



Can a Chairman Mentor the CEO?

Criticleye explores the relationship between the CEO and chairman, and presents four points that should be observed

A chairman should be able to provide support and guidance to a CEO when necessary. That said, a big question mark hangs over how open the two can be about business challenges given that the chairman's ultimate responsibility lies with shareholders.

It's a notoriously complex relationship, so Criticleye spoke to a range of executive and non-executive directors about the ability of a chairman to mentor a CEO. They came up with four key points to bear in mind:

1. CEOs Don't Do Vulnerable

Understandably, a CEO may think twice before admitting to a chairman they're struggling to resolve an issue in the business and need help.

Sir Ian Gibson, Criticleye Board Mentor and Chairman of Norbrook, a global provider of veterinary pharmaceuticals, explains: "Often, people don't want to show weakness to those they work with and therefore it's the natural reaction of the CEO to

question what signals they would send by raising a certain point."

For mentoring in its truest sense to be effective, there has to be openness. While that's not impossible between a CEO and chairman, it will take time to establish the necessary level of trust.

2. The Chairman Does the Hiring and Firing

The chairman is expected to find a new leader if company performance levels >



are below par. Naturally, the CEO knows this and it's a defining element of their relationship.

Tom Beedham, Director of Programme Management at Criticaleye, says: "True and effective mentoring can only be delivered by someone who has been at the coalface of leadership and understands the real life, day-to-day challenges faced by executives.

"A chairman may have this experience but they cannot truly be an independent mentor to the CEO as their ultimate role is to hire and fire them; their primary responsibility is to ensure the obligations to investors and stakeholders are both understood and met."

Ian Harley, Board Mentor at Criticaleye and former Deputy Chairman and Senior Independent Director at British Energy, comments: "By and large the chair can't be the CEO's mentor – especially if they selected the CEO.

"It's tricky to be seen coaching and helping someone you have picked because you believe they have what is required for the job."

Cheryl Black, Non-executive Director at insurance agency Unum, notes: "The chairman has a role to help the chief executive succeed but they are not a sponsor. It's very clear that the chairman is there to help the business succeed first."

3. A Powerful Combination

Of course, as trust builds between both parties, it should encourage greater openness. **Anthony Fletcher**, CEO of snack company Graze, says:

"To not have the chair mentor or coach the CEO in some way would seem like you're missing a trick to me," he says.

"They understand the perspective of everyone around the board table; some of those perspectives may have been given in private – they don't have to be betrayed – but that information will help [the CEO] do their job well."

A similar point is made by **Richard Laing**, Criticaleye Board Mentor and Chairman of 3i Infrastructure: "The chair can help the CEO deal with the many complex issues he or she will face, especially around the human aspects, such as the CEO's colleagues, career progression, the way they are handling the job and so on."

As **Sir Ian** puts it, "it's about relationships". He explains: "Process tracks what is happening, whereas relationships define whether it happens easily, seamlessly, or if there is a standoff. If it becomes fraught it will take longer to execute the strategy and that just isn't helpful."

4. An Independent View

It is all too easy for a CEO to find themselves isolated, especially if they are in the role for the first time. "Being a CEO is an extremely lonely life, you're always having to keep things to yourself, you're always guarding your views; whether you like it or not, you need to continually evaluate your people and whether they are working as a team," **Sir Ian** comments.

"Eighty per cent of that you can and should share with your chairman, but there will be things that mean you'll want to talk in a way that you can't do with somebody in the business. If the

conversation involves you questioning your own judgement as a CEO, you don't want to share that with your chairman."

That's when speaking with someone who is genuinely objective and independent can be invaluable. "Early on in my career, when I stopped being a CEO and became a NED and chairman, I was relatively unimpressed by the idea of CEOs needing external mentorship," recalls **Sir Ian**. "That's touching 20 years for me now, and over that time I've become more convinced that it is of benefit." ■

Criticaleye's Non-executive Director Retreat takes place 29-30 September. Find out more [here](#)

Featuring Commentary From:



Tom Beedham
Director
Programme Management
Criticaleye



Cheryl Black
NED
Unum



Anthony Fletcher
CEO
Graze



Sir Ian Gibson
Criticaleye Board Mentor /
Chairman
Norbrook



Ian Harley
Criticaleye Board Mentor /
SID
British Energy



Richard Laing
Criticaleye Board Mentor /
Chairman
3i Infrastructure

Contact the contributors through:
www.criticaleye.com