Stepping into the Chair

TRANSITION GUIDE

A practical guide for directors moving into their first chair role

Institute of DIRECTORS NEW ZEALAND

Introduction

Becoming chair is a significant step in a director's governance journey. Taking on the role changes the way a director contributes. The chair remains a member of the board and shares collective responsibility with the other directors but takes particular responsibility for how the board works.

As a director, you contribute through your own preparation, judgement, questions, challenge and decision-making. As chair, your role is to help the whole board do those things well.

This guide is for first-time chairs, particularly during the first six to 12 months in the role. Some first-time chairs step up from within a board they already know. Others become chair of a board they have not previously served on. Both transitions require care, but they begin from different starting points and the early risks are not the same.

This resource is part of Stepping into the Chair, a set of practical IoD resources for first-time chairs. The set includes the Transition guide, First 180 days as chair transition plan, Chair–CEO relationship guide and Chair moves.

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This guide is organised around four transition themes:

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2.	Set	Establish the board's focus, expectations and boundaries	> Page 04
3.	Strengthen	Build effective relationships, board dynamics and constructive challenge	> Page 06
4.	Sustain	Support long-term board performance, chair effectiveness and succession	> Page 08

Also in this guide:

Final reflection	Brings the four transition themes together	> Page 10
Further resources	Related IoD guidance, templates and support	> Page 11

The four themes are not a rigid sequence. A first-time chair will move between them as they learn the role, understand the board and begin to influence how the board works.

The accompanying checklist and tools provide more detailed prompts for early actions, the chair-CEO relationship, board focus, dynamics and decision-making.

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1. Shift

Chairing is different from being a strong director. The chair is still one among equals but is no longer simply another contributing director.

As a director, you are responsible for your own preparation, contribution and judgement. As chair, you have a particular responsibility for the way the board works as a whole – what it focuses on, how directors contribute, how challenge is handled, how decisions are clarified and how the board continues to improve.

This does not mean the chair carries greater legal responsibility for board decisions than the other directors. Rather, the chair has a distinctive leadership role in board effectiveness.

The chair also helps the board maintain its focus on purpose, strategy, ethical conduct, stakeholder relationships and its own effectiveness.

Know your starting point

A first-time chair stepping up from within the board may already understand the organisation, the CEO, the board's history and the personalities around the table. The challenge is to see those things differently. Relationships with former peers may need to shift. The chair may need to address behaviours or dynamics they previously experienced only as another director. If the transition followed tension, loss of confidence or a difficult succession process, the new chair may also need to rebuild trust without reopening old divisions.

A first-time chair joining a new board faces a different challenge. They need to learn the chair role while also learning the organisation, the board, the CEO relationship, the quality of information, stakeholder expectations and any unresolved issues or tensions. In this situation, the discovery phase needs more time and structure. The chair may be expected to lead early, but they first need to understand the context and the history they are inheriting.

In both cases, the chair does not need to arrive with all the answers. Their role is to create the conditions for the board to ask better questions, hear different perspectives and make sound decisions.

For a first-time chair stepping up from within the board, the early question is:

What do I need to see differently now that I am chair, not a fellow director?

For a first-time chair joining a new board, the early question is:

What do I need to understand before I can start changing how this board works?

Director to chair: what changes?

AREA	DIRECTOR ROLE	CHAIR ROLE
Determining purpose		
Strategy and long-term focus	Contributes to discussions on purpose, strategy, risk and long-term direction	Leads the board's strategic discussions and helps ensure strategic planning is grounded in the organisation's purpose and operating context, and linked to long-term value
Board agenda and priorities	Brings judgement to the issues before the board	Shapes board agendas and discussions so board time is directed to the right issues, not just the most immediate or operational ones
External perspective and stakeholder context	Contributes knowledge of the operating environment and stakeholder context	Helps the board consider external context, stakeholder expectations, future trends and long-term implications
An effective governance culture		
Chair role and authority	Exercises influence as one member of the board	Leads the board process while respecting collective responsibility and the role of all directors
Board discussion and director contribution	Comes prepared and participates in discussion, debate and decision-making	Guides discussion so different views are heard, tested and brought together; frames issues, draws out perspectives, summarises, clarifies and moves discussion towards a decision
Board culture	Contributes constructively to board culture and manages own conduct	Sets expectations for trust, candour, confidentiality, respectful behaviour and inclusive contribution
Holding to account		
CEO relationship	Engages with the CEO through board processes and contributes to CEO performance oversight	Leads the board's relationship with the CEO, supporting performance, setting expectations and overseeing KPIs while maintaining clear governance boundaries and recognising any committee role in CEO performance and remuneration
Performance, risk and reporting	Reviews performance, risk and reporting as part of the board	Helps ensure the board receives the right information to oversee organisational performance, risk, strategy implementation and organisational health
Governance management boundary	Exercises independent judgement and avoids stepping into management	Helps the board stay at governance level and avoid drifting into management's role
Effective compliance		
Decision-making	Participates in decisions and accepts collective responsibility	Helps the board reach clear collective decisions and confirms what has been agreed
Integrity of process	Complies with duties, governing documents and board policies	Ensures board processes support lawful, ethical and well-documented decision-making
Minutes, actions and follow-through	Reviews minutes and follows through on agreed actions	Ensures decisions, actions, delegations and accountabilities are clearly recorded and followed up
Board effectiveness, capability and succession	Participates in board evaluation, development and succession discussions	Leads attention to board effectiveness, capability, evaluation, renewal and succession

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2. Set

A new chair may feel pressure to make an immediate mark. In most cases, the better approach is to understand the board's context before making significant changes or reinforcing existing habits.

This does not mean avoiding change. It means making changes from a position of understanding and only where they will help the board govern more effectively. Too much change at once can unsettle relationships, obscure what is already working and overwhelm the board and CEO.

For a chair stepping up from within the board, some context will already be familiar. It is still important to revisit that knowledge through the lens of the chair role. The same board papers, decisions and relationships can look different when you are responsible for helping the board as a whole work well.

For a chair joining a new board, the discovery phase needs to be more deliberate. The chair will need to understand the organisation's purpose and strategy, the board's recent decision history, the CEO relationship, director dynamics, stakeholder expectations, the circumstances of the chair transition and any unresolved issues before deciding what should change.

A useful early focus is to understand how the board currently works in practice, as well as how it is meant to work on paper. Formal documents matter alongside the less visible patterns: who speaks, who influences, how disagreement is handled, whether board papers support good decisions and whether the board is spending time on the right issues.

The early transition should help the chair answer three questions:

- What is working well and should be preserved?
- What needs attention?
- What should wait until I understand it better?

This is especially important for a first-time chair joining a new organisation. In that situation, confidence needs to be balanced with humility. The board may need leadership, but the chair first needs to understand the board.

Early due diligence matters. Before the first meeting, read recent papers and minutes, meet directors and the CEO where possible, and understand the major issues facing the board.

Setting expectations

Setting expectations does not mean changing everything in the first few meetings. It means being clear about how the board will work together and what, if anything, needs to be reset.

For a new chair, some of the most important expectations relate to preparation, contribution, confidentiality, conflicts, board papers, use of board time, the role of committees, the chair-CEO relationship, and how decisions will be recorded and followed through.

The chair should also be clear about their own approach. Directors and the CEO need to understand how the chair intends to lead discussion, how they will use board-only time, how they will manage agenda-setting and how they will deal with behaviours that affect board effectiveness.

This is particularly important where the chair has stepped up from within the board. Former peers may need to adjust to the chair exercising a different kind of leadership. It is also important where the chair is new to the board because early signals shape expectations quickly. Where the previous chair's departure or succession was difficult, the new chair may need to set expectations without appearing to take sides or reopen past issues.

The chair does not need to overstate their authority. Often the better signal is calm clarity: what matters, how discussion will be handled, how directors will be heard and how the board will reach decisions.

Use the Four Pillars as a chairing lens

The IoD's Four Pillars of Governance Best Practice provides a useful way for the chair to set board focus. The chair is not responsible for carrying every aspect of governance personally. The chair's role is to help the board give each pillar appropriate attention.

Determining purpose	Help the board stay focused on purpose, strategy, long-term value and the issues that most need board attention.
An effective governance culture	Set expectations for preparation, trust, candour, constructive challenge, inclusive contribution and collective responsibility.
Holding to account	Help the board oversee performance, risk, implementation and the CEO without stepping into management.
Effective compliance	Ensure board processes, delegations, conflicts, minutes, decisions and legal obligations are clear, disciplined and followed through.

For a new chair, the Four Pillars help avoid a narrow focus on meeting mechanics. A technically well-run meeting is not enough if the board is avoiding strategy, tolerating poor behaviour, failing to hold management to account or treating compliance as a box-ticking exercise.

The chair can use the Four Pillars to check whether board attention is balanced:

- Is the board spending enough time on purpose and future direction?
- Is the culture supporting open debate and constructive challenge?
- Is management being supported and held to account?
- Are board processes clear enough to support good decisions and protect the organisation?

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3. Strengthen

The chair's influence is not limited to the board agenda or meeting process. Much of the role depends on relationships: with directors, the CEO, committee chairs, governance support and, where appropriate, shareholders, members, appointing agencies or other stakeholders.

The chair's task is to strengthen those relationships in a way that helps the board govern well. That means building trust while addressing difficult issues, encouraging contribution without losing focus and supporting the CEO without blurring the board's role.

Guide, do not dominate

Chairing is not about having the strongest voice in the room. It is about helping the board find its strongest collective voice.

Good chairs guide the board by framing the issue, keeping discussion at the right level, drawing out different perspectives, encouraging constructive challenge, summarising fairly and helping the board reach a clear decision. They do not need to be silent, only thoughtful about when and how they contribute.

A chair who speaks too early can narrow the discussion. A chair who speaks too often can discourage challenge. A chair who waits too long may leave the board without enough structure or direction. The skill lies in balancing leadership with restraint.

This is often one of the hardest shifts for a new chair, particularly for directors who are used to being strong contributors. The qualities that made someone valuable as a director – insight, confidence, experience and judgement – remain valuable. As chair, those qualities need to be used in service of the board's collective performance.

A useful reflection for new chairs is:

Am I adding my own contribution, or am I helping make the best use of its collective judgement?

The chair is still a director, but the distinctive role is to enable the board's collective judgement.

Working effectively

The chair may be working with directors and a CEO who bring diverse cultures, genders, generations, professional backgrounds, communication styles, lived experiences and levels of authority. These differences can affect who feels able to contribute, how challenge is expressed, how silence is interpreted and how trust is built. The chair should remain curious, avoid treating their own style as the norm, and create conditions in which people can contribute and different perspectives can be heard and tested.

The chair-CEO relationship

The chair-CEO relationship is one of the most important working relationships in governance. It should be constructive, open and based on trust, with clear boundaries.

The chair leads the board. The CEO leads the organisation.

The chair is often the CEO's main governance contact, but the CEO reports to the board, not to the chair alone. The chair should support the CEO and ensure the board can hold management to account.

This can be a delicate balance. If the chair is too distant, the CEO may lack the support and sounding board they need. If the chair is too close, the board may lose visibility or feel decisions are being settled before directors have had the opportunity to test them. If the chair becomes too operational, the governance-management boundary can blur.

For chairs stepping up from within the board, the CEO relationship may already exist and may need to be reset. The CEO may need to understand what will change now that the director has become chair, particularly if the previous chair had a different style or a close working relationship with the CEO. For chairs joining a new board, the relationship needs to be built from the beginning, with enough openness to support trust and enough clarity to protect board accountability.

The separate chair-CEO relationship resource in this series provides a practical structure for that early conversation. This guide does not repeat those prompts, but the principle is simple: the relationship should strengthen the board's governance, not bypass it.

The board is the chair's team

Because the chair often spends more time with the CEO than with any individual director, there is a subtle risk that the chair begins to see the CEO as their closest working partner and the board as the group to be managed.

The board is the chair's team. That means the chair needs to pay attention to the board as a system: how directors contribute, whether the right voices are being heard, whether disagreement is constructive, whether the board has the information it needs, whether decisions are owned collectively and whether the board is continuing to develop.

For a first-time chair stepping up from within the board, this may require a change in relationship with former peers. The chair remains one among equals, but may now need to address behaviours, levels of contribution or dynamics they previously experienced only as a fellow director. That can feel uncomfortable, especially where relationships are collegial or long-standing.

For a first-time chair joining a new board, the challenge is different. The chair needs to build trust with directors while also forming an independent view of how the board works. Early one-to-one conversations matter, but so does observing the board in action before drawing firm conclusions.

A board evaluation can be a useful way to reset expectations and create shared ownership of any changes needed, especially after a difficult transition or where board habits have gone unexamined or become entrenched. Rather than the new chair being seen as personally driving change, evaluation gives the board a structured opportunity to reflect on how it is working, where its strengths are and what would improve board effectiveness. This can be particularly helpful where there are longstanding habits, unclear expectations, uneven contribution or a need to refresh how the board uses its time.

The chair's role is not to do the board's work for it. It is to help the board do its own work well.

Representing the board externally

In many organisations, the chair has an important external role. This may involve shareholders, members, Ministers, regulators, iwi, funders, community stakeholders, the media or other partners.

> A useful test is:
>
> ***Am I clear whether I am speaking as chair, as a director, or as myself?***
>
> *If the answer is not clear, pause before speaking.*

This can be a new discipline for chairs, particularly where they have been used to speaking as an individual director or sector leader. The chair needs to know when they are speaking for the board, when the CEO is the appropriate spokesperson and when the board needs to agree a position before anything is said externally.

For chairs joining a new organisation, stakeholder context needs careful attention. Relationships, sensitivities and histories may not be obvious from formal briefings. For chairs stepping up from within, existing stakeholder relationships may need to be reframed because the chair now speaks for the board in a different way.

Some chair roles also involve navigating power, politics or sensitive stakeholder relationships. In those situations, the chair should be clear whether they are representing an agreed board position, supporting the CEO or helping the board understand the wider context before it decides.

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4. Sustain

The first few months matter. Chairing is also a stewardship role. The chair's job is broader than running effective meetings or managing immediate issues. It is to help the board remain effective over time.

That includes supporting the board's performance, maintaining the chair's own effectiveness and developing future board leaders.

Board performance

The chair has a leading role in keeping board performance under review. This includes the quality of board discussion, the use of board time, the contribution of directors, the effectiveness of committees, the clarity of decisions and the board's ability to keep learning.

Board effectiveness should not be considered only when something is clearly wrong. Small issues can become patterns: poor preparation, overly long papers, inadequate reports, passive discussion, repeated operational detail, unresolved director behaviour, weak follow-through or lack of constructive challenge.

A chair who pays attention to these patterns early can often address them before they become embedded.

Board evaluation, committee review, director development and succession planning are practical ways to keep board performance under review. For a new chair, the point is not necessarily to launch a formal review immediately. It is to understand how the board currently assesses its own effectiveness and whether that is sufficient.

A useful reflection is:

What is my chairing making easier for the board, and what might it be making harder?

Chair effectiveness

The chair role can demand more time, emotional labour and judgement than expected. New chairs should think early about how they will sustain their own effectiveness.

This includes being realistic about the time required, setting boundaries, planning periods of leave and cover, seeking feedback, using the deputy chair and committee chairs well, maintaining appropriate peer or mentor support and continuing to develop chairing practice. Personal wellbeing supports sound judgement and helps the chair model constructive behaviour for the board and CEO.

The Five Ways to Wellbeing – connect, be active, keep learning, give and take notice – provide practical prompts for considering the habits and relationships that will help sustain effectiveness through periods of pressure.

A useful chair reflection is:

What support, boundaries and development will help me remain effective when the role becomes demanding?

Feedback is particularly important. Chairs can receive less direct feedback than other directors because of the authority attached to the role and the reluctance others may feel about challenging the chair. A new chair should create practical ways to understand whether their approach is helping the board perform.

This should not be over-engineered. It may be as simple as checking in with the deputy chair, a committee chair or a trusted director after the first few meetings. Over time, it may include a formal chair review or board evaluation.

Support and development

The right support will depend on the chair and the context. It may include an experienced chair mentor, a trusted peer, the deputy chair, an IoD network, coaching or specialist advice. A useful mentor understands governance, respects confidentiality and is willing to challenge rather than simply reassure.

Chair development should be shaped by the board's context, the chair's experience and the capability the role requires, rather than by a fixed formula.

Succession and stewardship

Chairing is also about stewardship. A good chair thinks beyond their own term and supports the development of future board leadership.

> A useful stewardship question is:
>
> ***What does the board need from me now, and what will it need from its next chair?***

This includes board composition, committee leadership, deputy chair development, director capability and chair succession. It also includes leaving behind clearer processes, stronger relationships and a board that is better able to govern than when the chair began.

The chair should not wait until the end of their term to think about succession. Future leadership can be developed through committee or working group roles, mentoring, development conversations, exposure to stakeholder settings and thoughtful board evaluation.

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Final reflection

Stepping into the chair role is not about becoming more important than other directors. It is about taking greater responsibility for how the board works.

The four transition themes provide a practical way to focus that responsibility:

Shift	Understand the role
Set	Establish focus, expectations and boundaries
Strengthen	Build relationships, dynamics and challenge
Sustain	Support performance, effectiveness and succession

A good chair helps the board focus on the right issues, hear the right voices, ask the right questions and make clear decisions in the best interests of the organisation.

The chair's contribution is ultimately visible in the quality of the board's focus, discussion, decisions and follow-through.

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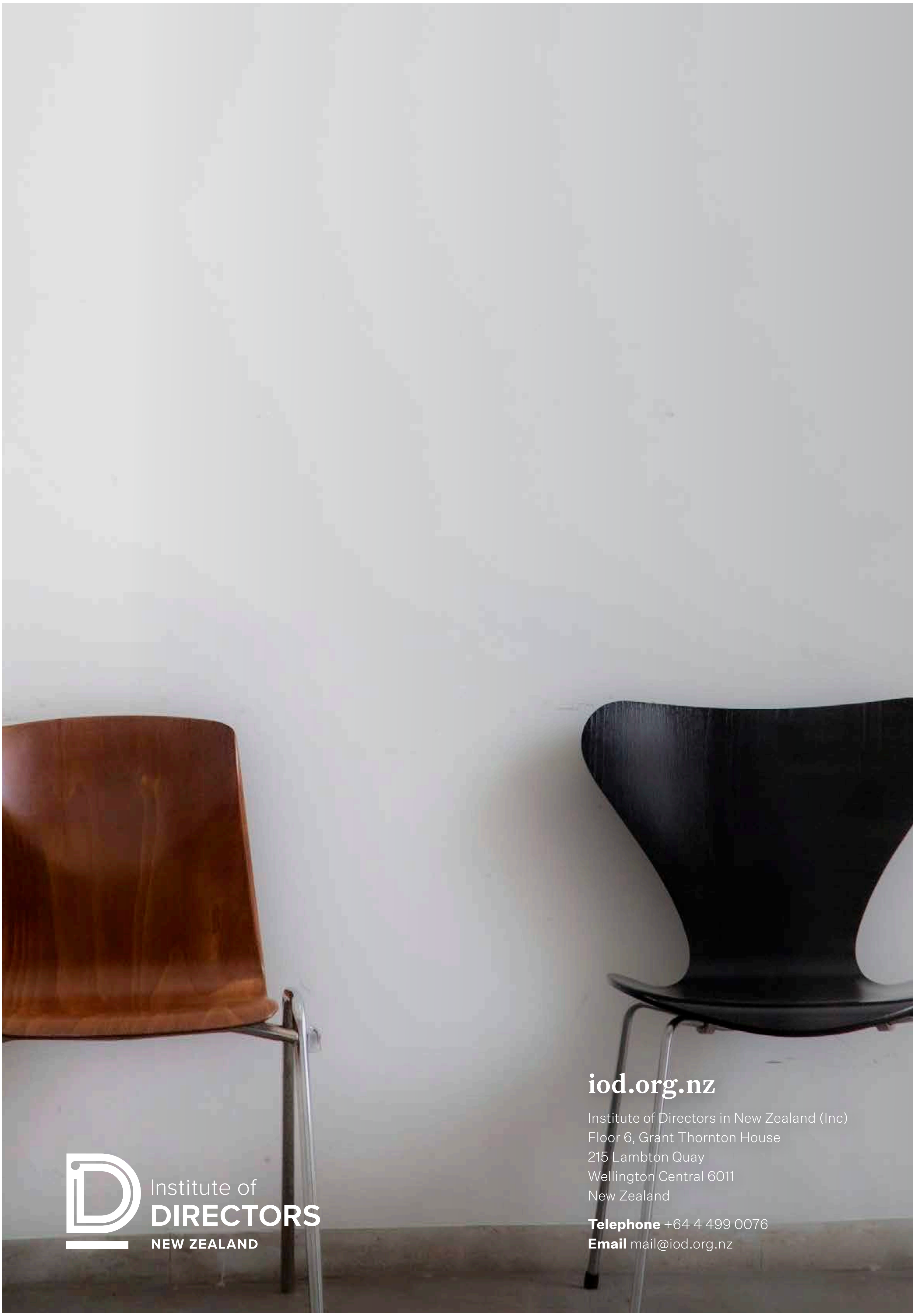
Further resources

New chairs may also find the following IoD services and resources useful when adapting the tools to their own board context:

- Board meeting resources – agenda, board paper, minutes, interests and annual plan templates
- Board charter sample – useful when clarifying board authority, responsibilities and ways of working
- Board meetings practice guide – guidance on effective board meetings and decision-making
- Hybrid board meetings guide – guidance on tools and techniques to help boards get the best from hybrid board meetings
- Board evaluation guidance – useful when considering board effectiveness, contribution, renewal and shared ownership of change
- Board evaluation services – for boards wanting more structured external support



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