs perceived domineering board chairs compared to other respondents. CEOs were significantly more likely than others to rate board chairs who they observed were high in domineering behavior as significantly lower in effectiveness ($M=3.45$, $SD=$, $n=112$ vs. $M=4.05$, $SD=$, $n=76$, $p=.001$). These findings suggest that board chairs that are considered exemplary in the areas identified may have significant impact on the nonprofit organizations that they lead.

We also found that not all board chair leadership competency dimensions have an impact in all three relationship areas. In Fact only one competency dimension was significantly related to all areas of impact: The chair’s perceived commitment to getting things done. It is also the only dimension significantly related to perceived board performance ($.21$, $p<.01$). On the other hand, three dimensions were related to perceived CEO performance (chair commitment ($.25$, $p<.000$), willingness to create ($.24$, $p<.001$), and chair relationship orientation ($.20$, $p<.01$)). All dimensions were positively related to the perceived success of the organization.

Table 11

Correlations between Leadership Competency Dimensions and Impacts

Leadership Competency Dimension	Organization Success	Board Performance	CEO Performance	Stakeholder Support
• Chair Relationship Orientation	.27**	.14	.20**	.18
• Chair Commitment	.36***	.21**	.25***	.25***
• Chair Analytic Skills	.23***	.12	.13	.14*
• Chair Willingness to Create	.27***	.11	.24***	.28***
• Chair Influence	.15*	-.005	.09	.4***
• Domineering behavior	.11	-.07	.07	.13

* significance at or beyond the .05 level
 ** significance at or beyond the .10 level
 ***significance at or beyond the .001 level

Discussion

This report highlights the characteristics of highly effective and ineffective board chairs as perceived by those who work with them. The behavioral and personality characteristics of especially effective chairs were seen as remarkably similar between the various groups of respondents to the online survey. On the other hand there are significant differences between them in their perceptions of the amount and kind of

influence and impact these chairs have, especially beyond the boardroom. This finding is in keeping with the social constructivist view of effectiveness and the findings of Herman & Renz (2004), who found that different stakeholders perceive nonprofit effectiveness differently.

Perhaps the most interesting findings are related to the perceived characteristics of highly effective chairs. The personal qualities and skills that they are seen as bringing to the job align well with the normative literature on desirable characteristics of nonprofit board chairs (e.g. Brown, 2004; Hilland, 2006; Millesen, 2004), and nonprofit leaders in general (e.g. Drucker, 1996). They also fit within the frameworks of a number of models of leadership. For example, Stogdill, 1974 suggests that effective leaders have the traits of charisma (ability to influence), cooperativeness and sociability, while Kirkpatrick and Locke mention cognitive ability, motivation, and confidence (as cited in Northouse, 2007). Other characteristics of effective leaders mentioned in the literature that parallel the findings reported here are:

- Goal directedness (House & Mitchell, 1974);
- Emotional maturity, self and social awareness—also known as “emotional intelligence”— (Dulewicz, 2000; Dulewicz & Higgs, 2000; Goleman, 2000; Hernon & Rossiter, 2006)
- Creativity, flexibility, persistence (Mayer, Salovey, Caruso, and Sitarenios, 2003)
- Commitment, independence, “big-picture” thinking, a tendency to be compassionate and a proactive orientation—also known as “spiritual intelligence”— (Klenke, 2003; Zohar, 2005; Zohar & Marshall, 2000).

Our findings are also consistent with the findings of Leblanc and Gillies (2005) who concluded from their study of 39 corporate boards and interviews with 194 board members that there were two types of board chairs. “Conductors” are considered exemplary because...

“... relate very well to management, have a keen interest in good governance and serve as the hub of all important board activity. They understand group and individual dynamics and possess remarkable leadership skills, both inside and outside the boardroom. They relate exceptionally well to the CEO (if a non-executive chair), committee chairs and other directors. They lead the setting of the agenda, run meetings effectively, moderate discussion appropriately, manage dissent, work towards consensus and, most importantly, set the tone and culture for effective corporate governance” (p. 208).

“Caretaker” board chairs, on the other hand are ineffective because they either a) exert too much influence or b) not enough influence. In sum, the behaviors that Gillies and Leblanc lend support for the leadership characteristics or competency dimensions identified in our analysis.

Future Research

Figure 2 shows the conceptual framework that emerged from the first two phases of our research and subsequent review of the leadership literature.

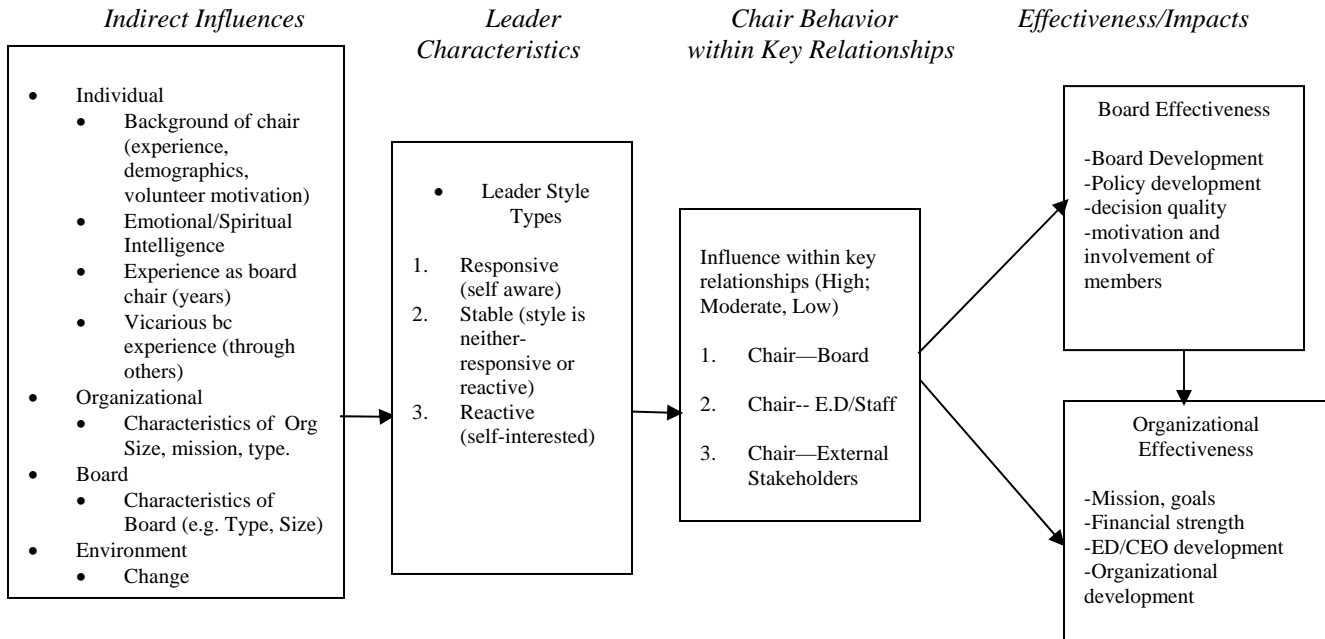


Figure 2. Phase III Conceptual Framework for Studying Board Chairs

The framework above shows relationships between a board chair's leadership styles (shown as leadership characteristics), the level of influence they have within key relationships, their direct impact on the board's performance, and their indirect influence on the organization's performance. The framework also illustrates some of the possible influences that shape board chair leadership at individual, organizational, board, and environmental levels.

The next stage of this research project into the role and impact of board chairs will involve:

- Trying to develop more sophisticated insights into what shapes board chair leadership characteristics.
- Developing a board chair leadership competency profile instrument. Mussig (2003) suggests that many of the competencies can be combined.
- Testing the relationship between leadership competency, board chair behavior, and impacts (direct and indirect).

The methodology to be used will be a quantitative online survey of a random sample of board chairs of nonprofit organizations as well as those who have observed or interacted with them from different perspectives (e.g. Chief Executive Officer, board members, external stakeholders, staff and volunteers).

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