

What does the **Chairman** actually do?

The key elements that make up the Chairman's responsibilities are: **accountability to the shareholders and investors, maintaining the vision for the organisation, keeping the organisation true to its mission, maintaining the corporate objective and providing a point of reference and support for the non-executive directors.**

Accountability

The Chairman is accountable to shareholders for the performance of the company, which is achieved by the Full Board working effectively together whilst ensuring that the contributions from the Non-executive Directors are properly integrated into the decision-making process.

A pivotal part of this function is the scrutiny and [if appropriate] audit of Board activities, with the capacity and authority to revisit decisions and recommend their amendment if appropriate.

Vision

All the Directors need to understand and have assimilated the vision for the organisation. They must also challenge if there is any uncertainty. By providing a clear goal that can stimulate the imagination, others can be taken on the corporate journey and readily contribute their support and commitment even in changing and difficult circumstances. This role will be supported by the non-executive directors.

Mission

The *Mission Statement* is written to answer "What is the purpose of this organisation?" in a form that that will withstand changes in market expectation, product range or external events.

A mission statement that 'is simply to make money' does not acknowledge the customer and does not give direction. This approach rarely leads to a sustainable company as it can be at the mercy of events outside the control of the organisation.

Organisations that waver from their mission risk a significant fall in customer confidence, market presence or share price.

Objective

Perhaps the most difficult of the responsibilities in that, by definition, there can only be one objective and that it needs to be quantified. For that reason it needs to be significant. An example may be 'to become listed within a given number years'; such a statement is quite precise and the requirements are clearly specified. It becomes important that everyone knows the particular criteria and can see their part in reaching the stated goal. Given a clear objective and knowledge of position other members of the organisation can better make decisions and reduce executive time clarifying or ratifying decisions that can be made elsewhere in the organisation.

The Non-executives

The Chairman also acts as the point of reference for the senior Non-executive director guiding and managing the non-executive team to ensure their contributions are appropriate and timely.