

The Boardroom as Leadership Laboratory

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In today's environment of constant uncertainty and perpetual disruption, nothing stays the same for long and no single leader can do it all. More than ever, leaders must rely upon highly adaptable, coordinated teams. Yet CEOs tell us that they find it harder to develop their top team members than expected. We believe that exposing senior executives to Board work is a promising way to enhance that leadership development. Boardrooms are veritable living laboratories for leadership experimentation. Serving on boards forces executives out of their comfort zones and helps them better respond to the unexpected — one of the paramount requirements for CEO level leadership today.

Working on Boards gets top team members out of their culture bubbles and helps unleash the adaptability so needed today. Board-level perspectives immerse executives in specific topics and industries that can greatly broaden their scope of knowledge and experience. Cross-sector Board work, in particular, can help top teams assist CEOs in the challenging work of transforming their businesses. It also prepares them directly for work with their own Boards as a CEO, should they become one in the future.

Above all, Board work exposes executives to the idea of governance as distinct from that of management—where they otherwise spend all their time and energy. Board opportunities help potential successors begin to understand critical factors unique to the CEO role, like working with external stakeholders and succession

planning. Overall, Board involvement brings several key competencies to the fore:

- An understanding and appreciation for the protection of value in addition to the creation of value
- Deeper strategic thinking by objectively evaluating plans as opposed to selling them
- Knowledge of the dynamics of truly effective collective leadership (this is especially pertinent on Boards, where agreement must be gained without stifling dissenting voices)

In a [recent survey Egon Zehnder conducted of Chief Executives](#), 45% of the 402 CEO respondents had no previous Board experience before assuming the role. That's a sizable missed opportunity for deeper leadership development and role preparation. Sitting CEOs can promote this growth in several ways. Initially, they can invite more interchange between their own Board and their team. Beyond internal exposure, CEOs can actively help their colleagues land Board posts by connecting them to key gatekeepers who know when positions become available. They can also urge their team to attend top Board training programs which will spark further executive development even before landing a director assignment.

Many CEOs are reluctant to allow their direct reports the time to serve on Boards. This seems short-sighted. In most Board placements, we have seen the executive's time

expand, productivity increase and effective delegating to their own teams improve. Ultimately, the CEOs encouragement is essential to motivating direct reports to pursue an opening. Once they are committed to this end, our three part series, [Path to the Boardroom](#), could be of help, from their initial inquiries, through interviews and upon starting a new director position.

We often hear CEOs say that they would hope any of their direct reports could succeed them. Board service is certainly one key element of that preparation, and it will also help CEOs immediately reap the rewards of team members with Board experience. Encouraging this exposure will prove beneficial to any leader who believes that a large part of their role is to develop other leaders.

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Egon Zehnder's global CEO Practice is active in chief executive leadership succession, recruitment, and professional development. We recognize that the selection of a CEO is the midpoint of a process, not the end. We understand that the Chief Executive role is unique, particularly in the current atmosphere of complexity and volatility. These uncertainties call for a pragmatic and aligned view on the business and leadership requirements of the CEO. To learn more about the CEO Practice, please visit <https://www.egonzehnder.com/what-we-do/ceo-search-succession>