



TCG

THEATRE COMMUNICATIONS GROUP, INC.

CENTERPIECE

FOCUS ON: GOVERNANCE

• • • •

THE CHAIR, MORE THAN JUST A TITLE

BY MANAGEMENT CONSULTANTS FOR THE ARTS

Perhaps one of the most undervalued, yet one of the most critical, posts in today's cultural organization is the Chair of the Board of Trustees¹. The Chair², selected from among his or her fellow trustees, must find effective ways to ensure that the board provides the proper balance of authority and responsibility for the governance of the organization, while sustaining what can sometimes be a precarious partnership between trustees and the organization's CEO³.

A Chair who does a good job is often invisible; artistic and cultural pursuits take center stage and the organization thrives. Invisible, however, does not mean absent or inactive. On the contrary, at Management Consultants for the Arts, Inc., we have worked with cultural organizations of all kinds, and over the years we have found that among the most successful are those whose Chair is the facilitator of a strong partnership between the trustees and the institution's CEO. This partnership is so vital to the organization that we see the selection of the Chair as being nearly equal in importance to that of the CEO.

The most effective Chairs balance passion for the organization's mission with a working knowledge of how to translate that mission into reality. They understand the roles of the various players, how they complement one another and how, in a culture of collective leadership, they can work in tandem to achieve the best results for the organization and each other.

Those who have read our other publications or who have worked with us in the past will recognize our emphasis on the principles of mission and collective leadership. These, we believe, are the hallmarks of cultural organizations that reach the highest levels of achievement.

As we see it, an organization's mission is, simply stated, its reason for being. Mission should be the basis of programming, policy and all other decisions made under the organization's aegis. Collective leadership is a relationship among trustees and the organization's CEO and staff that encourages all parties to facilitate each other's work in an atmosphere of mutual respect and support, tempered by an awareness of the boundaries of each role.

¹ In our work, we prefer to use the term "trustee" rather than "director" as we believe that boards hold not-for-profit organizations "in trust" for their community.

² The Chair is sometimes called the President, but in either case, is the senior volunteer leader of the organization.

³ In this essay, we use the term CEO to refer to the wide variety of titles given to an organization's senior paid staff leader or co-leaders.

Governance *Centerpiece* Curator: Nancy Roche, Trustee, Center Stage
Copyright © 2001 by Theatre Communications Group, Inc. All articles reproduced by permission of the authors. No portion of this publication may be reproduced in any form, or by any means, including photocopying, without written permission from the publisher or author. Theatre Communications Group, Inc., 355 Lexington Ave., New York, NY 10017, telephone (212) 697-5230, fax (212) 983-4847, Web site: www.tcg.org. Ben Cameron, Executive Director; Joan Channick, Deputy Director; Christopher Shuff, Director of Management Programs.

While these concepts may seem simple enough, in practice, day in and day out, they can be profound. Implemented wisely and consistently, they will reverberate to every corner of the organization. As with the organization's CEO, the Chair's commitment to mission and collective leadership are only the beginning.

As a facilitator, the Chair performs myriad roles, which may change with time, as the organization enjoys good years and weathers lean ones. Circumstance often determines which of the Chair's roles is most important at any given time. Some years, the Chair's role will be to provide stability — for example, when the CEO's post is vacant. At other times, the Chair will be the one to serve as a change agent — challenging the organization to accomplish new goals and directions. The key is flexibility — and the ability to switch between roles as needed.

Here are some of the characteristics of the most effective Board Chairs we have known.

1. The most effective Chairs are chosen because they are excellent candidates, not because nobody else wants the job.

Too much to do and not enough time: in an age when time pressures are universal, it can be difficult to find qualified volunteers for the post; in fact, it can be difficult to find any volunteers at all. It is tempting for the cultural organization to tap the first person who is even vaguely interested in the job. In rare cases, this "method" of selection can yield surprisingly happy results. Most times, however, it produces what one would expect: a Chair who is unschooled in the mission of the organization and the workings of the board — and whose contribution is marginal at best.

It's important for those involved in the nominating process to resist the temptation to fill the position with the first warm body to come along. The long-term benefits of finding a qualified candidate will far outweigh the short-term frustrations of holding out for the right person. If it is absolutely necessary to fill the post, appointing an interim chair, while continuing the search, may be a viable approach. The real solution to the challenge of finding a Chair should begin years before an invitation to lead is extended, in the recruitment and development of all the board's trustees. Trustees who are chosen carefully and encouraged to invest time and energy in the organization will — some of them, at least — be more likely to take a turn as Chair and be better prepared for the job.

The job of Chair is like the stroke of a crew team. You have to put your oar in first and assume others will follow. There's this tiny period when you have the only oar in the water. The stroke has the strength to take up the weight of the boat when the oar goes in and the confidence that the rest will follow. That's how I see the role of Chair — to take up the work of the institution and by dint of will, move it forward until the other members follow.

Barbara Pearce

Chair, Long Wharf Theatre

2. The most effective Chairs commit to the position for at least three or four years and are prepared to devote sufficient time to the business of the board.

If time pressures complicate finding a candidate for Chair, the same pressures make the length of the Chair's term and the time required for day-to-day service just as difficult. In recent years, we have seen more and more individuals accept the position with the stipulation that they serve for just one year. In our view, this should be avoided. A one- or two-year term is too short; it doesn't allow enough time for the candidate to complete the learning curve and become effective in the job. An incoming Chair has to form a meaningful working relationship with fellow trustees and with the organization's CEO and senior staff, identify priorities and work at them. A tenure of at least three to four years allows the Chair to grow into the position and make an impact on the work of the board and the organization.

We've known cultural organizations to configure the Chair's term in different ways. Some favor a set term, while others opt for open-ended terms that are renewable for several years running if the Chair wants to continue in the position. We don't think the specifics matter much, as long as the candidate agrees to serve for enough years to insure continuity of leadership and purpose.

Whatever the term length, the best Chairs devote sufficient time to the business of the board and the organization. What constitutes sufficient time? The board of trustees of a cultural organization has many duties: hiring and working with the CEO on long-range planning and policy-making, fund-raising, financial oversight, risk management, community relations. The Chair's job is to see that all these tasks get done, all the while supporting the CEO's leadership of the organization. But a simple "to-do" list cannot adequately describe the work of the Chair. As we have said, the best-run organizations cultivate a culture of collective leadership, in which all players are inspired to do their best. The Chair and the CEO are responsible for the development of this kind of culture. It is an effort that must go on continually, and it takes time.

There's no easy formula. It's just being aware that you have to continuously recruit as many good and active board members as you can. If all of a sudden I become ill or decide to move to California, the important thing is to have a pool of potential candidates. If you don't have an active group of members, just to go out and headhunt a new Chair seems to me to be very problematic.

Neil Chrisman

Chair, Jacob's Pillow Dance Festival

3. The most effective Chairs are drafted because of their knowledge of, interest in — and we hope, passion for — the organization, and not solely because of their wealth, connections or other factors.

The scramble for funding in the cultural community over the past few years has made courting potential donors more important than ever. But a person's ability to make substantial contributions or open doors in the community should not be the only qualification. The work of the board and its Chair goes beyond fund-raising: the governance of the organization requires a sincere belief in its mission and a genuine interest in its day-to-day operations and needs. We believe that individuals whose sole contribution is likely to be money or connections will better serve the organization — and find more satisfaction in his or her service — in the post of trustee, and not as Chair.

It would be naïve to suggest that a candidate's financial resources should never be considered in the selection of a board Chair. But we maintain that the Chair must have other qualities as well. Chief among these is a genuine commitment to the organization. That word, "commitment" encompasses many things: knowledge of the discipline, an understanding of the organizational mission, a love for the work, a desire to serve, and a capacity to translate these qualities into a style of leadership that can motivate fellow trustees and inspire the staff.

As Chair, you need to front-load your time. You need to spend a lot of time at the beginning. I spent a lot of time at the beginning listening to staff. Now I don't — nor should I.... If you have a high degree of energy, vision, and commitment yourself, other people will ramp up their commitment as well, so you can leverage your time.

Barbara Pearce
Chair, Long Wharf

4. The most effective Chairs cultivate a culture of collaboration and collective leadership throughout the organization.

The most effective Chair works with the CEO to foster an atmosphere of openness and respect among all personnel, paid and volunteer alike. Together, exercising collective leadership, the Chair and the CEO set an example for trustees and staff members, encouraging a flow of ideas, open debate, mutual respect, humility, and the freedom to question themselves and each other.

The Chair and the CEO begin with their own relationship, forging a partnership in which the Chair supports the CEO's institutional leadership and the CEO relies on the Chair's leadership of the board of trustees. They facilitate similar relationships among trustees, among staff members, and among trustee committees and staff.

In cases in which the organization is run by two executives, an artistic director and a managing director for example, the wise chairperson cultivates a collaborative relationship with both of them. It could be natural for the Chair to identify more closely with one director over the other, but in our view, it is essential to maintain strong partnerships with both.

It takes a unique set of talents to be Chair. We have always looked first for vision, commitment to the mission and passion for the museum. Wealth is not something that we've factored into our choices. Minnesota Children's Museum is unique relative to our area's other cultural organizations. It has a young board and they do not have the degree of wealth that trustees of other institutions might. But, we do have people who believe passionately in the mission.

Michael Monahan
Chair, Minnesota Children's Museum

5. The most effective Chairs motivate their fellow trustees to make meaningful contributions to the group.

Creating a culture of active participation among trustees requires leadership alchemy that can have many ingredients. Effective Chairs lead by example, taking on necessary tasks and communicating, directly or indirectly, that they expect their fellow trustees to do the same. They make sure that trustees understand their responsibilities through an institutional education routine that begins during the nomination process and continues throughout the trustee's term of service.

Equally important, effective Chairs make trustee service rewarding and enriching. They recognize each individual's contributions and show appreciation for extra efforts. They listen to the trustees' ideas and concerns and foster an atmosphere of open dialogue. They afford opportunities for trustees' personal, professional and cultural growth by working with the CEO and staff to involve them in the life of the organization. And they laugh; they make the work of the board of trustees fun.

Although I am not an artist or an art historian, I have always been an appreciator of the arts. I am very passionate about the work of the Institute. My role as Chair is to facilitate change and move the organization forward on a macro-policy level, leaving the Director and staff to do what they do best — which is to run the organization.

Nancy Hodes
Chair, Albany Institute of History and Art

As we began to move in a new direction, the planning process was a critical part of bringing everybody on board. We developed working committees on which we paired enthusiasts with skeptics.... Everyone had an equal voice in the process.... Participants were really excited to be part of the collaborative effort and we have now come out with a product we are extremely proud of.

Margaret Ayers
Chair, New York Foundation for the Arts

6. The most effective Chairs forge ties between the organization and the community in ways that support the organization's mission.

While we firmly believe that an individual's "external" ties — contacts with the community and potential donors — should not be the main reason for his or her selection as Chair, we believe just as firmly that the Chair must be able, when necessary, to represent the organization and its mission in the greater community. The sector of the community that most often is considered is the business community, and certainly, ties to potential donors there are vital to the fiscal health of the organization. But there may be times when the Chair can serve as a link to other sectors, depending on the community that the organization serves or wishes to serve. To be sure, the CEO will most often be the spokesperson for the organization, but circumstances may dictate that the Chair perform this role on occasion. When that happens, the most effective Chairs use the organizational mission as their guide. They understand and believe in what is held in trust, and communicate it to their listeners.

It goes without saying that the most effective Chairs we have known put aside personal agendas. Improved social standing and business contacts can indeed be byproducts of a chairmanship, but effective Chairs do not have such benefits uppermost in mind. They keep the organization's best interests in the forefront.

We always want to demonstrate that we serve the entire metropolitan area, as well as the state. That's challenging because Minneapolis and St. Paul have two somewhat different cultures, so we had to have an "east" and a "west" strategy to address each market. We had two Chairs for our capital campaign, one from Minneapolis and one from St. Paul, each with different social contacts. But since the mission of the Children's Museum is about children, it really cuts across all groups, people have such a warm spot for children. We were able to overcome the geographic divide that could have become an issue.

Michael Monahan

Chair, Minnesota Children's Museum

7. The most effective Chairs are constantly mindful of ethical standards.

Effective Chairs follow the highest ethical standards. They avoid personal conflicts of interest; they never try to use the organization for their own aggrandizement. But ethical considerations can be complex. A corporate partnership might underwrite a much-needed capital project, but if it harms the fulfillment of an aspect of the organizational mission is it worth it? A major donor might breathe life into a deflated endowment, but if he or she assumes the right to meddle in programming, the gift may hurt more than help. The wise Chair uses mission as a beacon to navigate these tricky situations and involves the board in fully exploring the ramifications and finding solutions.

The board is charged with ethical considerations. There's no precise definition of ethical standards. Everybody who's involved in the organization is functioning for the benefit of the organization, not for his or her own personal gain. It's an

area that calls for lots of scrutiny. We've had occasions where a proposal for some activity from a third party has been discussed in terms of whether it would be a conflict of interest. You need the help, and you're going to get the help only by providing some benefit in return, but you have to do it without giving way to someone else's agenda. There should be a clear dividing line between what's in the best interest of the organization and what's not.

Ellen Joseph

President, Poets and Writers

8. The most effective Chairs consider their individual legacies; they set goals for their tenure, but keep them in perspective.

Many Chairs start out with a particular institutional goal in mind: a major capital campaign, a new building or renovation of an old one, partnerships and alliances, a new program initiative, financial stability, or strengthening the board are but a few of the possibilities. They don't choose these projects alone, but through discussion with the organization's CEO and fellow trustees. Such projects can invigorate the board of trustees, focus energy and enrich the organization immeasurably.

Wise Chairs don't let such projects blind them to the organization's other needs, nor do they allow thoughts of a personal legacy to take precedence. The wise and effective Chair understands that circumstances may arise that prevent the organization from devoting resources to a project and that the organization's needs come first, not individual projects or personal accomplishments

The best Chairs accept the challenge of having to attend to the present and planning for the future simultaneously. They don't let themselves be swept up in the minutiae of day-to-day operations; they make time for long-range planning and projects that will insure the financial and operational health of the organization tomorrow and ten years from tomorrow. In fact, one could rightly argue that the most vital, and sometimes uniquely held, role of the Chair is to look constantly and steadily to the future.

We're in the middle of reorganization. My role as chair is to continue to move it forward. When you make that significant change, you have to stick with it. Accordingly, I'm planning to serve more than my typical three-year term to accomplish that goal. It can be hard to define what you want your legacy to be, but the issues will emerge. In every board I have led, I've been on the board long enough to see the issues that evolve. It's been easy and natural. Of course, the chair has to work closely with the CEO and/or Artistic Director. And you're not going to be a success if you don't have a board behind you.

Judy Rapanos

Chair, Midland Center for the Arts

9. The most effective Chairs actively work to develop future generations of leadership.

As we said earlier in this essay, the selection of the Chair begins years before the invitation to serve is made; it begins with the recruitment and development of trustees. Ultimately, it is the Chair who ensures that this item is not ignored but is an ongoing priority.

The most effective Chairs think about succession from the minute they take office. They articulate the idea to other trustees and to the CEO, so that the need for ongoing, active recruitment is always on the agenda. When the search for good candidates is an acknowledged part of everyone's job, the pool of strong candidates is likely to grow. When nurturing and developing trustees is a priority, the Chair and CEO organize educational and enrichment activities and the trustees' commitment to the organization deepens, increasing their likelihood of future service.

In the end, it's the Chair who can make this happen, who can make the organization's future governance a priority in the present.

It goes back to having an active board. Where there is real leadership ability, it starts to shine. You mark that down and cultivate it. You place those trustees in positions learning the organization, serving on key committees, doing jobs that give the best chance to absorb knowledge across the breadth of the organization.

Neil Chrisman

Chair, Jacob's Pillow Dance Festival

10. The most effective Chairs play a critical role in the selection of a new CEO.

Of course, no Chair wants the search for a new CEO to take place on his or her watch, but sometimes it is unavoidable. The Chair's role in such situations is pivotal — addressing and balancing the needs and concerns of trustees, staff and community. We don't necessarily recommend that the Chair

head the search committee; we think it wiser that the Chair appoint a fellow trustee to do the job. A trustee who is an obvious candidate to succeed the Chair could lead the committee so that the groundwork for a new collaborative partnership can be laid. Another good choice is a past Chair who has an intimate knowledge of the organization and its needs.

Once the search committee leader has been appointed, the Chair should help to select the members of the committee, mixing experienced trustees with newer ones who represent future leadership potential. The Chair might well serve on the committee, but it's a better idea to be an ad hoc member. This role allows the Chair to offer advice and counsel without getting caught up in the details of the search process. Once a short list for the CEO position has been identified, the Chair can take a more active role, spending time with all of the finalists, and helping the committee to determine which one has the best experience and will be the best fit for the organization. Then, when the final choice is made, the Chair should introduce the new CEO to the community with enthusiasm and confidence, to help insure success.

The success of any cultural organization in fulfilling its mission depends upon the dedication, skill, and hard work of a great many people. Key among them are the Chair and the CEO, who act together as partners in shaping the organization's long-term vision and providing the structure to achieve it. And while the CEO has a job description, an employment agreement, and the accumulated institutional experience of the position, the Chair often has just the title. It is each Chair's challenge and responsibility to breathe life into that title and make his or her service as meaningful as possible to the organization's evolution and well-being.

That's a lot to ask of a volunteer, yet we have encountered many who meet this challenge with brilliance and passion. These Chairs may not get the public visibility and acclaim that their partner CEOs do, but they strengthen their organizations and enable them to enrich the cultural life of their communities.

This article was written by Management Consultants for the Arts, 132 East Putnam Avenue, Cos Cob, CT 06807, Tel. (203) 661-3003 ext 300, Fax: (203) 661-3938, email: mgtconarts2@aol.com, www.mcaonline.com. MCA specializes in executive searches and planning and organizational analysis.

Other publications available from MCA:

- ❖ *Mission: Touchstone for Turbulent Times*
- ❖ *Organizational Analysis — Beyond the Looking Glass*
- ❖ *Planning — Impractical or Imperative?*
- ❖ *The Board — A Challenge to Serve*
- ❖ *Leadership — The Key to the Future*
- ❖ *Executive Search — More Than a New Leader*