

Boyden *Executive Monitor* Highlights Priorities for Boards: Navigating CEO Relationship and Regulatory Demands

The relationship between the board and CEO is among the most important determinants of a company's success

ZURICH and MELBOURNE, Australia, June 21, 2018 – Boards of directors today often face heightened pressures and increased complications amidst high profile scandals, regulatory demands, and media and shareholder scrutiny, according to a new [Executive Monitor report](#) released today by Boyden, a premier global talent and leadership advisory firm.

[The report](#), titled *The Board of Directors: Regulation and the Role of Boards*, unpacks the challenges facing directors and explores areas of opportunity. It consists of two editions, Global and U.S. The Global edition examines recent shifts in the landscape such as the CEO and board relationship, as well as regional nuances, effective management of regulation, changing factors of digitization, and the resulting difficulty of attracting top non-executive talent.

"As board members have become more exposed to scrutiny, many are wary of joining public boards," said [Allan Marks](#), APAC Leader of Boyden's CEO & Board Services Practice and Managing Partner of Boyden Australia. "People have begun to feel uncomfortable with the vast responsibility and are increasingly reluctant to assume the liability associated with the role."

"Significant trends, including digitization and globalization, have fundamentally transformed the value that boards are expected to contribute to their companies," added [Armin Meier](#), Managing Partner of Boyden Switzerland.

In addition, the report reviews key attributes and concerns of boards, such as:

- The need for independent thought on the part of individual directors
- Consequences of an ineffective relationship between the CEO and board
- Instances of management overextension and lack of board oversight
- Importance of diverse perspectives to produce innovative solutions

"I have always abided by the principle that the boardroom should never feel like a dog-and-pony show. It is a red flag to find yourself looking around and knowing exactly what each board member is going to say," said George Chavel, Board Member at [C.H. Guenther & Son](#), [Giant Eagle](#), [Valet Living](#), and [World Kitchen, Inc.](#)



"Boards are truly a resource for companies, offering skills, expertise and diverse thought," added Richard Corgel, Managing Member of [Cross-Current Consulting, LLC](#) and former Executive Director of [Ernst & Young](#), based in the U.S. and Asia. "On the management side, CEOs must be willing to tap into that resource."

Experts interviewed for the report were mixed over whether the current state of regulation has gone too far, though the majority said regulation is too far-reaching or reactionary. Regardless, board independence was cited as the key differentiator in terms balancing and managing regulation.

"Regulatory legislation is never a first mover," explained Eleanor Bloxham, Founder and President of [The Value Alliance](#). "Regulation is reactive and is always late to the game, implemented in response to issues and conflicts."

"The supply of board members has decreased as the board's exposure and responsibilities have increased," said [John Byrne](#), Managing Partner of Boyden Chile. "People are now more diligent and thoughtful before joining boards."

About Boyden

Boyden is a premier leadership and talent advisory firm with more than 65 offices in over 40 countries. Our global reach enables us to serve client needs anywhere they conduct business. We connect great companies with great leaders through executive search, interim management and leadership consulting solutions. For further information, visit www.boyden.com.

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