



## Getting the relationship right: Chief Executive & Trustees\*

*\*Trustees may also be called the Management Committee; Executive Committee; Steering Committee; Council of Management, Board of Directors; and occasionally other terms may be used to describe the body that runs your organisation.*

Getting this relationship right can be the key to a well-run organisation, yet so often it can be a difficult relationship. This fact sheet is a brief overview of good practice when it comes to the relationship between the most senior member of staff in the organisation and the management committee: for the purposes of the briefing these will be called the Chief Executive Officer (CEO) and trustees.

In an organisation the CEO is a pivotal role, supporting a flow of information from the day-to-day working of the organisation, staff and volunteers up to the board; and managing the flow of information and the implementation of board decisions to staff and volunteers.

The CEO therefore has a crucial role in governance and it is vital to have a good working relationship with the trustees.

### How are decisions made in your organisation?

- a) The CEO and Chair have already made decisions and then ask the trustees to rubber stamp them.
- b) The Chair or CEO is also the Founder of the organisation and makes all decisions; trustee meetings are just there to pass on the decision information.
- c) The Chair rushes through decisions they want, over the head of the CEO.
- d) A small number of trustees make the decisions while the rest passively agree.
- e) The Chair and CEO disagree on everything and it is clear the Chair would like to get rid of the CEO.
- f) The Chair and CEO ensure all trustees are fully informed. Decisions are discussed and agreed upon as a team.

In an ideal world the answer on everyone's lips would be f) The Chair and CEO ensure all trustees are fully informed. Decisions are discussed and agreed upon as a team.

The board should act collectively as the CEO's line manager, although in reality this is often delegated to the Chair.

### Setting the tone

When it comes to running an effective organisation, a key aspect is the relationship between the Chief Executive and the Trustees/Management Committee (particularly the Chair). This relationship sets the tone for the whole organisation and determines the quality of governance within the organisation; often reflecting the quality of work being carried out on the ground.

Governance (reflective, intellectual, far-sighted, strategic etc.) and Management (day-to-day activities, implementing Board decisions etc.) are fundamentally different, but should be

complimentary. A good relationship between the two creates a supportive, creative, innovative atmosphere in which an organisation can take strategic risks, make informed decisions and plan for the future of the organisation.

Sadly, in too many organisations a poor relationship between the CEO and the trustees limits the full potential of the organisation through limiting decision-making, wasting energy, money and resources, creating unnecessary work and in some cases, damaging the organisation's reputation.

There are numerous reasons why this relationship doesn't work: a founder who has not managed the transition to an organisation run by a board; a CEO who sees the Board as a 'necessary evil' rather than a valuable, informed group; a dominant Chair with strong views on the running of the organisation and would rather run it themselves; a passive board who may be long-term board members and set in their ways; over-enthusiastic trustees who want to be too involved; the relationship between the Chair and CEO is overly strong, to the detriment of the other trustees who feel passed over and so on.

So how can you create the conditions for a good relationship?

**Recruitment:** recruiting people with the right skills for the Board and for the organisation will help support good relationships. For the board – carry out a skills audit, look at board diversity and create appropriate and clear role descriptions for trustees, the Chair, Treasurer and Secretary.

Don't just ask your friends to join! Look for what the organisation needs and check your governing document – can you co-opt? Do you have clear terms of service? – Then advertise and search in relevant places, for example the [Small Charities Coalition Trustee Finder](#)

If you have sub-committees ensure the terms of reference and lines of communication are clear.

**Policies & Procedures:** If there are policies and procedures in place to deal with grievances and conflicts on the board, between the board and the CEO and/or staff then time, money, resources and energy can be saved by following these to sort out any differences in the first instance. Has your organisation got procedures for calling in mediation support?

Most issues can be sorted out quite quickly and easily as long as you follow simple steps: conflict of interests as a standard agenda item; allow adequate time on the agenda to discuss any issues arising; spend time getting to know each other and build up trust; read all board papers and ask necessary questions. When problems do arise, talk about them quickly without letting them fester and grow etc.

**Induction, training & support:** One of the best ways to ensure a good relationship is to ensure that everyone knows what is expected of them, what their roles and responsibilities are and how the organisation works. A thorough induction creates the right starting point. Appropriate training for trustees and the CEO and a good support and appraisal system will help trustees and the CEO to learn and grow and to work through issues as they arise.

**Leadership & Culture:** The board and organisational culture, while unwritten, affect how the organisation runs and who works well within it. A good board will receive the papers in time; turn up to meetings and behave as they should. A great board has individual and collective understanding, discusses issues and asks questions and are prepared to self-evaluate, learn, adapt and grow with every situation.

The board should also understand the organisation, the people who work and volunteer there and the needs of their CEO. Why not invite a staff member to the beginning of each meeting to give an overview of their work; hold strategy away days with staff and trustees; find time for the board and CEO to meet less formally; as a CEO allow time in your week to answer queries from the Chair and the occasional coffee and a catch-up. And always remember that the organisation exists for its beneficiaries so they should be first in your thoughts.

## Resources:

- Community Southwark Fact sheet: *Governance or Management: Knowing the difference*
- Know How Non-Profit: [The chief executive's relationship with trustees](#)
- The Guardian: [How to manage the relationship with trustees](#)
- Dr Alice Maynard CBE, Thinking Inside and Outside the Box: [The Chair and Chief Executive's Relationship... Getting it Right](#) (blog for Trustees Week)
- The Clore Social Leadership Programme: [A marriage made in heaven? The relationship between Chairs and Chief Executives in charities](#) (2011)
- Association of Chairs: [A Chair's Compass – A guide for Chairs of Charities and non-profit organisations](#)

## Support

If you would like any support with governance or any other issues facing your organisation, please contact the Development Team at Community Southwark: [development@communitysouthwark.org.uk](mailto:development@communitysouthwark.org.uk) or 020 7358 7020.