Spotlight
by CeFEO

Can the board chair still just lead the board—or must they now lead the company?

A review of 234 studies reveals how board chair leadership is evolving fast

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Published on October 22, 2020 *https://doi.org/10.68623/spotlight.2025.5n1*

The board chair used to be a ceremonial role. Preside over meetings. Ensure compliance. Keep order. That era is over. Today's board chairs are expected to guide strategy, manage the relationship between CEO and board, navigate crises, and serve as the critical bridge between owners and management. In family businesses, where the chair may be a family member, a former CEO, or a trusted outsider, the stakes are even higher.

Anup Banerjee, Mattias Nordqvist, and Karin Hellerstedt reviewed 234 academic articles published across 66 journals between 1980 and 2020 to map what we know—and what we still don't—about board chair leadership. Their synthesis, organized through an Input-Process-Outcome-Context framework, reveals a field that has spent decades debating structure (should the CEO also be chair?) while paying far too little attention to what chairs actually do once they sit down.

WHAT WE STUDIED

This is a systematic literature review, not an empirical study. The authors screened thousands of articles and retained 234 that directly address the board chair role. They coded each study by theoretical foundation (agency theory, stewardship theory, resource dependence), research design, and governance context. The result is the most comprehensive map of board chair research to date, covering public and private firms, family and non-family governance, and multiple national settings.

The review's value lies in what it reveals about the field's blind spots. Most existing research focuses on a single structural question—CEO-chair duality—at the expense of understanding the chair's actual behavior, leadership style, and influence on board dynamics.

KEY INSIGHTS

The duality debate is a dead end

A large share of the literature has asked whether combining the CEO and board chair roles helps or hurts firm performance. The answer, after decades of research, is: it depends. In family firms, duality often aligns with control objectives, especially in privately held businesses where the owner-manager chairs the board as a natural extension of authority. In public firms, separation tends to be favored for transparency. But the evidence on performance effects is stubbornly inconclusive.

Who becomes chair matters more than we thought

The review surfaces a growing body of research on the personal attributes of board chairs: experience, leadership style, gender, social capital, political networks. Experienced, independent chairs tend to bring strategic insight and stakeholder legitimacy. Female chairs—still underrepresented—often promote more collaborative board dynamics. Age, tenure, and whether the chair is a former CEO all shape how they lead and how they are perceived.

In family firms, the tension between legacy and merit in appointing chairs is particularly acute. A family member may offer continuity and trust. An outsider may offer objectivity and professionalism. The right choice depends on the firm's stage, its ownership complexity, and what the board needs to accomplish in the next chapter.

We know almost nothing about what chairs actually do

This is the most striking gap the review exposes. While inputs (who is the chair?) and outcomes (how does the firm perform?) have received substantial attention, the process dimension—how chairs facilitate discussion,

manage conflict, build board culture, engage with stakeholders—remains largely unexplored. The few studies that exist suggest chairs play an active role in shaping strategic agendas, mediating CEO-board tensions, and promoting stakeholder-oriented governance.

Family firms may particularly benefit from chairs who can bridge professional governance standards with family values, and internal ownership goals with external investor expectations. But the evidence base for this claim is thin.

Context shapes everything

Governance norms vary widely across countries and industries. CEO duality is common in North America, less accepted in Europe. High-tech firms may prefer unified leadership for speed; banks favor stronger oversight for risk management. Legal frameworks, investor expectations, and cultural norms all shape what effective governance looks like. The review warns against one-size-fits-all governance codes and argues for context-sensitive approaches to board chair design.

TAKEAWAYS

For family business owners

Treat the board chair as a leadership role, not a legacy position. Evaluate whether the current chair still fits the firm's strategic needs—especially during transitions, growth phases, or crises. If the chair is a family member, ask honestly whether the appointment reflects merit or tradition. If it is an outsider, ensure they understand the family's values and long-term objectives well enough to navigate both worlds.

For current and aspiring chairs

The role now demands facilitation, stakeholder engagement, conflict resolution, and strategic foresight. Chairs who invest in cross-industry learning and who stay connected to diverse networks are better positioned to lead boards through uncertainty. Formal duties are the baseline. The real work happens between meetings.

For governance advisors and policymakers

Avoid mandating rigid structural prescriptions. Role clarity, board evaluation, and stakeholder engagement may contribute more to effective governance than whether the CEO and chair are the same person. Governance codes should reflect the diversity of ownership structures and national contexts rather than imposing a single template.

IMPACT

Banerjee, Nordqvist, and Hellerstedt have produced the definitive map of a field that has been both intensively studied and surprisingly shallow. The duality debate consumed decades of research energy. What emerged from this review is a clear call to move beyond structural questions and into the behavioral, relational, and contextual dimensions of board chair leadership.

For family businesses, the implications are direct. The board chair sits at the intersection of ownership, management, and governance—a position of enormous influence over the firm's strategic direction, its culture, and its capacity to manage transitions. Treating that role as an afterthought, or filling it by default, is a governance risk that the research makes impossible to ignore.

RECOMMENDATIONS

1. **Reassess board leadership regularly:** Periods of transition, growth, or crisis are key moments to evaluate whether the current chair configuration still fits the firm's needs.
2. **Invest in chair development:** Board chair leadership is a skill set that can and should be cultivated through training, peer networks, and structured feedback.
3. **Prioritize process research:** Scholars should shift attention from structural debates to studying how chairs actually lead boards—through observation, longitudinal case studies, and qualitative methods.

Spotlight by CeFEO, Can the board chair still just lead the board—or must they now lead the company? A review of 234 studies reveals how board chair leadership is evolving fast. Downloaded on 15 November 2026 from https://doi.org/10.68623/spotlight.2025.5n1

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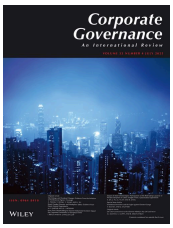
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PUBLISHED IN



Banerjee, A., Nordqvist, M., & Hellerstedt, K. (2020). The role of the board chair—A literature review and suggestions for future research. Corporate Governance: An International Review, 28(5), 372–405.

https://doi.org/10.1111/corg.12350

Spotlight is an online magazine that translates research from the Centre for Family Entrepreneurship and Ownership (CeFEO) at Jönköping International Business School, Jönköping University, into accessible insights for family business owners, practitioners, and policymakers.

Spotlight is supported by the WIFU Foundation. This partnership advances dialogue and education in responsible family entrepreneurship and ownership.

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