
THE ROLE OF THE CHAIRMAN

The role of the Chairman has been changing, in the process assuming greater significance. These days, the Chairman is more than Chairman of the Board. He or she is the Chairman of the Company. This role, emerging relatively recently, requires different skills from the more limited role of the past.

(NB Justice Robert Austin's decision in the ONE TEL case has formally acknowledged the expanded role of the Chairman, taking with it more responsibility for the overall performance of the organization and the rest of the board)

In general, the role of the Chairman is one of leading, facilitating and encouraging, rather than directing.

The special responsibilities of the Chairman include:

- Taking the chair at Board meetings;
- Ensuring the proper working of the Board;
- Sometimes acting as the leading representative of the Company in its dealings with the outside world, including the financial markets, regulators, the press, governments, interest groups and the community;
- Maintaining proper shareholder relations, both formally through the Annual General Meeting and reporting procedures, and informally with all major shareholders;
- Initiating policy decisions with the Chief Executive and the Board;
- Ensuring the existence of an effective strategic planning system and the appropriate consideration of future development possibilities;
- Ensuring that the Board plays an active role in strategic review and that development proposals and planning issues are referred to the Board for discussion and approval;
- Establishing basic priorities, ethical values, policies and attitudes for the Company;
- Ensuring that probity is maintained in accounting, reporting and all other respects;
- Monitoring the Chief Executive's performance against established criteria/measures of financial and operating performance, in conjunction with the Board;

- Deciding, together with the Chief Executive, what matters should be the concern of the Board, and which are purely management matters, to be left to the executive management;
- Acting as counsellor, adviser and listener to the Chief Executive and, where necessary, other members of the Board;
- Ensuring a sound management structure through the appointment of the best management the Company can afford.



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