

EVENT TITLE: Building a High-Trust Board-CEO Relationship

(An NACD Blue Ribbon Commission Report Conversation)

EVENT DATE: 5/27/2026

EVENT TIME: 1:00 PM ET

PROGRAM SUMMARY

As organizations face unprecedented levels of disruption, complexity, and accelerating change, the traditional board oversight model is being tested in new ways. During this NACD New England and NACD Minnesota joint program, panelists explored one of the most consequential dynamics in corporate governance: the relationship between the board and the CEO. Drawing on findings from NACD's recent Blue Ribbon Commission report, the discussion examined how boards and CEOs can build trust, improve communication, and create the conditions necessary for stronger strategic decision-making in an environment defined by speed, uncertainty, and continuous transformation.

Governance Must Evolve Alongside Business Complexity

A recurring theme throughout the discussion was that governance frameworks designed for a slower, more predictable business environment may no longer be sufficient. Panelists noted that organizations are confronting faster decision cycles, greater stakeholder expectations, technological disruption, and increasing pressure to navigate complex issues ranging from succession planning and culture to innovation and crisis leadership.

In response, boards are being called upon to move beyond periodic oversight toward a more adaptive and collaborative governance model. While maintaining appropriate independence remains essential, directors increasingly need to engage more deeply in strategic discussions and support management through periods of significant change. The challenge for boards is finding the right balance: providing meaningful support without overstepping

into management responsibilities and maintaining accountability without undermining trust.

The discussion highlighted an emerging shift in governance philosophy. Rather than viewing board oversight as a static structure, panelists encouraged directors to think of governance as a dynamic system that must continuously adapt to changing business realities.

Trust as a Strategic Asset

Perhaps the most prominent theme of the session was the importance of trust between the board and CEO. Panelists emphasized that trust is no longer simply a desirable characteristic of effective governance; it has become a strategic asset that directly influences organizational performance.

Strong trust enables more candid conversations, faster decision-making, and more productive boardroom discussions. It also creates an environment where CEOs can openly discuss risks, challenges, and emerging opportunities without fear that every issue will be interpreted as a performance failure.

The discussion referenced research indicating that many CEOs do not consistently feel their boards fully support them. Panelists noted that this dynamic can create isolation for leaders operating in increasingly demanding environments. Directors were encouraged to recognize that CEO success is not solely the responsibility of management. Boards have an important role to play in creating conditions that enable CEOs to succeed.

Several panelists observed that trust is built through consistent communication, transparency, and shared commitment to the organization's long-term objectives. While trust may be difficult to quantify, it often becomes most visible during periods of disruption, activist pressure, or strategic transformation.

Navigating Pressure, Activism, and Strategic Change

The conversation explored how trust becomes especially important when companies face activist investors, operational challenges, or significant strategic shifts.

Panelists shared experiences in which boards and management teams faced substantial pressure to pursue short-term actions that may have conflicted with longer-term value creation objectives. In these situations, trust between the board and CEO was often the determining factor in whether leadership could maintain strategic discipline while still responding appropriately to shareholder concerns.

Rather than viewing activist investors solely as adversaries, panelists suggested that boards and management teams should engage constructively while remaining focused on long-term value creation. Directors were encouraged to avoid creating unnecessary friction and instead foster an environment where management can thoughtfully assess alternatives, evaluate data, and make informed decisions.

The discussion reinforced that some of the most important board decisions occur during periods of uncertainty, when maintaining alignment between directors and management becomes particularly critical.

Communication as the Foundation of Effective Governance

Panelists repeatedly emphasized that trust cannot exist without intentional communication.

For new CEOs in particular, frequent and transparent engagement with directors was identified as a critical success factor. Effective practices discussed included regular one-on-one conversations between directors and management, written updates between meetings, executive sessions designed to facilitate candid dialogue, and structured opportunities for directors to engage with management outside the formal boardroom.

Several speakers noted that communication practices should evolve as circumstances change. During periods of transformation or elevated risk, boards may require more frequent interaction and deeper engagement than during periods of stability.

Importantly, communication was described as a two-way responsibility. CEOs must create transparency and provide context, while directors must remain

thoughtful in how they ask questions, challenge assumptions, and provide feedback. Tone, timing, and intent all influence whether communication strengthens trust or inadvertently undermines it.

Board Effectiveness, Continuous Learning, and Future Readiness

The panel also examined the role of board evaluations, director development, and continuous learning in strengthening governance effectiveness.

Panelists encouraged boards to move beyond routine evaluation processes and use assessments to identify genuine strengths, skill gaps, and opportunities for improvement. Directors were challenged to critically assess whether current board capabilities align with future strategic needs, particularly in areas such as technology, cybersecurity, artificial intelligence, and innovation.

A significant portion of the discussion focused on the growing pace of technological change. Panelists emphasized that directors cannot rely solely on management or subject matter experts to understand emerging technologies. Boards have an independent responsibility to build fluency in areas that could materially affect strategy, risk, and competitive positioning.

Several examples were shared of boards using educational sessions, technology deep dives, outside experts, and specialized committee structures to improve director readiness. As one panelist noted, the pace of change is accelerating to the point where organizations can quickly become disconnected from emerging realities if boards fail to continuously learn and adapt.

Supporting CEO Effectiveness and Well-Being

The discussion concluded with a broader examination of CEO effectiveness and resilience. Panelists acknowledged that the CEO role has become increasingly demanding, requiring leaders to navigate continuous stakeholder scrutiny, operational complexity, and strategic uncertainty.

Directors were encouraged to consider not only how they evaluate CEOs, but also how they support them. Effective boards help leaders maintain perspective, provide constructive counsel, and create an environment where challenges can be discussed openly.

Panelists noted that simple actions—such as asking how leadership teams are doing, offering support during difficult periods, and focusing discussions on solutions rather than criticism—can have a meaningful impact on both CEO effectiveness and organizational performance.

Ultimately, the session reinforced that strong board-CEO relationships are not simply governance best practices; they are increasingly essential to organizational success in a rapidly changing world.

KEY TAKEAWAYS:

Trust Is a Governance Imperative

Trust between the board and CEO has become a strategic asset that supports stronger decision-making, more candid discussions, and improved organizational performance.

Governance Must Become More Adaptive

Traditional oversight models may not be sufficient in an environment characterized by rapid change, technological disruption, and increasing stakeholder expectations.

Communication Drives Alignment

Frequent, transparent, and thoughtful communication helps boards and management maintain alignment during periods of transformation, uncertainty, and shareholder pressure.

Continuous Learning Is Now a Board Responsibility

Directors must proactively build expertise in emerging areas such as AI, cybersecurity, technology, and innovation to fulfill their oversight responsibilities effectively.

CEO Success Is a Shared Responsibility

Boards that actively support, challenge, and partner with management are better positioned to create long-term value and help organizations navigate complexity and change.

MODERATOR:

Steve Jennings, Independent Director, Former CEO of Monitor Group

SPEAKER(S):

Colleen B. Brown, Independent Director, Panarchy.io Partner

Dave Bozeman, President, CEO, CH Robinson

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