Doctoral Thesis

The Role of the Board Chair
Changing Expectations and Hybrid Organizations

Anup Banerjee
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Let love and empathy conquer all strife!
To my family
Acknowledgment

Growing up in a city with hundreds of thousands of people, honking horns, street vendors, and relentless competition to secure a sound livelihood, I often took refuge in small bookstores in the Jamal Khan area or Bishwo Shahitto Kendro’s mobile libraries. From classics to contemporaries, poems to political debates, exploring inner self to travel stories around the world, I read everything that I came across. And, every time, I would begin with two specific tasks: smelling the book and reading the acknowledgment chapter. While the former remains a dear friend ever since, the latter grew on me during my years as a doctoral student. Beyond our passion and commitment to particular research problems, writing a doctoral thesis requires a well-organized support system that would encourage, challenge, and enable bringing all fragmented pieces of the puzzle together and making sense of the journey as a whole. This acknowledgment chapter is my way of saying “thank you” to the support system without which I would not make it this far.

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Anup Banerjee
Abstract

The purpose of this dissertation is to enhance our understanding of the changing role of the board chair and what this means for hybrid organizations and their board work. Historically, the role of the boards and their chairs evolved around safeguarding shareholders’ financial interests. Whilst this responsibility persists, boards are increasingly expected to embrace societal issues in board governance discussions and to rethink performance measurement systems to incorporate the social impacts generated by their organizations. To navigate these challenges, boards are encouraged to adopt hybrid board governance systems that strike a balance between financial and social mission targets. Board chairs can guide boards to secure such a hybrid outlook, but we lack academic insights on this role beyond financial performance. Systematically reviewing four decades of research, the first article of the dissertation demonstrates the need and opportunities for considering divergent stakeholder interests and contextual factors influencing the role of the board chair. Building on this, the second article engages with board chairs and general secretaries in social hybrid organizations and unearths different board-specific and field level challenges that currently hinder boards from implementing social impact measurements. Subsequently, the third article discusses how adopting a qualitative, engaged scholarship approach can generate practice informed research, contributing new understanding for boards and their chairs. Together, these insights offer implications for theory and practice and promote an agenda for future research that embraces a social purpose beyond profit maximization.
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1. Introduction

1.1. Setting the Stage

In recent years, growing debates across academic and business press outlets have started challenging the traditional conceptualization of the role of the board of directors in organizations. For a long time, it has been suggested that organizational actors, e.g., the board and top managers, should primarily focus on increasing profit for the shareholders, and anything else that goes beyond this aspiration should be warranted (Friedman, 1970). Whilst profit maximization remains a key topic, organizations are increasingly exposed to a growing number of societal challenges, e.g., climate change, rising inequality, digitalization, artificial intelligence, and so on, that seem to influence the conventional ways in which organizations define their goals and practices (Battilana, Obloj, Pache, & Sengul, 2022; Mayer, 2021; Pache & Santos, 2021). These pressures escalated in 2020 when the global business landscape was turned upside down with the unprecedented COVID-19 pandemic. More than ever before, scholars (Aguilera, 2023; Bacq & Aguilera, 2022; Zattoni & Pugliese, 2021) and business analysts (Deloitte, 2022; Huber, Lund, & Spielmann, 2021) agree that organizations must consider profit and social purposes “hand-in-hand” and design corporate governance systems that look beyond the profit maximization goals and focus on securing socially informed long-term organizational resilience. Business Roundtable, a prominent group of business leaders in the USA, specifically wrote, “[C]ompanies should serve not only their shareholders but also deliver value to their customers, invest in employees, deal fairly with suppliers and support the communities in which they operate” (Business Roundtable, n.d.). In so echoing, global corporate governance codes have also started to encourage organizations to adopt practices that would promote transparency and disclosure related to sustainability and good governance practices in the broader stakeholder settings where these organizations operate (Zattoni & Cuomo, 2023).

In the wake of these societal developments, boards are increasingly expected to look beyond the shareholder value maximization discussions and to listen to the divergent interests and expectations shared by their broader stakeholder groups, including employees, customers, suppliers, and regulatory bodies (Amis, Barney, Mahoney, & Wang, 2020; Barney, 2020). Not all shareholders are equally driven by profitability discussions. For instance, family owners might be more interested in protecting their family’s socioemotional wealth than increased financial returns (Gómez-Mejía, Haynes, Núñez-Nickel, Jacobson, & Moyano-Fuentes, 2007); however, different generations might interpret this outlook in different ways (Diaz-Moriana, Clinton, & Kammerlander, 2022), while institutional investors might be driven by different short-term financial targets (Connelly, Tihanyi, Certo, & Hitt, 2010). And yet, not all owners hold a similar level of competence in terms of what they own and how to govern what they own (Foss, Klein, Lien, Zellweger, & Zenger, 2021). This means that “who” the owner is might have more consequences for an organization’s governance than “how much” that individual owns. Further, Aguilera, De Massis, Fini, and Vismara (2023) showed that organizations can deploy different
styles of goal systems by assigning different weights for financial and nonfinancial targets. The authors argued that organizations might focus on different combinations of financial and nonfinancial goals, and accordingly design their governance systems. And even if boards have a clear profit maximization target, they might still fail to achieve that as long as key nonshareholder resource providers, e.g., employees and suppliers, are not integrated into that journey (Barney, 2018). This means that boards need to understand how to manage broader value creation beyond increasing profitability and assume an active role in scanning their surrounding contexts (Huse, 2018). In so echoing, recent studies also show that beyond the conventional monitoring and control roles (Eisenhardt, 1989a; Fama & Jensen, 1983), boards are now increasingly involved in bringing important resources, advising and offering counsel to the CEO, and orchestrating divergent outlooks into board strategy discussions (Bezemer, Pugliese, Nicholson, & Zattoni, 2023; Johnson, Daily, & Ellstrand, 1996; Krause, Semadeni, & Cannella Jr, 2013; Åberg, Bankewitz, & Knockaert, 2019).

These macroeconomic and societal challenges have led to renewed interest in investigating the role of the board chair. For a long time, at least in the USA, powerful CEOs used to also have the role of the board chair, a board governance arrangement commonly termed “CEO duality” (Krause, Semadeni, & Cannella Jr, 2014; M. Yu, 2023). However, this practice seems to have shifted away in recent years. More than half of the S&P 500 companies have already separated their board chair and CEO roles (Spencer Stuart, 2022). Also, global corporate governance codes seem to associate role separation with good governance practice (Cuomo, Mallin, & Zattoni, 2016). Board chairs are part of the board, yet they also assume the central role of leading the board and the CEO (Gabrielsson, Huse, & Minichilli, 2007; Krause, 2017; Krause, Semadeni, & Withers, 2016), setting up the strategic directions (Bezemer et al., 2023; Kakabadse & Kakabadse, 2008; Pugliese et al., 2009), and safeguarding organizations in extraordinary times (Bezemer, Nicholson, & Pugliese, 2018; Hoppmann, Naegele, & Girod, 2019; Krause, Withers, & Waller, 2022). Their competencies and behaviors are important for activating the board’s potential to embrace a broader perspective on organizational value creation (Gabrielsson et al., 2007; Huse, 2018). At the same time, board chairs are also taking a front role in representing and defending their organizations in different media discourses (Meineke, Hellerstedt, & Nordqvist, 2019). Therefore, studying the role of the board chairs is central to understanding the role of the board, especially when we consider the recent developments around embracing societal challenges in board discussions.

In connection with the increased expectations for all organizations to embrace a broader societal purpose, the defining line between classic sectors is being blurred. In his seminal work, Billis (2010) sketched an illustration of how private, public, and third-sector organizations differ in terms of their priorities, ownership, governance, and distinctive human resources. Specifically, private sector organizations were conceptualized to prioritize market forces and design their governance strategies in a way that increases financial returns for their shareholders, whereas public sector organizations were supposed to create public services for the tax-paying citizens, and third-sector organizations were theorized to emphasize distinctive missions set by their members and volunteers who would influence how the governance systems
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should be designed. However, in recent years, we have seen organizations going beyond these clear-cut boundaries and drawing on principles from multiple sectors as a way to navigate the changing business landscape. Private sector organizations are reorganizing as benefit corporations (e.g., Patagonia) and enterprise foundations (e.g., IKEA foundation) (Thomsen & Rose, 2004), or establishing company-funded separately constituted corporate foundations (e.g., Bill and Melinda Gates Foundation) (Gehringer, 2021) to run and oversee different social mission projects. Government agencies are collaborating and competing with private sector organizations (Bruton, Peng, Ahlstrom, Stan, & Xu, 2015; Grossi, Papenfuß, & Tremblay, 2015), and nonprofit organizations, once predominantly rooted in third-sector principles, are now increasingly adopting businesslike practices and governance systems echoing private sector principles (Bruneel, Clarysse, Staessens, & Weemaes, 2020; Maier, Meyer, & Steinbereithner, 2016). These developments are interesting since they pave the way for different hybrid organizations and hybrid board governance to emerge. More specifically, with increased diffusions of different sectoral principles, the conventional ways in which board governance has been organized might not work, but rather there is a need for understanding the hybrid board governance perspective, which embraces both financial and social mission discussions (Battilana et al., 2022; Pache, Battilana, & Spencer, 2023).

Indeed, there is a rich body of literature on hybridity and hybrid organizations. Hybrid organizations do not fit the usual convention of any pure sector boundary or established organizational form but rather combine different dimensions of hybridity such as forms, identities, and institutional logics that do not seemingly go together (Battilana & Lee, 2014; Battilana et al., 2022; Besharov & Smith, 2014). Hybridity can be seen in both the for-profit and not-for-profit realms. Popular examples include family businesses that combine financial and nonfinancial goals of the controlling family (Boers & Nordqvist, 2020), sports clubs where financial targets are combined with sports targets, such as the position in the league table (Carlsson-Wall, Kraus, & Messner, 2016), social enterprises where financial and social mission goals remain at the core (Battilana & Lee, 2014; Doherty, Haugh, & Lyon, 2014), and charities and voluntary associations that combine civil society principles with businesslike practices in approaching societal problems in financially sustainable ways (Hyndman & McKillop, 2018; Kreutzer & Jäger, 2010). Since these organizations attract divergent stakeholders with idiosyncratic interests and draw on resources and principles from different sectors, a key task and a challenge for their boards and their chairs, in particular, is how to balance between divergent institutional logics that guide how organizational actors behave in certain contexts (Besharov & Smith, 2014; Pache et al., 2023; Skelcher & Smith, 2015; Thornton, Ocasio, & Lounsbury, 2012). Institutional logics are defined as “the socially constructed, historical patterns of material practices, assumptions, values, beliefs, and rules by which individuals produce and reproduce their material subsistence, organize time and space, and provide meaning to their social reality” (Thornton & Ocasio, 1999, p. 804). Compliance with institutional logics helps secure legitimacy for the organizations (Suddaby, Bitektine, & Haack, 2016). However, institutional logics do not remain static, and oftentimes there are power struggles between divergent institutional logics (Besharov & Smith, 2014; Smith & Besharov, 2019). As a result, leading the board
in hybrid organizations often turns out to be different. Compared to organizations that, at least in theory, emphasize pure for-profit goals, board performance in hybrid organizations cannot be measured only in terms of financial results (Mair, Mayer, & Lutz, 2015; Pache et al., 2023). At the same time, there often exists role ambiguities between the board chair and the CEO in hybrid organizations, be it a family business (Braun & Sharma, 2007; Jiang, Jiang, & Zheng, 2023) or a nonprofit organization working for social causes (Cornforth & Macmillan, 2016; Iecovich & Bar-Mor, 2007).

Since the continuation of the hybrid nature depends on how successfully an organization navigates through divergent logics and secures long-term sustainability, I argue that studying the board chair in hybrid organizations can lead to important insights to extend our knowledge about the role of the board. In fact, Battilana et al. (2022) argued that organizations that aim to embrace both financial and social mission goals must look beyond shareholder value maximization discussions and adopt some sort of “hybrid” structure combining individuals with prior exposure to, and understanding of, both financial and social mission discussions. It is the responsibility of the board chair to lead the organization in ensuring such a balance, which is a rather difficult task to pursue, since different goals exert different types of expectations, thus often igniting tensions among shareholders and stakeholders. This phenomenon is theorized in two separate bodies of literature on boards and board chairs and literature on hybrid organizations, and I argue that bridging these two streams of literature can contribute new insights. My dissertation takes a step in that direction and attempts to generate an in-depth understanding of how board chairs, along with their boards and top managers, navigate the increased societal challenges that boards are exposed to in today’s business landscape.

1.2. Problem Discussion

Recent Developments in the Literature on Boards and Board Chairs

Broadly, three major developments can be seen in the literature on boards and board chairs. First, we see growing developments around rethinking performance created by boards and their chairs. For a long time, the importance and effectiveness of boards were considered purely based on the financial performance of the organization. Scholars discussed how boards can enhance financial performance and which measures boards should adopt to protect organizations from failure (Dalton, Daily, Ellstrand, & Johnson, 1998; Zahra & Pearce, 1989). However, in recent years, we have seen that this outlook is shifting towards embracing topics such as corporate social responsibility (CSR) and environmental social governance (ESG). Highlighting the macroeconomic developments and increased demands on the board, Aguilera (2023) argued that owners, board members, and top managers must consider how to conceptualize and measure performance as the number one priority for designing board governance. Doing so would require the boards not only to align their organizations to a broader societal purpose but also to actively explore how to improve stakeholder relationships and secure extended legitimacy in society. Looking at recent studies discussing boards’ influence on CSR performance, we find many studies that highlight the role of board chairs in driving CSR discussions. For
instance, Chen, Zhang, and Jia (2019) found that dual CEO-chairs often obstruct boards from engaging in CSR-related discussions, confirming what Liao, San, Tsang, and Yu (2021) reported that CSR performance was improved when organizations went through major reforms, including separation of the role of the board chair and the CEO. In contrast, studying international companies from 39 countries, Pucheta-Martínez and Gallego-Álvarez (2019) found a positive relationship between CEO duality and firm performance, which was also echoed in Biswas, Roberts, and Whiting (2019) that explored the influence of family vs. nonfamily governance on CSR practices. Even though each of these contributions is praiseworthy, there remain challenges to generalizing these findings in a broader context, especially when it comes to understanding the actual role of the board chair in promoting or obstructing organizational performance. Focusing on these inconsistencies, in a recent meta-analytic study, Endrikat, de Villiers, Guenther, and Guenther (2020) argued that this paucity of knowledge has largely been the case since previous studies often considered board characteristics, such as CEO duality, in simplistic, direct observations, overlooking how different board characteristics interact as well as how different mediating factors might impact such results. Essentially, these insights emphasize the importance of deploying different qualitative methods (Gove et al., 2017; Krause et al., 2014) that would help generate a holistic understanding of how board chairs navigate complex relationships and board dynamics to drive performance discussions beyond financial returns.

Second, we notice emerging discussions in terms of how boards and their chairs can orchestrate the increased demands for embracing societal perspectives in designing the board agenda and the long-term focus. For instance, Judge and Talaulicar (2017) argued that boards should engage more in *ex ante* strategic discussions than *ex post* reflections around board contribution to financial performance. Relatedly, Huse (2018) and Bezemer et al. (2023) suggested that besides addressing the current challenges, board chairs must also prepare their boards for the future and recognize the presence and effect of different external and internal actors who shape how organizations define their goals and governance practices. Further, looking at the macroeconomic environment, we see a surge of global corporate governance codes (Cuomo et al., 2016) and regulatory guidelines from transnational institutions such as the European Union and the Organisation for Economic Co-operation and Development (OECD) (Aguilera & Cuervo-Cazurra, 2009) suggesting how corporate governance should be designed to address the changing demands on the boards. However, despite their novel intentions to promote transparency and stakeholder perspectives in board governance discussions, these guidelines seem to impose “one-size-fits-all” prescriptions. Even though most of these codes are primarily designed for publicly listed companies, they are often interpreted as institutional good governance recipes (M. Yu & Ashton, 2015). This often promotes a tendency among many organizations to closely follow these guidelines overlooking their organization types and contextual idiosyncrasies. Further, corporate governance codes are often designed in line with national cultural contexts, which can be consequential for companies operating in multiple geographical territories (Humphries & Whelan, 2017). Also, recently, Ponomareva, Federo, Aguilera, and Collin (2022) showed that conformity with codes can be more
expensive than nonconformity. This means boards and their chairs, in particular, must be careful in understanding which board governance suggestions should be adopted provided the suggestion does not come as a coercive regulatory guideline.

In the third stream of research, we see developments around how boards in modern days should be composed. Going beyond board monitoring discussions, studies have started to highlight the importance of specific resources and networks that board members, particularly the board chairs, bring to the organization. For instance, Withers and Fitza (2017) argued that board chairs can help organizations navigate complex environments, thanks to the additional resources that they bring to the board. In so echoing, Krause et al. (2016) found that while board chairs with high human capital were more likely to be seen as a resource by their fellow board members, board chairs’ social capital was only appreciated when they did not also hold the role of the CEO. In other words, separate board chairs seemed to be more appreciated as a resource than a dual CEO-chair, even though these effects might look different in different organizational contexts. Within this stream, a growing number of studies also discussed the importance of promoting boardroom diversity (Adams, de Haan, Terjesen, & van Ees, 2015), mostly in terms of recruiting more female board members and female board chairs (Kirsch, 2018; Terjesen, Sealy, & Singh, 2009). Nielsen and Huse (2010) argued that having female directors on the board can bring advantages to the board’s involvement in strategic tasks. However, their contribution might be context-dependent: For instance, Dula, Nicholson-Crotty, and Gazley (2020) found that female board chairs only contributed to improving the board dynamics when their boards held a critical mass of female board members. Whilst these insights demonstrate changes happening with regard to board composition practices, there is a need to take these discussions further to understand what resources and skills boards should possess, especially when it comes to addressing the increased demands for embracing societal issues in board discussions. Put differently, research should investigate how the composition of the board can facilitate performance measurement discussions that allow the capturing of both financial and social performance.

Synthesizing these three streams of development in the literature on boards of directors and in particular board chairs, it can be concluded that the roles of the boards and their chairs are changing. For a long time, research took a dichotomous journey from an “either/or” outlook on whether or not to separate the role of the board chair from the CEO (Daily & Dalton, 1997; Krause & Semadeni, 2014; Rechner & Dalton, 1991; Singh & Delios, 2017), often overlooking the contextual implications (Boyd, 1995; Johnson et al., 1996; Krause & Semadeni, 2013). Two key reasons behind this paucity of knowledge have been attributed to the dominance of US-based studies where CEO duality has long been the common board chair configuration practice (Krause et al., 2014) and to the difficulty of securing access to corporate boards (Ma, Seidl, & McNulty, 2021; Pettigrew, 1992). As a result, literature on the role of board chairs has been dominated by selective research methods, e.g., variance testing using archival data, and using dummy variables for CEO duality that primarily focused on measuring the impact of different board chair configurations on financial performance (Bezemer et al., 2023; Gove et al., 2017; Huse, 2018; Krause et al., 2014). Despite adding important insights, these studies came at the expense of unfolding how board chairs actually steer the discussions around the increased
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societal challenges and, importantly, in highly complex institutional settings, for instance in hybrid organizations where divergent institutional logics push contrasting demands on the board (Mair et al., 2015; Pache et al., 2023).

However, recent developments suggest that this practice is changing. The role of the board chair has emerged as an important topic in recent academic (Banerjee, Nordqvist, & Hellerstedt, 2020) and business press discussions (“Power Decouples”, 2019). Seasoned board chairs help organizations strike a balance between divergent interests on the board. For instance, independent board chairs were found to be important for ensuring long-term returns and protecting the reputation of the controlling owner family (Sievinen, Iikäheimonen, & Pihkala, 2020) while controlling the short-term outlooks of the institutional owners (Delgado-García, De Quevedo-Puente, & De La Fuente-Sabaté, 2010). However, their engagement and contribution to the board might be contingent on different situational contexts. For instance, in observing board meetings, Bezemer et al. (2018) found that board chair behavior fluctuates between different board meetings since they face different kinds of complexities when it comes to activating and orchestrating individual board members. Their roles become instrumental when organizations undergo uncertain times, for instance financial crises or global instabilities, which require the board chairs to adopt an active role in promoting a shared understanding on the board. For example, Morais, Kakabadse, and Kakabadse (2020) found that when facing “wicked” problems, board chairs took either a leadership or a collaborative approach with the CEO, but in navigating “tame” problems, they passed the leadership responsibilities to the CEO and preferred to serve as a “vigilant monitor” of the CEO. In a similar vein, Hoppmann et al. (2019) found that experienced board chairs helped in developing necessary routines and tools for their boards; however, when facing difficult situations, they took an active role in minimizing the conflict of interests among individual board members, thus saving organizations from inertia. Further, in investigating the role of board chairs during the COVID-19 pandemic, Krause et al. (2022) found that separate board chairs’ directive leadership led to competitive actions and better protected organizational performance than their counterparts with CEO duality.

Whilst these developments provide us with important insights into the changing role of the board, and especially that of the board chair, they largely look at business contexts where board fiduciary duties lie in addressing and protecting shareholder interests (Black, 2001; Blair & Stout, 1999). Here, contributions to social causes often come as an “addition” to the financial mission targets but not as an “equally important” topic for the board. In fact, in discussing modern corporations, Bhagat and Hubbard (2022) argued that:

“[…] for many of society’s more serious problems, corporations do not represent the appropriate level of action. Climate change, for example, poses significant challenges for societies and businesses. But significant changes to combat climate change require public policy changes […]. Turning more to corporations because the political process seems broken will not do” (p. 11).

At the same time, most of these studies looked at board governance settings that are built around pure sector-specific guidelines (see, for instance, Billis, 2010 for
sectoral idiosyncrasies) but are not exposed to multiple principles and values shared by actors coming from different sectors. For instance, boards in privately owned companies might do very little to embrace social perspectives since powerful owner-managers can simply disregard the suggestions put forward by the board (Schulze & Zellweger, 2020), whereas in publicly listed companies, powerful institutional investors might force the board to walk in specific directions disregarding the potential effects on other stakeholders, including minority shareholders (Li, Lam, Qian, & Fang, 2006). Against this backdrop, I specifically focus on hybrid organizations, where arguably board roles are multifaceted and the board chairs need to constantly navigate a complex web of challenges to balance divergent institutional logics.

Board Governance in Hybrid Organizations

Hybrid organizations are peculiar since they combine different dimensions of hybridity, including organizational forms, identities, and rationales that do not usually go together (Battilana, Besharov, & Mitzinneck, 2017; Battilana & Lee, 2014; Jay, 2013). Scholars have only recently started to dig deep into developing an understanding of these organizations and their governance practices (Billis & Rochester, 2020). These organizations do not fit neatly into the conventional boundaries of public, private, or third/civil society sectors but rather they combine practices and governance systems from more than one sector (Billis, 2010; Grossi, Reichard, Thomasson, & Vakkuri, 2017) in their pursuit of multiple and often conflicting goals (Mair et al., 2015). As a result, they become exposed to divergent institutional logics. Two examples, in this regard, are state-owned enterprises that combine a state logic of providing public sector services to citizens with the market logic of competition and financial performance (Bruton et al., 2015; Grossi et al., 2015; Karré, 2020) and social enterprises that combine a commercial logic of generating revenue with a social welfare logic of solving societal problems (Battilana, Sengul, Pache, & Model, 2015; Doherty et al., 2014). Institutional logics inform and impose divergent expectations on organizations (Battilana et al., 2017; Battilana & Lee, 2014), which can lead to both increased institutional complexities and unique opportunities.

Talking about institutional complexities, Brandsen and Karré (2011) noted three types of risks associated with hybrid organizations, namely financial risks (the risk of losing public funds), cultural risks (the risk of losing social welfare ethos), and political risks (the risk of negative political interventions). In navigating these challenges, boards in different types of hybrid organizations deploy distinct approaches to secure compromises between divergent logics (Mair et al., 2015; Pache et al., 2023; Skelcher & Smith, 2015). For instance, Boers and Nordqvist (2020) showed how two family businesses acted differently in addressing multiple institutional logics; Grossi and Thomasson (2015) discussed how accountability tensions emerged for the Copenhagen-Malmö Port in Sweden when it came to bridging between public value and financial performance; Maine, Uman, and Florin-Samuelsson (2023) reported how board members of a municipally owned company, in the absence of a visible legal owner, restrained themselves from knotting with a particular logic but rather adopted informed approaches to distinguish different types
of accountability as per the given challenges; and Ebrahim, Battilana, and Mair (2014) discussed what happens when social enterprises become more drawn into discussions on financial returns at the expense of their social mission goals. Since hybrid organizations need to cater to both financial and social welfare mission goals, losing track of any of these can lead to organizational mission drift. These challenges have been further emphasized in recent years as we have noticed growing demands for measuring and reporting on social impacts created by hybrid organizations (Costa & Andreaus, 2021; Costa & Pesci, 2016). Social impacts differ from the conventional conceptualization of output and outcome. Social impacts refer to sustained effects on the root societal issues that hybrid organizations focus upon, whereas output implies immediate effects, and outcome refers to medium- and long-term effects (Ebrahim & Rangan, 2010, 2014). Measuring social impacts requires extended commitment in terms of both time and resources, which often goes against the interests of many stakeholders, e.g., corporate donors who prefer to see quick results against their investments (Murphy & Coombes, 2009). At the same time, hybrid organizations also show distinctiveness in terms of their funding arrangements, organizational structures, and divergent social missions, which usually exposes them to divergent sets of institutional logics. As a result, what constitutes social impact largely varies between different hybrid organizations, thus making it next to impossible to agree on a universal set of social impact indicators (Costa & Pesci, 2016; Grieco, Michelini, & Iasevoli, 2014; Nicholls, 2009). Situations like these leave boards in a dilemma: Noncompliance with donors’ interests will result in loss of funding, whereas delving too much into financial discussions might upset the other stakeholders who prioritize the social mission goals of the respective hybrid organizations.

However, Mair et al. (2015) argued that the presence of divergent institutional logics can also be a source of innovation. The authors found that in navigating dual financial and social welfare logics, some hybrid organizations adopted a conforming approach and designed their board governance practices in line with one of the pressing logics, whereas others either actively refused to choose or selectively coupled between the divergent logics through innovative governance practices. Jay (2013) argued that the success of a hybrid organization often depends on who is assessing success and from which perspective. The author found that while some stakeholders considered the increased engagement with public service logic was the way to go, others, who were more associated with the financial return perspective, interpreted the same situation as an unsuccessful pursuit. Essentially, these discussions illustrate that an important task for boards in hybrid organizations is to secure a workable balance between divergent institutional logics in hybrid organizations, and failure to do so might lead to organizational mission drift and increase the risk of dehybridization (Cornforth, 2014; Ebrahim et al., 2014; Grimes, Williams, & Zhao, 2019).

Beyond these challenges related to divergent institutional logics, boards in hybrid organizations also struggle with idiosyncratic identities and values shared by the individual members of the board (Grossi, Vakkuri, & Sargiacomo, 2021; Vakkuri, Johanson, Feng, & Giordano, 2021). Board members play an important role in filtering divergent institutional logics (Battilana et al., 2022; Lee & Lounsbury, 2015). These become even more important when organizations undergo uncertain
times and need to adopt different protective board governance measures (Pache et al., 2023). However, the problem here is that board members might not have sufficient experience or the commitment to tackle both financial and social mission demands. For instance, in family firms, individuals appointed by the dominant owner can push for a specific agenda on the board (Boers & Nordqvist, 2020), whereas in nonprofit hybrid organizations, some board members might be guided by different self-serving interests, e.g., using their board membership to improve their social reputation and to extend their personal networks (Herman, 2005; Miller-Stevens & Ward, 2019; Yoon, 2021). Not considering these unique interests might lead to internal conflicts and again increase the risk of dehybridization (Rautiainen, Mättö, Sippola, & Pellinen, 2021).

As pressures from divergent institutional logics soar, some hybrid organizations adopt defensive, compliance-seeking, and even “imperfect” performance measurement systems as a way to protect their financial solvency without triggering public criticisms (Chenhall, Hall, & Smith, 2013; Christiansen & Skærbæk, 1997; Laguecir, Kern, & Kharoubi, 2020). In other cases, boards play the important role of a guardrail that protects board members from being drawn into different internal faultlines and getting distracted from their dual financial and social mission goals (Smith & Besharov, 2019). Adding to these arguments, Pache et al. (2023) argued that hybrid board governance might be best served when the governance model “features both a protective board structure and relational leadership processes” (p. 44). This comparative case study on five different hybrid organizations showed that only two of them managed to secure a successful pursuit of their dual financial and social mission goals, with both of them adopting a protective structure and investing in reducing cognitive and emotional gaps along with improving communications between the board and top managers. Interestingly, in both cases it was the board chair or the executive director who initiated the leadership process of letting board members and top managers feel emotionally closer and informed about organizational updates.

However, we know very little about the role of the boards (Grossi et al., 2021; Mair, Wolf, & Ioan, 2020; Pache & Santos, 2021; Vakkuri et al., 2021), let alone their chairs, in hybrid organizations, especially in those operating in the not-for-profit realms. Previous studies suggest that board chairs and CEOs in hybrid organizations often struggle to comprehend their responsibilities due to a lack of clear role delineation (Cornforth & Macmillan, 2016; Iecovich & Bar-Mor, 2007; Otto, 2003). This insight is upsetting given that many individuals join boards in hybrid organizations due to their deep passionate interest in the movement of the organizations (Baxter, Carlsson-Wall, Chua, & Kraus, 2019) rather than the overall compensation policy. In many hybrid organizations, board members serve as volunteers and do not receive any pecuniary compensation for the time they invest (Cornforth, 2004; Cornforth & Spear, 2010). These board members might only wish to continue their board assignments as long as they feel aligned with the social mission of the organization. In fact, Battilana et al. (2022) argued that both an “absence of explicit rewards and the presence of high-powered incentives” can backfire and negatively impact individuals’ motivation (p. 249). These insights further affirm the importance of studying the role of the boards and their chairs in
hybrid organizations, especially when we consider the complexities of navigating divergent institutional logics and measuring performance beyond financial returns, e.g., the social impact generated by hybrid organizations.

In sum, we have two unique situations. On the one hand, literature on boards and board chairs tells us how different board chair configurations can possibly (given that context matters) lead to improved financial performance but remains silent regarding how board chairs can facilitate the boards in embracing societal issues in boardroom discussions. On the other hand, literature on hybrid organizations enlightens us about how different institutional logics and individual values shared by the board members influence board decision-making but has not highlighted the role of the chair of the board, who, according to board chair literature, supposedly should play the central role in driving these organizations forward. To this end, I focus on the emerging concept of hybrid board governance (Battilana et al., 2022; Mair & Wolf, 2021; Pache et al., 2023) and argue that a cross-fertilization between these two streams of literature on board chairs and hybrid organizations can reveal important multidisciplinary insights. Specifically, for corporate boards and their chairs, these insights can inform about what it means to be a board chair when organizations start embracing societal issues and redefining their goals beyond profit maximization (Aguilera, 2023; Aguilera et al., 2023; Business Roundtable, 2019), what challenges might emerge in doing so, and how they can better prepare for balancing divergent demands and navigating complex institutional settings. Simultaneously, for boards in hybrid organizations, these insights can help boards and their chairs rethink their roles and reevaluate the current developments that seem to have started embracing different businesslike tools and corporate boards’ rhetoric (Bruneel et al., 2020; Maier et al., 2016). Studies on hybrid organizations are not unused to cross-fertilization between different bodies of research, and more specifically, there have been important studies that considered these two particular fields (Alexius & Cisneros Örnb erg, 2015; Grossi et al., 2015; Mair et al., 2015; Pache et al., 2023). Further, while board and board chair literature repeatedly calls for qualitative methods to be deployed (Filatotchev & Wright, 2017; Gove et al., 2017; Krause et al., 2014; Zattoni & Pugliese, 2019), literature on hybrid organizations has a rich tradition of in-depth, qualitative studies exploring hybrid board governance (Battilana & Dorado, 2010; Mair et al., 2015; Pache et al., 2023). Essentially, these insights suggest that there are perhaps more benefits to combining these two streams of literature than approaching them separately, especially when we consider the increased pressures on boards and their chairs to extend their outlook beyond profit maximization discussions.

1.3. Purpose

The purpose of this dissertation is to enhance our understanding of the changing role of the board chair and what this means for hybrid organizations and their board work.

I aim to unfold this overarching purpose with the help of three research questions explored in three separate studies.
RQ1: What does the role of the board chair entail in the changing business landscape?

RQ2: What challenges do boards in hybrid organizations face in implementing social impact measurements?

RQ3: How can the role of the boards and board chairs be methodologically investigated?

1.4. Overview of the Papers

Each paper included in this dissertation is informed by the overarching theme of the changing role of the boards and their chairs in recent times, as can be seen in Figure 1.

Paper 1 presents an overview of the current state of knowledge regarding the role of the board chair. The motivation behind this article is twofold: to recognize emerging discussions on the role of the board chair, and to integrate academic insights under one structured framework (see the I-P-O-C model in Paper 1). Up until that point, except for Krause et al.’s (2014) important review of CEO duality, there had been no comprehensive review of the role of the separate board chair. Relying on a systematic literature review method (Tranfield, Denyer, & Smart, 2003), this paper takes stock of four decades of academic discussions on the role of the board chair and presents several areas for future research.

Informed by the findings of Paper 1, Paper 2 investigates board governance challenges faced in social hybrid organizations, such as social enterprises, charities, and cultural organizations that draw on resources, governance structures, and logics from different sectors and envision solving societal challenges in financially sustainable ways (Battilana & Lee, 2014; Grossi et al., 2021; Mair et al., 2015; Pache et al., 2023). This paper specifically focuses on the increasing expectations placed on boards in social hybrids to measure and report on social impacts (Costa & Andreaus, 2021; Costa & Pesci, 2016; Vakkuri et al., 2021), which seems to be reinforced in the context of social hybrids due to their exposure to contrasting field level regulations. Based on interview data collected from board chairs and general secretaries (who assume a similar role to the CEO in private sector companies) for around two years, this paper reveals that despite showing awareness of emerging social impact discussions, boards in social hybrids usually struggle to implement social impact measurements due to restrictive field level regulations focused on cost efficiency and pro bono board compensation norms. Further, arranging the studied organizations into two separate categories, we demonstrate how these commonly pronounced challenges are further accelerated by organizational idiosyncrasies, specifically related to board appointment and board meeting styles.

Paper 3 presents methodological reflections highlighting how to overcome the challenges of studying boards (Ma et al., 2021; Pettigrew, 1992), particularly the role of the board chair (Banerjee et al., 2020; Gove et al., 2017; Krause et al., 2014). Reflecting on the research experience of Paper 2 and connecting with the “engaged scholarship” approach (Van de Ven, 2007), I discuss why it is important and how to
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approach the practitioners, e.g., the board chairs, and build studies based on their lived experiences to unveil the dynamics and complexities in navigating divergent institutional logics. Subsequently, I present a few methodological challenges and opportunities for embracing the “engaged scholarship” in future research on board governance in hybrid organizations.

Figure 1 illustrates how I position these individual papers in addressing the overarching purpose of understanding the role of the board chair. Even though the three individual papers build on different research questions, they are closely interrelated and attempt to present a cohesive approach to studying the role of board chairs. Paper 1 is informed by the developments around board composition discussions related to the role separation of the board chair and the CEO. However, it also updates how the role of the board chair can contribute to leading the discussions around organizational performance and orchestrating change in board governance. Paper 2 is informed by a field level observation regarding the implementation of a new performance measurement system in social hybrid
organizations. However, it also draws on the findings generated in Paper 1, especially to juxtapose the literature on boards and board chairs with literature on hybrid organizations. Besides investigating and providing empirical accounts of challenges faced by boards in implementing social impact measurements, this paper also adds to the discussions on board composition challenges. Paper 3 reflects on the research experience of conducting the empirical study in Paper 2 and discusses how an engaged scholarship approach (Van de Ven, 2007) can help secure a strong rapport with research participants and generate practice-informed research. In doing so, it also connects to the methodological insights sketched in Paper 1 and contributes to the literature on boards and board chairs that has long discussed the challenges of accessing corporate elites, e.g., board chairs, board members, and top managers.

1.5. Outline of the Dissertation

The remainder of this introductory kappa consists of four additional chapters. Chapter 2 presents the theoretical framework of this dissertation. Distributed in four subchapters, I review key corporate governance theories used in understanding the role of the board chair followed by a review of key theoretical perspectives used in conceptualizing hybrid organizations and their board governance, and subsequently connect these two streams to highlight what these theories mean for my dissertation. Chapter 3 presents my philosophical stance, methods, and ethical considerations in conducting this research. Chapter 4 discusses the dissertation’s main contributions to theory and practice, followed by a reflection on the limitations and scope for future research. A reference list for the kappa is attached immediately after Chapter 4, followed by the three individual papers.
2. Board Chair and Hybrid Organizations

2.1. Theoretical Perspective on the Role of the Board Chair

The literature on the role of the board chair has long been dominated by a shareholder value maximization logic that conceptualizes the primary role of boards and their chairs as monitoring and controlling the CEO. As a result, most previous studies explored different board chair configurations with regard to organizations’ financial performance. Despite adding important insights, these studies often came at the expense of unfolding the actual work of the board chairs. This paucity requires academic attention, especially since organizations are increasingly being exposed to, and expected to embrace, broader societal perspectives in designing their strategic outlook and long-term vision (Aguilera et al., 2023; Barney, 2018; Battilana et al., 2022). Below I discuss four key theoretical perspectives that repeatedly appeared in previous studies on the role of the board chair² followed by a reflection on the overlooked areas and how my dissertation complements the current scholarly development.

To Separate or Not – A Dichotomous Theoretical Development Around Monitoring and Control Role

Amongst the theoretical perspectives considered, agency theory dominates the field (Eisenhardt, 1989a; Fama & Jensen, 1983). Agency theory argues that managers (agents) in corporations might have different goals and risk preferences than the owners (principals), which, if left unchecked, can contribute to increased agency costs and internal conflicts. Accordingly, proponents of this stream of research suggested different governance mechanisms, including monitoring by the boards and separating the role of the board chair and the CEO as the former acts as the “boss” of the latter (Harris & Helfat, 1998; Kakabadse, Kakabadse, & Barratt, 2006; Krause, 2017; Mallette & Fowler, 1992). With improved monitoring and control of the top managers, board chairs can clarify the authority and power distance between the board and the CEO, design and promote a shareholder-friendly board agenda, and contribute to generating a positive market reaction, thus securing a strong firm financial performance (Balsam, Puthenpurackal, & Upadhyay, 2016; M. Yu & Ashton, 2015). This perspective has also secured global regulatory attention since we notice corporate governance codes around the world suggesting the separation of roles as a good governance practice (Aguilera & Cuervo-Cazurra, 2009; Cuomo et al., 2016). In so echoing, recent statistics also confirm an increased attention to role separation. For instance, in 2022, more than 57% of S&P 500 companies were found splitting their board chair and CEO roles compared to 43% in 2012 (Spencer Stuart, 2022)

² A more detailed reflection mapping the four decades of literature on the role of the board chair is presented in Paper 1.
In contrast, another school of researchers built on stewardship theory (Davis, Schoorman, & Donaldson, 1997) and argued that managers are not always self-centric but rather they can act as the “steward” of the firm and “maximize their utility as they achieve organizational rather than self-serving objectives” (Davis et al., 1997, p. 26). Accordingly, studies in this stream argued that nesting the role of the board chair and the CEO into one individual will grant that individual unambiguous power to decide on the organizational objectives and design relevant strategies that can contribute to enhancing shareholder values. Powerful dual CEO-chairs can promote efficiency by avoiding risky advice and reducing conflicts in the decision-making process, thus facilitating the long-term survival of the firm (Daily & Dalton, 1992; Dey, Engel, & Liu, 2011). These effects can be more pronounced in privately owned firms, where a dual CEO-chair from the owning family can protect the family values and principles (Cabrera-Suárez & Martin-Santana, 2015) and can ensure a better deal when going public (Gao & Jain, 2012).

Despite contributing important insights, these dichotomous ways of conceptualizing the role of the board chair have attracted academic debates. On the one hand, many studies found that companies with CEO duality might end up with increased CEO compensations, unnecessary risky decisions, malinvestments, and corporate wrongdoing, which in turn can negatively affect overall firm performance and reputation (Delgado-García et al., 2010; Tuggle, Sirmon, Reutzel, & Bierman, 2010; M. Yu, 2023). On the other hand, some studies also warned that a poorly designed role separation can lead to role conflicts between the board chair and the CEO and endanger the overall dynamics at the board and top management level (Krause & Semadeni, 2013). Also, in some cases – for instance, in the presence of strong institutional owners – separate board chairs can push the organization to focus on short-term goals at the expense of firm longevity and relationships among the stakeholders at large (Brickley, Coles, & Jarrell, 1997; Pham & Nguyen, 2019). As a result, whilst controlling for managerial opportunism, role separation can also ignite board chair opportunism.

Furthermore, studies argued that the effects of CEO duality on firm performance are not universal but rather these effects might be largely guided by different contextual issues surrounding the organizations. The seminal study of Dalton et al. (1998) found no empirical evidence of the relationship between CEO duality and firm performance, which led to many subsequent studies questioning the arguments around board chair configurations (see, Deman, Jorissen, & Laveren, 2018; Elsayed, 2007; Krause et al., 2014; Peng, Zhang, & Li, 2007). Further, Gaur, Bathula, and Singh (2015) found that firms within the same country might reach the same result using different board chair configurations, whilst Lewellyn and Fainsmidt (2017) added that the effectiveness of CEO duality or role separation might be contingent on the embeddedness into the organizational contexts. Some studies also argued that duality or separation of roles might have different effects in different temporal settings. For instance, Krause and Semadeni (2013) found that role separation in times of poor performance can have a positive impact on firm performance whereas Van Essen, Engelen, and Carney (2013) warned against separating the roles in times of crisis. Essentially, these studies imply that following an either/or prescription for designing the role of the board chair without carefully considering the surrounding
contexts can negatively impact firm performance in the long run. These arguments are important when we consider the changing business landscape that seems to constantly place newer sets of expectations on the boards. At the same time, these debates also challenge the emerging concept of good governance that seems to promote role separation as an ideal solution for board chair configuration (Iyengar & Zampelli, 2009; Lorsch & Zelleke, 2005; M. Yu & Ashton, 2015).

**Beyond the Either/Or Debates – Resource Provision Role and Stakeholder Perspective**

Contrary to the either/or debates, an emerging body of studies has conceptualized the role of the board chair from a balancing perspective and argued that the role of the boards must be conceptualized in such a way that it considers a broader stakeholder group rather than focusing exclusively on shareholder value maximization. Here again, we see the presence of two additional theoretical constructs.

The first group of studies builds on resource dependency theory (Hillman, Withers, & Collins, 2009; Pfeffer & Salancik, 1978) and highlights the multiple resource provision role of the board chair. These studies suggest that board chairs bring important resources that surpass those provided by the CEO, connect boards to important networks, open new avenues for growth, provide advice and counsel to the CEO, and help secure extended legitimacy for the board from the key stakeholders (Gabrielsson, 2007; Hillman et al., 2009; Lorsch & Zelleke, 2005; Withers & Fitz, 2017; Zona, Gomez-Mejia, & Withers, 2018; Åberg et al., 2019). Some studies argued that to thrive in the changing business landscape, boards must be resourceful in terms of their human and social capital, and the board chairs should play an important role in carefully scanning for, and orchestrating, the resources to address the increased challenges. In a series of studies, Krause and colleagues explored the resource provision role of board chairs. Extending the resource dependence theory, Krause et al. (2013) argued that boards and their chairs should not only be seen as “channels to resources but also as important resources themselves since they bring in ‘idiosyncratic and difficult to imitate’ human capitals to the board” (p. 1630). Following this, Krause et al. (2016) found that board chairs with high human and social capital were usually appreciated by their boards – however, not in cases when the chairs were either the current or the former CEO. Later, Krause (2017) reported how board chairs often went beyond the usual monitoring and control role to adopt a collaborative role that provided advice and counsel to the CEO and enabled the CEO to focus on their primary executive responsibilities.

The second group of studies highlights stakeholder theory (Freeman, 2010) and argues that beyond the monitoring and control role, board chairs must also actively engage in coordinating between divergent stakeholder interests. Whilst this perspective attempts to hold boards and their chairs accountable to the broad stakeholder groups that organizations interact with (Donaldson & Preston, 1995), it also makes the role of the board, and particularly that of the board chair, extremely challenging as stakeholders often put forward heterogeneous interests that are difficult to comprehend and operationalize at the board level (Laplume, Sonpar, & Litz, 2008). Studies within this stream discuss the role of the board chair in terms of their contribution to different nonfinancial performances, e.g., CSR and ESG.
performance (Jia & Zhang, 2014; Liu & Luo, 2019). However, here again, studies largely adopted the either/or perspective to argue which one would promote a better result – a combination or separation of the roles. As a result, while some studies found boards with CEO duality more interested in engaging with CSR activities or different voluntary disclosures (e.g., Pucheta-Martínez & Gallego-Álvarez, 2019; Tamimi & Sebastianelli, 2017), others found that CEO duality was perceived as riskier by investors compared to boards with separate board chairs as far as engagement with different corporate philanthropic activities was concerned (Jia & Zhang, 2014).

What’s Missing and Recent Developments

The discussion above shows three features in previous studies on the role of the board chair: a dominance of shareholder value maximization, an overlooking of the board heterogeneities, and a lack of studies exploring the actual work of the board and their chairs. Recent studies have started challenging these notions.

With regard to the first point, a growing body of studies discusses why shareholder value maximization might be a “flawed idea” (Barney, 2018). Whilst all shareholders might want to protect their investments, they do not necessarily share similar interests in increasing profit, and some of them might be more interested in seeing their investments accomplish different nonfinancial goals. Despite these important insights, literature on boards, and in particular studies on the role of the board chair, seem to have conceptualized shareholders as a homogenous group that exclusively focuses on increasing financial returns against their investments (Federo, Ponomareva, Aguilera, Saz-Carranza, & Losada, 2020; Schulze & Zellweger, 2020). This is surprising since organizational scholars have long discussed ownership heterogeneities. For instance, studies on publicly listed companies found that blockholder owners tend to exert pressures on the board to cater to their needs at the expense of minority owners’ interests (Thomsen, Pedersen, & Kvist, 2006), whereas institutional owners, such as pension funds, might push the board for some short-term goals (Connelly et al., 2010; Tihanyi, Johnson, Hoskisson, & Hitt, 2003), overlooking the long-term implications for company reputation (Delgado-Garcia et al., 2010; Sundaramurthy & Rechner, 1997). Similarly, in family-owned companies, even for privately owned ones, despite coming from the same family, individual owners both within and between generations might hold divergent financial and nonfinancial interests and show different levels of engagement with the organization, thus influencing the adoption of different board governance mechanisms (Nordqvist, Sharma, & Chirico, 2014; Zellweger, Kellermanns, Chrisman, & Chua, 2011). These challenges become more complex when the organization also involves different nonfamily owners who might hold different intrinsic motivations and lack family-specific insights, e.g., history and legacy that have contributed to the foundation and growth of the respective family firms. Adding to these debates, Foss et al. (2021) argued that ownership heterogeneities can also be seen in terms of idiosyncratic competencies and skills brought by individual owners. The authors argued that “different owners follow different paths to value creation and appropriation” (p. 307), which, in turn, guides how the owners decide on what to own, how to govern, and how to act in different temporal contexts.
Board Chair and Hybrid Organizations

Second, heterogeneities among boards should also be considered when discussing the role of the board chair. Whilst the monitoring and control role of the boards and their chairs might follow certain norms and well-established practices, for instance, as suggested in global corporate governance codes (Cuomo et al., 2016), boards’ engagement in the service role might be dependent on, and largely vary between, the interpretation and engagement of the individual board members (Huse & Rindova, 2001; Knockaert, Bjormali, & Erikson, 2015; Åberg et al., 2019). Previous studies suggested that board members coming from divergent backgrounds might share different outlooks toward board governance and accordingly, exert divergent influence on the actual work of the board. For instance, building on behavioral agency theory (Wiseman & Gomez-Mejia, 1998), some studies reported that organizational actors, e.g., boards and top managers, make decisions that are guided by their bounded rationality and are oriented towards securing “good enough” results for the challenges being faced (Huse, Hoskisson, Zattoni, & Viganò, 2011; Van Ees, Gabrielson, & Huse, 2009). In such instances, the board chair must assume a proactive role in guiding these organizational actors to look at the bigger picture rather than searching for easy-to-implement solutions. Further, since governance and behavior within the board evolve through different learning and influencing loops (Sundaramurthy & Lewis, 2003), the control and service role of the board might be intertwined, which means the board chair must be extra vigilant in managing the tensions between these different roles that the boards need to simultaneously perform.

Third, however, there is still a lack of adequate knowledge on what board chairs actually do, especially when it comes to engaging their boards and facilitating strategic discussions. This has largely been the case as securing access to interview the board members or observe board meetings has always been a challenge for researchers (Ma et al., 2021; Pettigrew, 1992). As a result, many studies explored the role of the board chair by looking at archival data and investigating the impact of different board chair configurations on companies’ financial performance (Gove et al., 2017; Krause et al., 2014). Despite adding important insights that signal which configurations might work in which contexts, these studies told us very little about the board behaviors and dynamics, both inside and beyond the boardroom, that guide how boards engage in navigating different challenges (Bezemer et al., 2023; Pugliese et al., 2009; Zattoni & Pugliese, 2019). Though scant, recent studies have started to shed light on this gap. For instance, in investigating board meeting dynamics in three Australian corporations, Bezemer et al. (2018) found that while strong leadership from the board chairs was needed to curb managerial power, board chairs were also expected to serve as peers to their fellow board members by providing them with structure, space, and a participative environment to actively take part in guiding the strategic agenda instead of injecting their (the chairs’) own views. Echoing these findings, Veltrop, Bezemer, Nicholson, and Pugliese (2021) added that effective board chairs offer psychological safety in the boardroom, which allows board members to fully unleash their potential and avoid board-CEO conflicts. Also, there seems to be a renewed interest in further investigating the relationship between the board chair and the CEO. For instance, Srour, Shefer, and Carmeli (2022) discussed how this relationship unfolded from a structural level to an interpersonal level that facilitated mutual respect and shared goals among the organizational actors;
Mthombeni and Chizema (2022) showed how relational trust between the board chair and the CEO helped to secure effective board dynamics, which becomes even more important in difficult times; and Morais, Kakabadse, and Kakabadse (2018) showed how a strong relationship between the board chair and the CEO aided in navigating strategic tensions. The latter has been further emphasized since the outbreak of the COVID-19 pandemic, which brought unprecedented changes to board governance around the world. For instance, Schmitt, Probst, and Tushman (2020) showed how the pandemic pushed Board chairs to strike a balance between discussing future strategic goals and protecting the current status quo, while Krause et al. (2022) reported how board chairs adopted a directive leadership style in guiding the CEO and designing effective responses for overcoming uncertainties.

Adding to these discussions, an important area that needs in-depth attention is how board chairs can assist and guide their boards to embrace divergent stakeholder interests including both financial and nonfinancial ones. For instance, besides a good remuneration package, an employee might be interested in seeing their company create sustainable impacts on society. Similarly, communities, where the organizations operate, can show resistance against projects that can contribute to environmental pollution regardless of creating jobs in the local areas (Howard-Grenville, Buckle, Hoskins, & George, 2014). In such instances, an exclusive focus on shareholder value maximization might be insufficient to convince these nonshareholding stakeholders to give access to important resources that are needed for running different profit-generating projects (Amis et al., 2020; Barney, 2018, 2020). In fact, recent studies showed that organizations are increasingly redefining their goals and the ways in which they define and measure performance and success (see, for instance, Aguilera et al., 2023; Pop, Kunisch, & Aagaard, 2023). These developments imply that the conventional roles of the board, and more specifically the role of the board chair, which has long been measured in terms of organizations’ financial performance, might not hold in this changing business world. Boards need to promote awareness of embracing societal discussions and explore different tools for capturing social impact (Costa & Andreaus, 2021; Costa & Pesci, 2016). They must “engage in a fruitful dialogue with both shareholders and managers on what can be accomplished and when, and to involve the input of all stakeholders” (Aguilera, 2023, p. 199). Relatedly, Battilana et al. (2022) suggested that boards should become some sort of “hybrids” that bring in individuals “who have been socialized in both financial and social logic through prior experience and/or training” (p. 247). Together, these initiatives will lead to divergent board practices and make the role of the board chair too complicated to be captured by the dominant practice of conducting quantitative studies (Gove et al., 2017; Krause et al., 2014). Recognizing these developments, my dissertation investigates the changing role of the board chair and adds empirical insights from hybrid organizational settings, shedding light on what the role of the board chair entails when it comes to looking beyond shareholder value maximization and taking different societal issues into account.
2.2. Theoretical Perspectives on Hybrid Organizations

Research on hybridity and hybrid organizations has exploded in recent years. Beyond a large number of standalone empirical studies, we see coordinated efforts in organizing special issues at leading academic journals (Grossi et al., 2017; Vakkuri et al., 2021), in publishing research handbooks (Alexius & Furusten, 2019b; Billis & Rochester, 2020), and in arranging research seminars at different academic conferences exploring different topics within hybrid organizations, including the dimensions of hybridity, stakeholder arrangements, governance, value creation practices, and performance measurement challenges. We also notice multiple review articles focusing on specific types of hybrid organizations, for instance, social enterprises (Battilana & Lee, 2014; Doherty et al., 2014), knowledge-intensive public organizations (Grossi, Kallio, Sargiacomo, & Skoog, 2020), and corporate foundations (Gehringer, 2021), to name but a few. Together, these developments suggest that academic interest in understanding hybrid organizations is higher than ever before. And for my interest in the changing role of the board chair, it provides a timely opportunity to understand their balancing between divergent expectations as a form of navigation that needs a “hybrid” outlook (Battilana et al., 2022).

As hybrid organizations are discussed in different academic fields, the core of their meaning is a debated topic. For instance, public administration scholars conceptualized hybrid organizations as organizational settings that combine principles from more than one sector, i.e., public, private for-profit, and third sector in the pursuit of addressing different societal issues (Billis, 2010; Grossi et al., 2017; Karré, 2020), whereas organizational theorists defined hybrid organizations as combinations of core organizational elements that do not conventionally go together (Albert & Whetten, 1985; Battilana & Lee, 2014; Pache & Santos, 2013). In their recent review study, Battilana et al. (2017) aggregated previous studies on hybrid organizations under three such dimensions: identities, forms, and rationales. Below I present a brief reflection on how these different theoretical perspectives have been used in the literature on hybrid organizations.

Looking at the sector-centered perspective, interaction between sectors is not an uncommon phenomenon, but we can see numerous examples around us that have existed for ages. For instance, state-owned enterprises are widely recognized as hybrid organizations combining divergent sectoral principles (Alexius, Cisneros Örnberg, & Grossi, 2019; Argento, Grossi, Persson, & Vingren, 2019; Bruton et al., 2015; Grossi et al., 2015). These organizations are usually registered under the Company Act and designed to compete in the commercial market while adhering to political agendas and public sector principles regarding serving the citizens. State-owned enterprises can be found all over the world as “government agencies are no longer the sole provider of public services” (Karré, 2020, p. 31). Instead, we see an increased tendency to encourage public sector organizations to adopt more private sector characteristics and engage in the competitive marketplace. In fact, Bruton et al. (2015) showed how state-owned enterprises around the world have evolved to become a distinct type of hybrid organization that combines state ownership with different governance systems guided by the political agenda, state intervention, and market-based information. Social enterprises can also fit the definition of hybrids in
this context as they draw on principles and funding from the private for-profit and third sector to solve social issues in financially sustainable ways (Alexius & Furusten, 2019a; Battilana & Lee, 2014; Pache et al., 2023). The number of social enterprises is increasing all around the world and we see a growing tendency among these organizations to adopt many businesslike practices in order to thrive in the competitive business landscape (Bruneel et al., 2020). Combining principles from multiple sectors, however, can be a double-edged sword. On the one hand, drawing on unique resources, knowledge, and practices from multiple sectors enables hybrid organizations to engage with a broad array of stakeholders in different boundary-spanning possibilities, which organizations operating within specific sectoral peripheries often cannot access. On the other hand, the presence of divergent stakeholders from different sectors can also push a host of unique challenges, thereby contributing to increased institutional complexities and governance challenges.

An identity-centered perspective builds on the seminal work of Albert and Whetten (1985) and conceptualizes hybrid organizations as a combination of multiple incompatible identities. Here, identity refers to the core, distinctive, and enduring features that are shared among the organizational members. Albert and Whetten (1985) presented two types of hybrid identity organizations: holographic, where multiple identities are shared by all members within individual units of the organization, and ideographic, where individual units exhibit distinctive identities that are not shared across the organization. In the former, a key challenge is how to ensure that multiple identities are simultaneously sustained and shared by the organizational members throughout the entire organization so that an organizational synergy is achieved in terms of defining who we are as an organization. However, doing so often turns out to be a daunting task, especially for the boards and their chairs. For instance, Golden-Biddle and Rao (1997) showed how board members of an organization struggled due to their divergent identities when it came to deciding between maintaining a “friendly” relationship with the managers and serving as the “vigilant monitor” of the nonprofit mission of the organization. In contrast, in the latter, the presence of divergent identities in different individuals often leads to difficult situations. Examples in this regard include: family businesses, where identity clashes can be seen between normative family identity and utilitarian business identity (Botero, Thomas, Graves, & Fediuks, 2013; Wielsma & Brunninge, 2019); arts and culture organizations, where performers show interest in the artistic value of their performances but the management team seem to be more concerned about securing financial solvency (Christiansen & Skærbæk, 1997; Glynn, 2000); universities, where the deans and presidents struggle between the different hats of a researcher, teacher, and business manager (Albert & Whetten, 1985); hospitals, where identity clashes might unfold between different care units (Pratt & Rafaeli, 1997) and medical doctors might show resistance when forced to acquire nonmedical job skills (Kurumäki, 2004). In a similar vein, in social enterprises, the dual pressure of maintaining both social and financial goals often turns out to be very difficult to comprehend for individuals who are embedded, and hold backgrounds, in either of the two core elements, i.e., social and financial mission (Doherty et al., 2014). Whether an organization adopts a holographic or an integrated hybrid identity might be contingent on different contextual settings, for instance, between small-scale
organizations with limited human resources and mature organizations (Pratt & Foreman, 2000; Whetten, Foreman, & Dyer, 2014), or during merger and acquisitions (Clark, Gioia, Ketchen Jr, & Thomas, 2010). Further, hybrid organizations might adopt different approaches to configure the degree of identity integration and prioritization, which means not all identities might be equally prioritized (Whetten et al., 2014), and individuals within the organizations, for instance the boards and their chairs, can influence how the integration or differentiation between identities evolves (Smith & Besharov, 2019). Recent studies suggest that many conventional professions are becoming more hybrid-like in order to reconcile divergent identities to which they remain exposed. For instance, in studying an English National Health Service (NHS) hospital, Begkos and Antonopoulou (2022) found that medical managers, i.e., individuals both holding formal managerial responsibilities and practicing medicine, appreciated the acquiring of accounting skills as a way to improve patient and financial outcomes and destigmatize clinical engagements with costs. In doing so, these managers transcended their professional boundaries, sparked interest among clinicians, and ultimately hybridized their surrounding professional spaces. However, Rautiainen et al. (2021) presented a completely different scenario in their study on a Finnish basic healthcare organization, where medical professionals portrayed negative emotions in response to the idea of acquiring accounting knowledge, which, in some cases, led to dehybridization.

In another stream of research, studies considered hybridity in terms of a combination of different forms of organizing. Battilana et al. (2017) reported four theoretical perspectives that make up this stream. From the transaction cost economics perspective (Williamson, 1996), hybrid organizations have been conceptualized as intermediate, discrete, and relatively stable economic forms between market and hierarchy. However, this way of defining hybrids faced scholarly criticism since it virtually sees everything between market and hierarchy as hybrids, thus leading to ambiguities regarding what is or is not a hybrid, and limiting the empirical feasibility (Skelcher & Smith, 2015), while also overlooking the unique advantages of organizations in leveraging different human capabilities (Ghoshal & Moran, 1996). Others have interpreted hybrid organizations as forms that emerge from network ties that are guided by trust shared among different participants within a particular network (Denis, Ferlie, & Van Gestel, 2015; Powell, 1990). This perspective highlights the importance of relationships, reciprocity, and supportive actions between different participants who prefer to look at the long-term perspective, which in turn promotes security and stability for the organization. Further, studying a European network of cooperatives, Huybrechts and Haugh (2018) showed how the formation of the network not only solved the initial legitimacy challenges faced by individual organizations but also transformed these challenges into an opportunity through steering field level discussions toward institutional plurality and mediating different resources, legitimacy, and target audiences. Hybrid organizations were also conceptualized as combinations of multiple socially constructed categories that strike a balance between the divergent expectations of their audience (Ruef & Patterson, 2009; Wry, Lounsbury, & Jennings, 2013). An example of such hybrids is microfinance organizations such as the Nobel Peace Prize winner Grameen Bank in Bangladesh, which is positioned as a “bank” for the poor envisioning “development”
of marginalized rural women, thus actively combining features of both banking and development agencies. And in the final category within the stream, hybrid organizations have been conceptualized as a combination of multiple organizational archetypes, i.e., a set of structures and systems underpinned by distinct values and ideas (Greenwood & Hinings, 1993). Here again, social enterprises can be considered a good example since they combine for-profit and nonprofit archetypes (Doherty et al., 2014; Mair, Battilana, & Cardenas, 2012). This conceptualization of hybrid organization considers organizational hybridity a transitory state that over time turns into institutionalized, legitimate archetypes (Battilana et al., 2017). As organizational features become institutionalized, they start to appear as a novel type of organization with distinct features, which can also lead to complex governance challenges. For instance, Battilana and Dorado (2010) showed how two newly formed microfinance institutions, BancoSol and Los Andes, struggled to bring in experienced individuals for their senior leadership roles as these organizations adopted new models that did not fit neatly into any existing organizational archetypes.

In the final stream, hybrid organizations are conceptualized as combinations of multiple social rationales, e.g., institutional logic, and cultural and political values. Among these, the institutional logic perspective has emerged as an important theoretical lens attracting a large number of studies in recent years (Battilana et al., 2017). Studies adopting an institutional logic perspective argued that hybrid organizations rest at the intersections of multiple institutional logics coming from a broad array of stakeholders and forcing the organizations to adopt different activities in unprecedented ways (Battilana et al., 2017; Battilana & Dorado, 2010; Pache & Santos, 2013). These logics shape the boundaries of how organizations perceive reality and project their vision and behavior (Greenwood, Raynard, Kodeih, Micelotta, & Lounsbury, 2011; Thornton et al., 2012). Compliance with logic helps organizations win legitimacy from their key stakeholders, which in turn can serve as an operational asset for the organization (Suddaby et al., 2016). More often than not, organizations adopt a sort of mimetic stance and attempt to align their actions, accounting systems, and governance mechanisms with the leading organization in the field, which in turn reduces the risk of ambiguities and misinterpretations among the stakeholders (DiMaggio & Powell, 1983; Greenwood, Hinings, & Suddaby, 2002). Over time, through repeated interactions, social exchanges, and compromises made with different bodies, organizations operating in the same field develop common beliefs, shared understandings, and practices, which eventually lead to the formation of the “rules of the game” (DiMaggio & Powell, 1983; Greenwood et al., 2002).

However, institutional logics are not always compatible; rather, they often impose competing demands on organizations (Ebrahim et al., 2014; McPherson & Sauder, 2013; Reay & Hinings, 2009). For instance, multiple studies highlighted the challenges of social enterprises in balancing the commercial logic of generating revenue and the social welfare logic of creating sustainable solutions for societal issues (see Mair et al., 2015; Pache et al., 2023; Pache & Santos, 2013; Smith & Besharov, 2019). Also, not all logics are equally dominant in an organization, i.e., there might be some peripheral ones (Battilana & Lee, 2014; Besharov & Smith, 2014), which can then lead to varied organizational reactions. As a consequence, some organizations end up experiencing internal tensions and conflicts, for instance
in family firms, owners might struggle to decide between “business first” and “family first” goals (Basco, 2013; Uhlaner, Kellermanns, Eddleston, & Hoy, 2012), whereas others, for example social enterprises might design their actions considering the coexistence or blending of multiple institutional logics (Battilana & Dorado, 2010; Mair et al., 2015; Skelcher & Smith, 2015). Further, institutional logics can be guided by different temporal and spatial contexts (Skelcher & Smith, 2015), for instance when organizations operate in a global landscape or undergo extraordinary times. This means that the ways in which hybrid organizations design their strategies and set objectives cannot always remain the same (Battilana & Lee, 2014; Jay, 2013; Kantola & Järvinen, 2012). These challenges can have consequences for organizations’ accounting and performance measurement systems. For instance, in the face of competing logics, Chenhall et al. (2013) discussed how accounting can facilitate compromise and “productive frictions” among organizational actors; Carlsson-Wall et al. (2016) explored how such compromises are actually made in practice; Morinière and Georgescu (2022) discussed how actors negotiated these compromises; and Łada, Kozarkiewicz, and Haslam (2020) portrayed the adoption of different formal and informal accounting practices as a way to strike a balance between contrasting logics. However, Vakkuri et al. (2021) argued that maintaining legitimacy involves more than adhering to past or present expectations of divergent logics but rather requires recognizing the changing contexts and accordingly getting prepared for future legitimacy requirements. A failure to act in time and secure a balance between the divergent logics might lead to internal conflicts, organizational “mission drift,” and dehybridization (Cornforth, 2014; Ebrahim et al., 2014; Grimes et al., 2019). As a result, individuals, including board members, board chairs, and top management teams, need to constantly reflect on their surrounding contexts and accordingly design organizational actions and performance measurement systems so that the hybrid nature is maintained and manifested through their structures, activities, and outcomes (Carlsson-Wall et al., 2016; Contrafatto, Costa, & Pesci, 2019; Doherty et al., 2014).

2.3. Previous Studies on Board Governance in Hybrid Organizations

To grapple with the institutional complexities to which hybrid organizations remain exposed, a growing body of research explores the governance challenges and the role of the board in hybrid organizations. Since hybrid organizations combine “resources, governance structures, and logics derived from different sectors” (Grossi et al., 2021, p. 578), studying their board governance can generate important multidisciplinary insights into divergent topics, including the role, identity, and conflicts among individual actors, divergent accounting and accountability systems, as well as approaches to value creation (Vakkuri et al., 2021). The good news here, however, is that compared to the conventional literature on boards and board chairs (Filatotchev & Wright, 2017; Krause et al., 2014), studies on governance in hybrid organizations are usually characterized by exploratory studies investigating “inside hybrid organizations” stories (Battilana & Dorado, 2010; Ferry & Slack, 2021; Laguecir et al., 2020; Mair et al., 2015; Pache et al., 2023; Pache & Santos, 2013; Smith &
Navigating Divergent Institutional Logics

Navigating complex institutional settings requires a strong board governance system that can ensure organizational survival by balancing divergent institutional logics while protecting and fostering external and internal legitimacy in the long run. Research across different fields of study has investigated these particular challenges.

For instance, in state-owned enterprises, a key challenge for the boards is securing a workable balance between the financial logic of creating revenue and the state logic of offering services to citizens. Here, the political agenda of the government plays an important role in designing board composition, dynamics, and accountability practices. For instance, Grossi and Thomasson’s (2015) case study on the Copenhagen-Malmö Port revealed two different board appointment practices: When the Danish part of the company appointed both political and nonpolitical individuals as board members, the Swedish counterpart, Malmö City, appointed only political representatives on the board to protect political interests and hold the company accountable to public scrutiny. Indeed, multiple studies on state-owned enterprises recognized that the extent of state control is often portrayed by the appointment of politically connected board members and top management teams (Bruton et al., 2015; Shi, Markóczy, & Stan, 2014). Such state influences can be consequential for board governance; however, that is contingent on different features of the respective organizations. For instance, Alexius et al. (2019) showed how board appointments in state-owned enterprises went through negotiations between political and commercial logics; Giosi and Caiffa (2021) reported how the political connections of board members influenced stock market reactions; Swiatczak, Morner, and Finkbeiner (2015) discussed how goal clarity facilitated by political transparency promoted effective governance; and Argento et al. (2019) showed how sustainability disclosures were influenced by the extent of state ownership, size, and the presence of state representatives on the board. Further, we also see traces of proactive engagement of boards in state-owned enterprises in navigating different governance challenges. For instance, Alexius and Cisneros Örnberg (2015) reported how Swedish state-owned enterprises adopted different neutralizing “meta values” such as transparency and efficiency to reduce the number of nonfinancial values and their potential value conflicts, and Cheung, Aalto, and Nevalainen (2020) showed how a state-owned enterprise in Finland pressured the state to implement corporate governance reforms to allow for independent decision-making capacities regarding its internationalization process.

Similar challenges can be found for social enterprises as well. For instance, Ebrahim et al. (2014) argued that boards in social enterprises usually struggle a lot to comprehend for what and to whom they are accountable. Dividing social enterprises into two categories, the authors illustrated different sets of challenges faced by the boards in differentiated (where the social mission is separated from the customers) and integrated (where beneficiaries are integrated as customers) hybrids. Specifically, they showed that when the boards in the former were tasked to monitor whether the
managers were investing additional revenues in scaling the social mission projects, boards in the latter were more concerned about ensuring that the activities led by the organization were creating social benefits. Mair et al. (2015) also divided social enterprises into two categories based on whether they selectively prioritized either financial or social welfare logics (conforming hybrids) or resisted such strong identification with a single institutional logic (dissenting hybrids). The study revealed contrasting board governance practices between these two categories. For instance, while boards in conforming hybrids that prioritized financial targets replicated corporate governance models from for-profit corporations, boards in dissenting hybrids saw the presence of these dual logics as an opportunity and proactively combined both logics through different innovative mechanisms. Prioritizing between divergent logics is not uncommon for social enterprises; however, the challenge for the board is to ensure that the organization is not drifting away too much into either of the two logics and risking their legitimacy among divergent stakeholders (Cornforth, 2014; Grimes et al., 2019). In such instances, as Smith and Besharov (2019) demonstrated, boards with diverse expertise can serve as “guardrails,” set boundaries for “how far meaning and practices shift” (p. 28), and challenge the organizations when there seems to be negligence towards either of the two logics. Adding to this, Pache et al.’s (2023) comparative case study showed how boards in two social hybrids maintained their attentional engagement with dual logics while boards in three others went through different rounds of attentional lapses, emotional conflicts, and distraction from their dual financial-social mission goals.

**Aligning Individual Interests and Identities on the Board**

Since boards in hybrid organizations remain exposed to divergent logics, they need to assume an active role in overseeing the achievement of financial sustainability and social value creation whilst meeting the accountability demands of a wide variety of stakeholders (Battilana & Lee, 2014; Pache et al., 2023; Wilson & Post, 2013). This requires the board and the top management team to be composed of individuals who understand that internal and external logics are not always dispensable and that a strong association with either of the logic should be cautioned (Lepori & Montauti, 2020). As important organizational actors, board members’ actions and behavior define and give meaning to the accounting system installed in the organization (Chenhall et al., 2013; Christiansen & Skærbæk, 1997). Another important task for boards that seems to have emerged in recent years concerns the measurement and reporting of social impacts created by the organization (Costa & Andreaus, 2021; Costa & Pesci, 2016; Grossi et al., 2021; Vakkuri et al., 2021). As it is responsible for both resource allocation and performance measurement, the board is instrumental in deciding how and when social impact should be measured. Boards take stock of exogenous influences, interpret those in light of organizational assumptions, use their diplomatic skills to address multiple logics, and reproduce multiple cognitive and normative routines (Amans, Mazars-Chapelon, & Villesèque-Dubus, 2015; Burns & Scapens, 2000; Johansson & Siverbo, 2009). So, it is not only the external institutional logics that matter, but also how organizations respond to divergent logics depends on their board members to a large extent. Indeed, Grossi et al. (2017) concluded that “organizations are, in the end, represented by individuals who
interpret the often conflicting logics found in hybrid organizations” (p. 383). This means there must be a desire from the board and other organizational actors, such as the top managers, to achieve an optimal balance between multiple logics (Hyvönen, Järvinen, Pellinen, & Rahko, 2009; Sundin, Granlund, & Brown, 2010).

However, finding the right board members seems to be a daunting task for hybrid organizations. Board members in hybrids are often found to hold expertise in either financial or social welfare logic, thus compromising the board monitoring capacities for the achievement of dual mission targets (Ebrahim et al., 2014; Mair et al., 2015). At the same time, individuals’ behavior can also be guided by their embeddedness in the field (Löhlein & Müßig, 2020). This means that board members who are strongly committed to either of the logics might show a passive response or resistance to other important ones, thereby increasing the risk of organizational mission drift. For instance, in state-owned enterprises, board members with strong political identities were found contributing to skewed board judgments (Thompson & Alleyne, 2023), whereas in social enterprises, board members were found forming subgroups within their boards based on their identification with particular logics, which negatively affected their board’s engagement in its service role (Crucke & Knockaert, 2016) and led to a crisis of governance and emotional conflicts on the board (Pache et al., 2023).

Promoting board socialization could be a way to tackle these misalignment challenges. In hybrid organizations, not all board members and senior managers share a similar level of intrinsic motivation. Some individuals might be interested in scaling the social mission work whereas others might be more concerned about issues related to their financial sustainability (Mair et al., 2020; Pache & Santos, 2013). And yet, intrinsic motivations might also fade away after a while, for instance when individuals start comparing their remuneration packages against the service provided and return on education (McGinnis, 2011; Walk, Handy, & Schinnenburg, 2013). In such instances, socialization processes can help secure a shared understanding in the board and enable the board members to revisit different dimensions of hybridity in their organizations. Previous studies have highlighted the importance of socialization for boards and top managers. For instance, Battilana and Dorado (2010) showed how Los Andes, a microfinance institution in Bolivia, circumvented identity conflicts by hiring inexperienced employees and socializing them to cope with banking and development logics instead of recruiting experienced bankers and seasoned social workers. In a similar vein, Battilana et al. (2015) showed how offering “spaces of negotiations” facilitated interactions among organizational members with divergent identities and interests to discuss the trade-offs and tensions that they experienced. In so echoing, Pache and Santos (2021) suggested why it is more important than ever before that hybrid leaders, i.e., boards and top managers, “understand the process by which they can socialize their multiple constituencies, either into a new hybrid logic stemming from compromise, or into diverse logics in instances of manipulation” (p. 654). In fact, in their recent study, Pache et al. (2023) showed how boards with diverse members sustained hybridity in the long run by complementing protective board structures with specific board socialization and bridging processes. The authors argued that board socialization would not only enable hybrid organizations to generate a full picture for their board governance systems but would also eliminate cognitive and emotional gaps and facilitate improved communication between the
board and the top managers, thus ensuring a successful pursuit of navigating divergent institutional logics.

2.4. Board Chairs in Social Hybrid Organizations

Bringing together the theoretical perspectives discussed above, in this section, I attempt to sketch why it is important to generate a theoretical understanding of the role of the board chair in social hybrid organizations and how these two streams of literature on boards and board chairs and literature on hybrid organizations can complement this research journey. By social hybrids, I refer to social-mission-driven organizations such as social enterprises, charities, and cultural organizations that draw on resources, governance structures, and logics from different sectors and envision solving societal challenges in financially sustainable ways (Battilana & Lee, 2014; Grossi et al., 2021; Mair et al., 2015; Pache et al., 2023).

The first impetus behind my dissertation is informed by the recent developments happening all around the world. As highlighted earlier, the conventional definitions and boundaries of for-profit corporations are changing. More than ever before, these organizations are expected to embrace and act upon different social values beyond their traditional shareholder value maximization goals (Aguilera et al., 2023; Amis et al., 2020; Battilana et al., 2022; Krause & Miller, 2020). At the same time, nonprofit and social-mission-driven organizations seem to also be experiencing changes in the way they have been organized and operated (see the review article, Maier et al., 2016). Besides facing extreme fundraising challenges, these organizations are now increasingly expected by their stakeholders to measure and report on the actual social impact created by them (Bacq, Janssen, & Kickul, 2011; Costa & Andreaus, 2021; Ebrahim & Rangan, 2014; Grieco et al., 2014). In both cases, the developments are consequential for the board of directors, particularly for the board chairs since they are the ones who can steer the board and the top managers to acknowledge, interpret, design, and deploy strategic initiatives to address these recent developments and changing expectations on the boards (Bruneel et al., 2020; Krause et al., 2016; Pache et al., 2023; Withers & Fitzca, 2017). However, as highlighted earlier, academic knowledge about the actual work of the board chair has been very limited and mostly tied to profit maximization discussions. In light of the recent developments around embracing societal issues in board discussions, I argue that a cross-fertilization between these two streams of research can add important insights into our understanding of the role of the board chair in navigating financial and social mission discussions. Interactions between these two streams are not uncommon but have appeared increasingly often in recent years (Grossi et al., 2015; Mair et al., 2015; Pache et al., 2023). With my dissertation, I extend this research practice by deepening our knowledge of the role of the board chair.

Second, in contrast to conventional for-profit organizations, boards in social hybrids are usually characterized by a strong norm of volunteerism that sets boundaries for board composition, compensation, and socialization processes. Although Billis (2010) viewed volunteers as distinctive human resources for third-sector organizations, Rochester, Paine, and Hill (2020) showed that volunteers can also be found in public and private sector organizations as long as these organizations...
draw on third-sector principles. The presence of volunteers on the board and top management team often contributes to extended complexities in social hybrids. For instance, unlike salaried employees and paid board members, volunteers can withdraw their commitment from the organization at any time if they experience a deviation or misalignment of interests between them and the organization (Royce, 2007). Also, not all volunteers share the same level of altruistic motivation for the social mission of organizations. Some volunteers might join social hybrid boards to push specific agendas of particular stakeholders, whereas some others might interpret board membership in social hybrids as a way to enhance self-worth, social recognition, or professional networking (see Inglis & Cleave, 2006; Miller-Stevens & Ward, 2019; Yoon, 2021). These motivations might change over the course of board members’ involvement in the organizations (Miller-Stevens & Ward, 2019). Board socialization can be a good tool for facilitating such changes toward securing a shared understanding and social-mission-driven board governance practices (Battilana & Dorado, 2010; Pache et al., 2023; Pache & Santos, 2021). However, social hybrids often struggle to allocate adequate resources for such board socialization processes due to resource constraints and institutional expectations that suggest that boards and top management should spend less on salaries and wages and invest more in the social mission of the organization (Cornforth, 2004; Cornforth & Spear, 2010; Hwang & Powell, 2009). These situations push social hybrid boards to act on multiple trade-offs – investing in the right human resources vs. investing in social missions, balancing the high turnover of volunteers, and tackling the reduced incentives to join social hybrids (Doherty et al., 2014). This becomes more complex when organizations undergo financial constraints. In such instances, boards need to decide whether to adopt a reactive, conservative approach, e.g., reducing the number of activities and laying off employees to secure organizations’ survival, or to proactively scale fundraising through approaching new sets of donors, thus embracing additional logics and identities. However, in both cases, it is very likely that “coexisting logics may prescribe different solutions” (Kaufman & Covaleski, 2019, p. 55). On the one hand, following any of the suggested tracks would require the board to invest a lot of additional time that volunteer board members might not be able to commit to alongside their regular full-time jobs (Dempsey & Sanders, 2010; Kearns, 1995; Yanay & Yanay, 2008). On the other hand, Battilana et al. (2022) argued that not offering adequate incentives to board members might also backfire and increase the financial and social mission trade-offs. This is particularly important when it comes to measuring and reporting social impact (Costa & Andreaus, 2021; Costa & Pesci, 2016; Grossi et al., 2021; Vakkuri et al., 2021). Since social impact takes a long time to be seen, a lack of board commitment can jeopardize boards’ engagement in long-term issues and divert the organization to comply with short-term interests shared by the key stakeholders, e.g., donors and funding bodies. Essentially, these arguments suggest that to secure long-term survival, it is of the utmost importance that boards in social hybrids have a genuinely interested, competent board chair who can interpret and orchestrate these complex challenges.

Third, previous studies also reported that there often exists a role ambiguity between the board chair and the CEO in social hybrid organizations (Cornforth & Macmillan, 2016; Iecovich & Bar-Mor, 2007; Otto, 2003). Here the literature on
board chairs can be useful because it has long recognized the importance of a functioning relationship between the board chair and the CEO and reported different roles that board chairs adopt, e.g., boss, advisor, or coach, in monitoring and guiding the CEO to navigate complex situations (Kakabadse et al., 2006; Koskinen & Anna-Maija, 2016; Krause et al., 2022; Morais et al., 2018; Veltrop et al., 2021). A strong relationship between these two key individuals can alleviate information asymmetry tensions, which might be even more true for social hybrids where volunteer board chairs might have very limited time and incentive to engage in frequent meetings with the CEOs. This becomes more complicated in social hybrid organizations when the boards are appointed for a fixed term. In such instances, the CEOs might end up dealing with multiple board chairs with different backgrounds and experiences and sharing different outlooks or commitments compared to their predecessors (McFarlan, 1999). The newly appointed board chair might challenge and even discard different proposals decided by the outgoing board, thus restraining the CEOs from engaging in long-term initiatives. However, the relationship between the board chair and CEO can be a very dynamic one beyond their formal job descriptions (Bernstein, Buse, & Bilimoria, 2016; Cornforth & Macmillan, 2016) and evolve in light of different situational and contextual changes and crises. In such situations, a lack of role clarity can negatively impact the overall board governance quality, increase board-CEO conflicts and emotional dissonance, and even put organizational legitimacy at risk.

Together, these three research problems show why it is important to study the role of the board chair, and specifically in the context of social hybrid organizations that rest at the crossroads of divergent institutional logics. As organizations across different sectors are increasingly found to embrace broader societal perspectives and draw on governance, resources, and principles from multiple sectors, it is timely to develop academic insights from a multidisciplinary perspective. Combining two streams of literature on boards and board chairs and literature on hybrid organizations, my dissertation joins such a journey and attempts to generate board governance insights, particularly on the role of the board chair, that will hopefully complement and extend our current academic knowledge and practice both for corporate and social hybrid boards. In the next chapter, I discuss the methodology of this dissertation, including my philosophical stance, research method, and ethical considerations in conducting academic research.
3. Methodology

This chapter presents the underlying research philosophy, research design, and methods used to approach and answer the research questions included in this dissertation. Also, I discuss how the data collection and analysis processes unfolded and the ethical considerations that I took into account in developing this thesis.

3.1. Philosophical Stance

In approaching a problem, researchers look through different lenses to make sense of the world and reality. In doing so, it is important, yet difficult, to address what reality means to the researcher (ontology) and how they understand reality (epistemology), given that the stance in these two central questions will guide the researcher throughout the research journey to explore or confront theoretical discussions and conceptual insights.

Over the years, we have seen multiple developments and debates that evolved around these two questions. The seminal work of Morgan and Smircich (1980) presents a continuum illustrating the evolvement of different assumptions and subsequent tensions concerning those assumptions. At one extreme of this continuum, we notice the objectivist view that sees reality as a concrete structure that we should study in a positivist way, while at the other extreme, we find the subjectivist lens that views reality as a “projection of human imagination” that should be understood from the interaction of human beings (p. 494).

Positivist scholars believe that the social world is a concrete real thing independent of human consciousness and experience; data exist “out there” and it is the responsibility of the researchers to gather and systematize them (Alvesson & Sköldberg, 2017; Broido & Manning, 2002; Morgan & Smircich, 1980). Since these scholars consider relationships to be concrete phenomena, they engage with deductive methodologies, develop hypotheses in light of existing theory, and gather data to test those hypotheses to generate specific knowledge on a given subject. However, challenging this line of reasoning, some scholars argue that if there remain such concrete relationships and hidden patterns within data, it would, perhaps, be more fruitful to engage in intensive studies with a small number of cases and to retrieve those patterns by thorough analysis (Alvesson & Sköldberg, 2017). Even though the positivist stance can be a good fit with natural science, not all natural scientists necessarily start from hypotheses, but rather, investigations often kick off as researchers notice something interesting in practice that cannot be explained with existing theories (Hanson, 1965). In contrast, scholars in social science often question whether reality can be studied from a purely objective standpoint as our societies are built upon divergent ideas, practices, and underlying dynamics shared by individuals coming from different walks of life. Further, given the widespread uncertainty and ever-evolving nature of social science, one could argue that to understand society and
to argue about what is real, we need to go beyond the nomothetic epistemological stance of positivism (Easton, 2010; Thomas, 2010).

In contrast to positivism, another school rooted in phenomenology started a philosophical movement where they argue that reality is not something that is naturally given but rather is socially constructed (Alvesson & Sköldberg, 2017; Berger & Luckmann, 1967). This ontological belief suggests that social reality is created by the subjects through their interactions, experiences, and relationships (Denzin & Lincoln, 2017), and the “reality exists in the process through which it is created” (Morgan & Smircich, 1980, p. 497). Language plays a very important role in this journey, and scholars from this school assume an interpretive stance to derive understanding based on social interactions and inductively design their methodology to develop theories based on the data collected (Alvesson & Sköldberg, 2017). The development of this philosophical stance challenged the earlier dominance of positivism, yet it could not refrain from multiple criticisms that largely surrounded the term “construction” and its interpretative nature. Scholars argue that “construction” is difficult to apply empirically since it is unclear on what grounds to judge one interpretation as being better than another (Alvesson & Sköldberg, 2017; Easton, 2010).

Leaving these debates aside, an alternative school, critical realism, founded with the seminal works of Roy Bhaskar in the 1970s, has received a lot of academic attention. Shifting focus from epistemology to ontology, Bhaskar argued that through social interactions we can see only a glimpse of observable experiences that are shaped and influenced by reality at a much deeper level irrespective of the researcher (Bhaskar, 1975; Fletcher, 2017; Vincent & O'Mahoney, 2018). Proponents of this perspective see the world as theory laden but not determined by theory, and they argue that something should be considered real if it has a causal effect on behavior and makes a difference. To them, causality can exist on different levels and relationships are rather complex, which means it would not be wise to attempt to understand causality in terms of predictable, universal patterns (the typical positivist style) but rather more as a contextual and emergent one (Alvesson & Sköldberg, 2017). So, instead of seeking a simple X-Y relationship, critical realists delve deeply into understanding why some things happen and what makes them happen (Easton, 2010; Vincent & O'Mahoney, 2018). They also argue that mechanisms cannot be isolated from their context, which means there is no simple or easy answer to the social world but rather we should understand it as a complex system evolving around contextual mechanisms. I consider myself more aligned with this view than a positivist or constructionist outlook.

Specifically, I argue that if the role of the board chair could be precisely written down in a few black-and-white sentences (objective view), my dissertation would be unnecessary and redundant as organizations would already be following some industry-wide templates that would be convenient to implement and follow up through different theory testing methods. Indeed, recent studies suggest that board chairs assume different roles, from controlling and monitoring the CEO to collaborating and deploying directive leadership styles depending on the type of problems and temporal contexts to which boards become exposed (Krause, 2017; Krause et al., 2022; Morais et al., 2020). This becomes even more complicated when
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we consider the emerging demands for transparency and engagement with societal issues that require the board to look beyond shareholder value maximization and rather adopt a “hybrid” outlook that seeks to strike a balance between financial and social mission goals (Aguilera, 2023; Battilana et al., 2022). In light of these developments, conceptualizing the role of boards and their chairs into a universal, predictable set of patterns might not be a good way to develop an in-depth understanding since doing so would fall short of capturing the influence of different contextual and emerging societal issues. However, I also caution against adopting a constructionist view of reality in understanding the role of the board chair. Critical realists argue that reality exists independently of how we observe and describe it, but rather different underlying social structures and mechanisms generate and explain the events that we observe at the empirical level (Alvesson & Sköldberg, 2017; Vincent & O'Mahoney, 2018). This is particularly important when we discuss the adoption of a hybrid board governance outlook to balance financial and social mission goals. Individuals coming from different backgrounds might have different outlooks and influences on how the role of the boards and their chairs should look in navigating divergent financial and social mission goals. In such instances, an exclusive focus on the social constructions of these individuals might be insufficient and make boards open to misinterpretations and disconnected from the underlying structures and contexts that trigger different empirical events.

3.2. Research Approach

Looking back at how this dissertation has unfolded, I did not enter the field with any particular theory in mind but rather was driven by a curiosity observed in the phenomenon: the increased importance of the role of the board chair, which had long been shadowed by CEO duality discussions. At that point, a growing number of studies seemed to suggest that board chairs matter in organizations since they bring important resources and networks and establish better monitoring and control systems for the CEOs (Krause, 2017; Krause et al., 2016; Withers & Fitza, 2017). However, these findings were often inconclusive, since they largely attempted to “test” and “confirm” the contribution of the board chair using a predefined set of variables (Gove et al., 2017), whereas some studies clearly showed that not all role separations are the same (Krause & Semadeni, 2013) and that board chair effects can vary in different geographic (Krause, Li, Ma, & Bruton, 2019) and temporal contexts (Morais et al., 2018; Schmitt et al., 2020). Yet, we noticed institutional developments of “one-size-fits-all” corporate governance codes that attempted to promote improved transparency grounded in the shareholder value perspective (Aguilera & Cuervo-Cazurra, 2009), which many governance scholars argued was the wrong way to conceptualize board governance in organizations (Amis et al., 2020; Barney, 2018), especially in recent years when boards have been increasingly expected to incorporate societal goals in profit maximization discussions (Aguilera, 2023; Aguilera et al., 2023; Battilana et al., 2022).

So, how can we explain these inconsistencies and interesting developments observed both in practice and scholarly discussions? Abduction offers a way to navigate these challenges. Abduction usually begins when existing models or theories
cannot explain observed empirical experiences (Sætre & Van de Ven, 2021). Originally proposed by Charles Sanders Peirce, abduction takes a different route than both inductive and deductive approaches. Specifically, while induction presents empirical evidence to generate generalizations from specific instances and deduction attempts to infer the logical validity of specific instances from general principles, abduction “involves combining observations, often in tandem with theory identified in the literature review, to produce the most plausible explanation of the mechanisms that caused the events” (Vincent & O'Mahoney, 2018, p. 208). Sætre and Van de Ven (2021) suggest that abduction unfolds as a sensemaking process (Weick, 1995) starting with an observation made by the researcher/s that cannot be explained by existing theory, followed by confirming the anomaly, generating plausible explanations and deciding on the most plausible ones. In doing so, the researcher/s need(s) to gather information from various sources – from the literature to “determine the scope, prevalence and context” as well as from their “personal experiences and observations” along with in-depth conversations with the practitioners who experience such anomalies (p. 2021). Indeed, recently, Alvesson and Sandberg (2023) argued that a research phenomenon, i.e., “what is being studied,” cannot be adequately constructed without considering the “dynamic, interactional and dialectical” relationships between theory and empirics and the researcher/s’ pre-understanding of themselves and their societies (p. 12).

In line with these guidelines, my dissertation also started with a review of extant literature (Paper 1) to synthesize academic knowledge on the role of the board chair under one framework. The findings showed that board chairs were mostly studied from shareholder value-driven discussions whereas societal issues often emerged as peripheral discussions, which was surprising, considering the recent academic and societal calls for adopting a combined approach to address social mission and financial mission goals (Batilana et al., 2022; Business Roundtable., n.d.). In establishing these anomalies, we reflected that a logical next step would be to learn from those boards where the success of the board depends on securing and maintaining a balance between divergent institutional logics, e.g., financial and social welfare logics, that do not seemingly go together (Thornton et al., 2012). As a result, we decided to adopt an “engaged scholarship” perspective (Van de Ven, 2007) and investigated the board chairs and top managers of several hybrid organizations (Paper 2) that draw on principles and practices from different sectors, thus providing a suitable context to understand the challenges related to striking a balance between divergent institutional logics. The abduction process continued and unfolded in tandem with multiple rounds of empirical investigations and cross-fertilization between two separate streams of research, i.e., literature on boards and board chairs and literature on hybrid organizations. Iterating back and forth between empirics and theory enabled us to discover multiple instances and generate plausible explanations on how divergent expectations on the board impact the role of the board chairs and top managers. At the same time, it also allowed for generating methodological reflections (Paper 3) on how to access and develop empirical studies together with practitioners rather than studying their actions from a distance.

Table 1 presents a brief overview of the individual papers included in this dissertation. Both Papers 1 and 2 are coauthored, with me as the lead author. Paper 3
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is a single-authored methodological reflection based on the research experience of conducting the empirical study in Paper 2. In the sections below, I discuss in more detail the approaches related to Papers 1 and 2.

Table 1 An Overview of the Data Collection

<table>
<thead>
<tr>
<th>Title</th>
<th>Paper 1: The role of the board chair—A literature review and suggestions for future research</th>
<th>Paper 2: Hybrid board governance: Exploring challenges in implementing social impact measurements</th>
<th>Paper 3: In search of relevance: Exploring board work in hybrid organizations through an engaged scholarship approach</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guiding Theory</td>
<td>N/A</td>
<td>Hybrid organization, institutional logics</td>
<td>Hybrid organization, institutional logics</td>
</tr>
<tr>
<td>Research Technique</td>
<td>Systematic literature review</td>
<td>Interview study</td>
<td>Methodological reflection</td>
</tr>
<tr>
<td>Primary Data</td>
<td>234 academic articles published in 66 academic journals</td>
<td>36 semi-structured interviews conducted with the board chairs and general secretaries(^2) in 13 hybrid organizations</td>
<td>N/A</td>
</tr>
<tr>
<td>Complementary Data</td>
<td>N/A</td>
<td>1 discussion forum and multiple informal discussions with industry experts</td>
<td>N/A</td>
</tr>
</tbody>
</table>

3.2.1. On Conducting a Literature Review

Literature reviews present an opportunity to collect and synthesize a particular body of studies (Snyder, 2019; Tranfield et al., 2003). Well-conducted reviews “provide an organization for the existing literature, explain key findings, identify gaps in our knowledge” (Cropanzano, 2009, p. 1307). This is particularly important when the field of study seems to grow at a fast pace, but in a scattered way, as could be seen in the case of studies on the role of the board chair. In such instances, literature reviews are appreciated as a timely initiative to reflect on where the current state of knowledge is, how different theories are used to generate this knowledge, and how to problematize the existing theoretical bases to sketch the foundation for advancing knowledge in the particular field (Parmigiani & King, 2019; Stathopoulos & Talaulicar, 2020). This was also an important consideration for our literature review since until that point the field of literature on boards and board chairs had lacked a thorough review of the role of board chairs who are not also the CEOs of their organizations (cf., Krause et al., 2014).

As part of a new research project, I joined two colleagues and conducted a systematic literature review on the role of the board chair (Tranfield et al., 2003).

\(^2\) In social hybrid organizations, the position of the CEO is often referred to as General Secretary or Secretary General.
Systematic reviews are appreciated for following strict research methods, from selecting and revising the inclusion criteria based on a specific research question/s, thus minimizing bias, to critically appreciating the current body of knowledge across the studies within a particular field (Moher et al., 2009; Snyder, 2019). Since these reviews draw on all available evidence, they offer a good opportunity to challenge and push the field forward. Systematic reviews are common across different fields of study. In literature on boards and board chairs in particular, we see several important works discussing topics such as the involvement of women on boards (Kirsch, 2018), board-strategy relationships (Bezemer et al., 2023), the impact of different ownership types on board governance (Federo et al., 2020), and cultural diversity in top management teams (Ponomareva, Uman, Bodolica, & Wennberg, 2022), to name but a few. Along this line of developments, in our review, we attempted to systematically map, compare, evaluate, and critically assess four decades of academic discussions, dominant theoretical perspectives, and missing links concerning the role of board chairs. While doing so was extremely important for my dissertation, since it made me aware of the current state of the academic understanding and enabled me to better problematize the empirical study of Paper 2, it also seems to have facilitated an increasing number of subsequent studies that used our review either as a starting point for empirical investigations (Krause et al., 2022; Pan, Liao, Yao, & Zhang, 2023) or as an exemplary study for conducting a systematic literature review (Bezemer et al., 2023; Hashim, 2023).

3.2.2. On Conducting a Qualitative Study

We deployed a qualitative interview study in Paper 2. Qualitative studies are important for recognizing and unfolding important insights into unexplored or underexplored topics (Corbin & Strauss, 2015; Denzin & Lincoln, 2017). Further, since qualitative data are collected over time and are based on human interactions, research based on qualitative methods generates a rich understanding of a phenomenon and makes it possible to go beyond the surface level to explore why and how things happen (Bansal & Corley, 2011, 2012; Denzin & Lincoln, 2017). Understanding why and how is important, especially when I consider my philosophical alignment with critical realism (Bhaskar, 1975) and the overarching abductive process (Sætre & Van de Ven, 2021) of how this dissertation has unfolded.

However, in conducting the empirical study of Paper 2, we found ourselves in an unusual situation since we drew on two different bodies of literature with different traditions: literature on boards and board chairs and hybrid organizations. In the former, studies on the role of the board, particularly the role of the board chair, seemed to lean more toward variance-based, strict quantitative methods (Filatotchev & Wright, 2017; Gove et al., 2017; Krause et al., 2014), whereas in the latter, studies seemed to prefer different qualitative methods (Battilana et al., 2017), mostly single- or multiple-case studies (see, for instance, Battilana & Dorado, 2010; Besharov & Smith, 2019; Pache et al., 2023). The difference in traditions was made evident to me when attending the 2019 Academy of Management conference where skepticism towards qualitative studies was expressed in the corporate governance group. Qualitative studies have also been viewed as comparatively more difficult to assess for misconduct (see, for instance, Tourish & Craig, 2020). However, there is a hint
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of a shift as recent calls have been made in support of more qualitative studies, particularly when it comes to studying the role of boards and their chairs (Bezemer et al., 2023; Krause et al., 2014; Pugliese et al., 2009). This dissertation aims to contribute along those lines.

To investigate our research question, we adopted a qualitative interview study outline (Brinkmann, 2013). Here, one could question whether considering a case study method would not be more appropriate. Single-case studies are widely seen in the academic field of hybrid organizations. For instance, Carlsson-Wall et al. (2016) discussed the performance measurement challenges of a football club; Ferry, Węgorowski, and Andrews (2023) investigated the corporatization of a social care organization; Grossi and Thomasson (2015) discussed accountability gaps in a state-owned enterprise; and Maine et al. (2023) discussed the accountability tensions of a municipal-owned corporation, to name just a few. While these studies generated important insights into different dimensions and challenges related to hybridity and hybrid organizations, our focus was rather to unfold plausible explanations for events that happen in a broader context than exploring rare and revelatory single cases (Langley & Abdallah, 2011; Yin, 2014). Once we had secured a collaboration with a membership network of social hybrid organizations in Sweden, we wanted access to as many participants as possible across different hybrid organizations included in that network. Similar types of collaborations can be noticed in prior studies of hybrid organizations (see, for instance, Mair et al., 2015). For us, this was a crucial collaboration since it allowed us to access and engage with board chairs and general secretaries from many organizations, which was a fantastic opportunity considering the challenge of accessing corporate elites (Ma et al., 2021; Pettigrew, 1992). This was also partly the reason why we decided not to conduct a multiple-case study. The usual practice of a multiple-case study involves conducting theoretical sampling and restricting the sample size to a limited number of organizations (Eisenhardt, 1989b; Eisenhardt & Graebner, 2007), which we found to be contrary to our intention to access a large number of participants as well as challenging in attempting to continue our collaboration with the membership network.

3.2.3. The Research Context and Sample

According to my critical realist stance, we cannot understand a social problem without recognizing the contexts in which it occurs. The importance of considering contexts is highlighted in different areas of social science, including the literature on both the role of board chairs (Banerjee et al., 2020; Boyd, 1995; Krause et al., 2014) and hybrid organizations (Grossi et al., 2017; Wiepking et al., 2021). Studying organizational issues calls for clarifying contextual influences or boundaries to fully appreciate the insights. A mere engagement with individuals who experience certain events or anomalies might lead to poor results as long as the researcher/s overlook(s) the surrounding contexts that influence the experiences and shape the responses shared by those research participants (Sætre & Van de Ven, 2021; Van de Ven, 2007). At the same time, the researcher/s’ pre-understanding of the context of a phenomenon being studied is also important to broaden the reflection on data collection procedures and analysis of the collected empirical materials (Alvesson & Sandberg, 2023; O’Mahony & Cohen, 2022). This means that understanding contexts can contribute
a piece to the theoretical puzzle of seemingly complex phenomena, for instance in investigating the role of the board chair beyond profit maximization tasks to embracing different societal demands and adopting hybrid board governance practices (Battilana et al., 2022; Pache et al., 2023). Prior research on the role of the board chair seems to have disregarded context and mostly tested the effects of different board chair configurations on firms’ financial performance (Gove et al., 2017).

In my dissertation, the empirical materials were collected from the board chairs and general secretaries serving multiple social hybrid organizations in Sweden. By social hybrid, we refer to the organizations that envision solving different societal challenges in financially sustainable ways by drawing on resources, governance structures, and logics from different sectors (Battilana & Lee, 2014; Grossi et al., 2021; Mair et al., 2015; Pache et al., 2023). These organizations work on different topics ranging from youth development to battling global diseases and providing humanitarian aid. Over the last century, social hybrids in Sweden have gone through major transformations, including working as complementary bodies to the state moving to membership organizations, and gradually emerging as providers of different services, e.g., youth training (Lundström, 1996; Lundström & Svedberg, 2003; Wijkström, 2000). Today, these organizations are organized under two membership networks, namely Svensk Insamlingskontroll (Swedish Fundraising Control) and GIVA Sverige (the Swedish Fundraising Association), which provide important performance measurement and operational guidelines at the field level. The empirical study, Paper 2, builds on direct collaboration with the latter.3

In the spirit of the engaged scholarship approach (Van de Ven, 2007) as outlined in paper 3, we decided to collect data from a sample designed together with the practitioners in the field and informed by theoretical insights. Engaged scholarship argues that the research process hardly unfolds in a linear, prestructured way; therefore, instead of pursuing a predetermined research question, a collaboration and joint reflection with the practitioners on the underlying problems can lead to more relevant and important research. Our objective was to unfold and understand a problem in the field through engaging and learning together with the practitioners instead of going to the field with a ready-made template in mind. Accordingly, one of my coauthors reached out to GIVA Sverige, which, followed by a few back-and-forth communications, resulted in a list of potential organizations to be considered for our study. In deciding the final list of organizations, we looked at whether these organizations to be studied were big enough in size and scope of operation since the practitioners suggested that smaller organizations might not have a functioning board set up clearly delineating the role of the board chair. At the same time, we were also informed by the officials in GIVA Sverige about the recent installation of the Quality Code, a regulatory guideline that envisions changing fundraising discussions from maintaining cost-efficiency to securing long-term social impacts (GIVA Sverige, n.d.). We decided to further restrict the sample size within organizations that were to some extent more on the advanced level of integrating this Quality Code, thereby enabling us to generate in-depth insights around challenges faced by the boards in approaching contrasting institutional logics, i.e., through purposive sampling (Guba,

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3 See the method section of paper 2 for a more detailed reflection about this.
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Further, in discussion with our interviewees and sector experts, we divided the organizations from where our interviewees came into two categories based on the closest stakeholder group that defined the core social mission of their organizations. We termed them “beneficiary-driven” social hybrids (where the social mission is defined by the end beneficiaries of different projects, such as battling global diseases or providing humanitarian aid) and “membership-driven” social hybrids (where the social mission is defined by the fee-paying volunteer members engaged with the movement).

3.2.4. Data Collection and Analysis

The primary source of data in this dissertation was semi-structured interviews conducted in multiple rounds for approximately two years. Interviewing as a research method is a well-proven approach (Brinkmann, 2017). Interviews are conversations that researchers join with their research participants; however, unlike everyday conversations, research interviews are usually focused on a particular topic and guided by some sort of framework, usually referred to as “interview guide,” aimed at unfolding a phenomenon experienced and shared by the research participants (Brinkmann & Kvale, 2015). In line with Van de Ven (2007), we did not start from a problem-solving orientation but rather decided to allow for adequate reflections from the research participants to ensure the formulated problem remained relevant to practice. Our interviews unfolded in four rounds, starting with a pilot study, followed by a group discussion to reflect on the initial results, and subsequently resulting in two more rounds of data collection. Conducting interviews in multiple rounds allowed us to gather valuable insights and iterate between theory and data as well as to engage with the interviewees to reflect on how their surrounding contexts shaped the responses shared in different interview rounds (Perera, 2019). However, due to the COVID-19 pandemic, only one interview could be organized in-person and the rest were conducted via different online video-calling software.

In terms of data analysis, I find Ann Langley’s comment inspiring: “Induction for me implies that you are generalizing from empirical observation and that there is not really any a priori theory there, which is illusory” (Gehman et al., 2018, p. 297). I concur that finding “something” exclusively emerging out of data is challenging since it is difficult to clearly illustrate that our prior theoretical understandings did not influence arriving at the emergent theoretical insights or themes, as strived for in purely inductive studies. Instead, I believe we start from some sort of observations that we constantly compare back and forth, and there remains a reality beyond these observations that triggers such events to be seen at the empirical level (Bhaskar, 1975; Vincent & O'Mahoney, 2018). Accordingly, we followed an abductive approach that does not start from a particular theory but rather begins with exploring the empirical findings and comparing them with prior theoretical insights to generate plausible explanations, thus contrasting with both hypothetico-deductive and inductive approaches (Alvesson & Sköldberg, 2017; Lukka & Modell, 2010; Sætre & Van de Ven, 2021). The data analysis process evolved in tandem with data collection processes. After each round of interviews, I, as the first author, coded the interviews using nVivo software and reflected on the findings together with notes taken during the interviews. These findings were then reflected, contrasted, and updated with
existing theoretical knowledge to ensure that we could generate some plausible explanations for anomalies, which we could then evaluate and further explore in a subsequent round of data collection. Doing these back-and-forth reflections not only helped in deepening our analysis process but it also enabled us to triangulate our findings to a much deeper level, recognizing the impact of different contexts and mechanisms beyond the observable empirical events (Bhaskar, 1975). Further, in the spirit of engaged scholarship (Van de Ven, 2007), we also validated and calibrated our emerging findings through multiple formal and informal follow-up meetings with the research participants, sector experts, and representatives of GIVA Sverige.

3.3. Quality and Ethical Considerations

What constitutes a “rigorous” qualitative study is a debated topic (Denzin & Lincoln, 2017). Whilst appreciating qualitative research for its potential to unearth surprising findings and generate new insights, many scholars share a worry that qualitative studies might not be free of the personal bias of the researcher. There is a risk that the researcher may unintentionally misinterpret or impose their personal opinions, which can seriously undermine the trustworthiness of the research. Also, results generated through qualitative studies are often tied to specific contexts, such as geographic location, industry type, areas of operation, etc., which, in turn, can limit the potential for generalization of the research findings compared to quantitative studies. In this section, I build on the four quality criteria (credibility, transferability, dependability, and confirmability) suggested by Guba (1981), and discuss how I attempted to minimize personal bias and achieve trustworthiness in my dissertation, particularly in relation to the empirical study of Paper 2.

**Credibility** concerns how truthful the empirical findings are, i.e., whether the empirical materials are free of the researcher’s bias. According to Guba (1981), to ensure credibility, a researcher should spend a prolonged time in the field, collect and triangulate data from various sources, and debrief his/her materials with other researchers in the research team. As the lead author of both Paper 1 and Paper 2, I spent a long time close to the subject matters being studied, from reviewing the articles to developing theoretical constructs to interviewing the participants in different rounds of data collection and generating plausible explanations. Apart from two interviews, I conducted all the interviews used in Paper 2 and subsequently coded and complemented the interview transcripts with notes and personal reflections made during the interviews. Following each interview, I updated and discussed with my coauthors the key insights, including both general and unique findings revealed in the interview. Further, since we closely followed an engaged scholarship approach (Van de Ven, 2007), the findings of Paper 2 did not emerge at the end of the project but rather evolved throughout the duration of the project and were challenged and informed by numerous discussions not only with the practitioners but also with colleagues and scholars at different workshops and research reflections.

**Transferability** concerns whether the findings of the study can be applicable beyond the respective field/s where the study was conducted. Achieving this is a challenging task, since “virtually all social/behavioral phenomena are context-bound” (Guba, 1981, p. 86). To overcome this, Guba (1981) suggested that a researcher
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should conduct purposive sampling and collect and present thick descriptions with regard to the sampling, data collection, and analysis process along with the particular context/s studied. I believe our sampling fulfills the criteria since it was discussed with the practitioners and informed by theoretical constructs. Also, we provide thick descriptions of how we arrived at the findings through different stages of the data collection and analysis process. Paper 2, in general, shows the challenges of adopting hybrid board governance that seeks to balance financial and social mission goals (Battilana et al., 2022; Pache et al., 2023). Even though we studied boards in social hybrid organizations, I believe the general findings, i.e., the challenges of securing a balance between divergent institutional logics, can be insightful for both other types of hybrids such as sports clubs, hospitals, and universities, where the presence of divergent logics makes the work of the board extremely challenging, and for pure for-profit organizations, where boards are now being increasingly expected to combine social mission goals with the conventional outlook of increasing profits. Further, Paper 3 took a deep dive in reflecting on the process, opportunities, and challenges of conducting empirical studies with board practitioners, which can be transferred to many other board topics. For instance, literature on boards and board chairs usually mentions the challenges of accessing board members and top managers (Ma et al., 2021; Pettigrew, 1992), I discuss how adhering to an engaged scholarship approach (Van de Ven, 2007) enables the development of a lasting relationship with the research participants that not only helps in securing access to rich insights but also makes it possible to cross-validate the data with practitioners, thus enhancing the rigor and relevance of the study.

Dependability concerns whether the findings are consistent enough to let other researchers follow the research process and potentially arrive at the same results. To conform with this criterion, we provided careful descriptions in the method sections of both the literature review in Paper 1 and the empirical study in Paper 2. We discussed in detail how the whole process unfolded from the preformulation of the research question to the writing of the manuscript. Further, Guba (1981) suggested that to improve dependability, the research team should allow “an external auditor to examine the processes whereby data were collected and analyzed, and interpretations were made” (p. 87). At the time of finalizing this dissertation, both Paper 1 and 3 have been published in reputed academic outlets, and the empirical study of Paper 2 has received a conditional acceptance in a leading academic journal. In all three cases, the reviewers played the role of competent “external auditors,” who challenged and guided us to further develop the overall structures and theoretical arguments presented in those individual papers. In addition, my manuscript as a whole was also evaluated by an external academic expert during the final seminar of my dissertation.

Finally, confirmability concerns whether the researcher is missing important alternative explanations or imposing too many personal assumptions. This criterion was helped by the “engaged scholarship” approach (Van de Ven, 2007) and multiple rounds of triangulations that we followed in developing the empirical study. Also, in line with Guba (1981), I attempted to practice reflexivity in developing the manuscripts. I kept a regular journal of notes based on different themes emerging in the data collection and analysis process, which I would often revisit to search for missing links or small details that might improve the quality of my plausible
inferences. At the same time, reflexivity was also secured through numerous discussions with my coauthors, supervisors, and other colleagues, who challenged my findings and pushed me to further develop the emerging theoretical insights.

Beyond these, I have been extremely careful with regard to adhering to the utmost ethical standards in conducting academic research. Before initiating the empirical data collection process, I developed a draft of informed consent for potential interviewees that was checked and approved by the data management officer at my university. This informed consent contained the purpose of the study, the expected roles of the research participants, and the potential risks that might follow from participating in the study. All participants were given this information before the interviews were conducted. Interviews were recorded upon permission being granted and transcribed clean verbatim via professional service providers that comply with the General Data Protection Regulation (GDPR) designed by the European Union. Also, during the interview, whenever I sensed the importance of asking a probing question that might possibly generate discomfort or lead to sensitive information being revealed, I always asked for permission and clarified to the interviewees in advance that they had the full right to not answer that question. To ensure data safety and anonymity, all interview data were anonymized and stored in the dedicated safe cloud system of the university.
4. Contributions, Limitations, and Future Research Agenda

Going beyond the contributions made by individual papers included in this dissertation, in the section below, I attempt to discuss how this dissertation as a whole contributes to extending our current and future theoretical knowledge and practical discussions regarding the role of the board chair.

4.1. Theoretical Contributions

My dissertation provides several contributions to the literature on boards and board chairs and hybrid organizations by extending the role of the board chair in facilitating hybrid board governance. The foundation of my dissertation lies in the curiosity of unfolding the changing role of the board chair. Due to the long dominance of CEO duality practices (Krause et al., 2014; M. Yu, 2023) and the difficulty in accessing corporate boards (Ma et al., 2021; Machold & Farquhar, 2013; Pettigrew, 1992), the role of the board chair remained underexplored in academic studies. However, in recent years, the practice seems to have increasingly drawn back from CEO duality discussions (Spencer Stuart, 2022), and in line with this, an emerging body of literature has also shed light on the role of the board chair in leading strategic discussions and driving organizations toward long-term survival and growth (Bezemer et al., 2018; Veltrop et al., 2021; Withers & Fitza, 2017). This development is important when we bear in mind the increased macroeconomic pressures to consider societal issues beyond increasing profit for the shareholders (Aguilera et al., 2023; Amis et al., 2020; Battilana et al., 2022). Building on these premises, in this dissertation I have attempted to explore what the role of the board chair entails and how we can better learn about this role from drawing on hybrid organizations and their board governance (Battilana & Lee, 2014; Mair et al., 2015; Pache et al., 2023).

First, as Paper 1 highlights, there is increasing academic interest in the role of the board chair. However, most of these studies are built on the assumption that appointing a separate board chair will improve firm performance by installing better monitoring of the CEO and reducing agency costs (Eisenhardt, 1989a; Fama & Jensen, 1983). In so echoing, regulatory authorities seem to also increasingly consider role separation as an integral element of good governance practices that should be implemented on boards across all organizations (Aguilera & Cuervo-Cazurra, 2009; Cuomo et al., 2016). Whilst these developments are noteworthy, they often overlook the complex terrain of mechanisms and contextual factors that influence how boards and their chairs act in different situations (Boyd, 1995; Dalton et al., 1998; Gove et al., 2017; Krause et al., 2014). The importance of improved board monitoring cannot be ignored; however, such “one-size-fits-all” suggestions, e.g., separating the role of the board chair and the CEO, without considering the surrounding contexts should also be cautioned against. Paper 1 explicitly discusses different contextual factors that can influence how board chairs integrate, act, and contribute to different
organizational outcomes. Relatedly, Paper 2 presents empirical accounts of how two high-level, institutional pressures, despite their aim of promoting superior governance practices, made it difficult for many board chairs and the general secretaries to design their strategy and executive tasks. Evidently, for some boards, these pressures appeared to be so demanding that they became stuck in a loop of short-term, compliance-seeking board governance systems rather than exploring boardroom innovation and discussing long-term development for the organization. Taken together, these findings support the scholarly discussions that highlight the importance of considering contextual heterogeneities in terms of how both organizations and their board governance systems are organized (Krause et al., 2019; Van Ees et al., 2009). Put simply, not all organizations are the same, so how their board chairs work should also differ; this dissertation takes steps to explain how. Relatedly, this dissertation also presents methodological reflections on new ways of understanding the changing role of boards and their chairs. In recent years, we have seen multiple studies that build on rich qualitative data collected from different sources, including semi-structured interviews, board meeting observations, both live (Tilbury & Sealy, 2023) and video recorded (Bezemer et al., 2018), longitudinal comparative cases (Hoppmann et al., 2019), and multi-year board meeting minutes (Bonini & Lagasio, 2022). Besides wholeheartedly supporting these developments, in Paper 3, I highlight how following an “engaged scholarship” approach (Van de Ven, 2007) can facilitate bringing researchers closer to the subject matter and enable them to go into greater depth to unpack the contextual richness and develop theoretically rigorous and practice-informed research. This is particularly important, especially when we consider the increased macroeconomic and societal demands on organizations and their boards to rethink their purpose and board governance systems (Aguilera, 2023; Battilana et al., 2022; Business Roundtable, 2019).

Second, this dissertation contributes to the emerging discussions on integrating societal issues into conventional boardroom discussions that have usually been focused on increasing financial returns for the shareholders (Aguilera et al., 2023; Birkinshaw, Foss, & Lindenberg, 2014; Mayer, 2021). Focusing on financial results such as return on investment is usually a straightforward path to follow, whereas understanding what performance entails for social issues and knowing how to capture them in a long-term perspective are extremely difficult and confusing endeavors (Costa & Andreaus, 2021; Costa & Pesci, 2016; Ebrahim & Rangan, 2014; Grossi et al., 2021). If it is so important to integrate social issues into board governance discussions, but they are difficult to define and measure, perhaps it makes sense to learn from organizations that are recognized for balancing financial and social mission goals. With this realization, and specifically highlighting the calls for embracing hybrid board governance (Battilana et al., 2022; Mair & Wolf, 2021; Pache et al., 2023), in this dissertation I studied the board chairs and general secretaries of several social hybrid organizations that diffuse sectoral principles and draw on a broad array of stakeholders (Battilana & Lee, 2014; Besharov & Smith, 2014; Billis, 2010; Skelcher & Smith, 2015). Since ensuring hybridity requires balancing between financial and social mission goals (Cornforth, 2014; Ebrahim et al., 2014; Grimes et al., 2019), one could argue that boards in hybrid organizations are perhaps better introduced to, and equipped with, tools and guidelines in
addressing divergent expectations than those in pure for-profit or pure nonprofit organizations. Indeed, previous studies highlighted that boards in hybrid organizations help to prioritize or innovatively combine divergent institutional logics (Mair et al., 2015), serve as a "guardrail" to protect organizations from mission drift (Smith & Besharov, 2019), and promote a shared understanding between the board members and the top managers (Pache et al., 2023). However, the empirical study of Paper 2 shows that this is not always the case, and that boards are often organized in such a way that they cannot comprehend or take necessary actions to address divergent institutional logics. Since social hybrids work with different societal challenges, one might expect board struggles to be more pronounced in addressing financial target discussions. However, contrary to our assumption, our study reveals that these boards actually struggled a lot to comprehend and implement social impact measurements, but less so with financial target discussions, since they were exposed to strict cost-efficiency guidelines. Also, more surprisingly, we noted that when organization scholars suggest adopting some sort of hybrid board governance system (Battilana et al., 2022; Mair & Wolf, 2021; Pache et al., 2023), social hybrid boards, in practice, leaned towards the principles and board governance practices from the for-profit corporate world (Bruneel et al., 2020; Maier et al., 2016). We reveal that one of the primary reasons behind such tendencies can be attributed to the ways boards were organized, which hardly allowed any innovative board discussions. Boards lacked the necessary tools to measure social impact (Costa & Andreaus, 2021; Costa & Pesci, 2016; Grossi et al., 2021), while pro bono board structures (Cornforth, 2004; Cornforth & Spear, 2010; Hwang & Powell, 2009) further disincentivized the recruitment and retention of competent board members. Overall, this dissertation takes a step forward in unfolding the complexities of adopting hybrid board governance. It demonstrates that boards are increasingly aware of, and interested in, rethinking performance measurements and in adopting hybrid board governance. But they lack clear guidance on what hybrid board governance should look like, what distinctive features, language, and vocabulary it should use compared to conventional board governance systems in the corporate world, and what measurement tools could be employed to evaluate and invest in enhancing board performance.

Third, this dissertation extends the discussion on investigating individual actors in hybrid board governance. Multiple recent studies and editorials on hybrid organizations have highlighted how the presence of different actors such as citizens, politicians, auditors, and business and project managers can bring in divergent values and contribute to both challenges and opportunities for an organization’s accounting and accountability systems (Grossi et al., 2021; Maine et al., 2023; Vakkuri et al., 2021). In addition to this, my dissertation further unpacks not only how actors from different groups run into friction, but also how actors within a specific group, in this instance the board members, might also end up in internal conflicts due to adherence to divergent outlooks, principles, and ways of making sense of their responsibilities. This is particularly important when we discuss the role of the board chair. The differences between the board chair and other board members, in terms of their educational backgrounds, age, social class, and job experiences, often remain trivial, since in most cases, as could also be seen in Paper 2, board chairs are often elected from among the board members. As a result, it is common to see effective board
chairs viewed as individuals who do not act as strong leaders but rather in most cases serve as “enabling equals” who listen to their colleagues, promote a participatory environment, and empower the board to take a decision together rather than being directed by the chair (Bezemer et al., 2018). Further, regardless of organization type, boards and their chairs, like any human being, are subject to bounded rationality (Van Ees et al., 2009), embeddedness in specific cultural norms (Krause et al., 2019), different passionate interests (Baxter et al., 2019), and specific ways of defining their individual purpose in working with an organization (Dempsey & Sanders, 2010). This means that bringing in external board members or board chairs might do very little to enable the board to take the next step from conventional board governance to hybrid board governance systems as long as organizations do not emphasize and invest in orchestrating the boardroom resources. Board chair scholars have highlighted the importance of recruiting board chairs with high human and social capital (Krause et al., 2016; Withers & Fitz, 2017), whereas hybrid governance scholars have emphasized the importance of board socialization (Battilana & Dorado, 2010; Pache et al., 2023; Pache & Santos, 2013). I believe the two tasks must go in tandem, especially since studies have shown that mere changes of different board configurations might not lead to enhanced performance but rather create instability and negatively impact boardroom dynamics (Krause & Semadeni, 2013; Van Ees et al., 2009). This insight is important when we consider the increased demands for integrating social purpose discussions into board governance systems. Several studies on hybrid organizations discussed how board members and top managers who were socialized in both financial and social welfare logics contributed to minimizing the trade-offs between financial and social welfare targets through improved filtering of divergent logics (see, for instance, Battilana & Dorado, 2010; Pache et al., 2023). With this dissertation, I believe the time is ripe to promote similar board socialization practices in the corporate world as well, especially among organizations that envision embracing a hybrid board governance that considers social issues alongside specific financial targets.

4.2. Practical Implications

What can practitioners, including board members and board chairs, learn from my dissertation? Adopting an “engaged scholarship” approach (Van de Ven, 2007), this dissertation is largely informed by practitioners. I see at least four key takeaways for practitioners from this work. First and foremost, the dissertation confirms and exhibits the changing role of the board chair: From conventional responsibilities of designing the board meeting agenda to assuming the front role in leading an organization’s strategic discussions and relating to diverse actors, board chairs play a central role in securing long-term survival and growth for their organizations. Yet, more often than not, we see a tendency, in both corporate entities and hybrid organizations, to recruit board members and chairs from within closed networks. While this practice solves a big challenge in the socialization of board members, this can install rigidity, board myopia, and a lack of competence at the board level, as shown in this dissertation. Furthermore, an unplanned board heterogeneity can negatively affect board dynamics and lead to suboptimal results. Hence, and
especially in light of the importance of adopting hybrid board governance, this dissertation encourages boards, both in the corporate world and in social hybrid organizations, to reevaluate what they have and where they must go, and accordingly, redesign their board recruitment and socialization processes to avoid both path dependence and the risk of goal ambiguity.

Second, this dissertation emphasizes the need to rethink the role of boards and their chairs beyond board monitoring discussions. Paper 1 gathers academic studies highlighting different skills, resources, and experiences that board chairs bring and how they contribute to different activities, from guiding the CEO to managing diversity on the board, while Paper 2 provides empirical evidence illustrating the role of the board chair in encouraging boards toward social impact discussions. The role of the board chair is different than that of the CEO or the general secretaries. Yet, both Paper 1 and Paper 2 show that organizations, including corporate entities and social hybrid organizations, often struggle to comprehend these differences. As a result, role conflicts often occur between the board chair and the CEO and other board members, which can have consequences for the overall board dynamics and performance, especially when we discuss rethinking the board governance practices to integrate societal issues into boardroom discussions. To overcome these challenges, it is important that organizations invest in board education and in the installation of a regular board evaluation system. Doing so will not only enable boards to understand the changing demands of both their external and internal stakeholders but will also help them to discover their strengths and weaknesses in embracing broader societal perspectives, thus adopting hybrid board governance systems.

Third, however, embracing and allowing for changes should not be interpreted as encouraging disruptive transformations. Specifically, the empirical study of Paper 2 reveals that there is a tendency among social hybrids to recruit board members and chairs from for-profit businesses to increase the organization’s financial capacity. Whilst the motivation can be appreciated, many social hybrids did not seem to offer adequate time, structures, and resources to facilitate the socialization of the newly recruited board members as doing so would increase the number of administrative hurdles. This might lead many board members to lose their motivation to drive the board agenda, and even, in some cases, they may resign from the board before the end of their tenure. I find this institutional rhetoric based on cost-efficiency logic worrying, as Paper 2 shows that many social hybrids, in practice, cannot discern between investments and the costs of fundraising. To overcome this, boards in hybrid organizations must be equipped with tools and mindsets to discuss innovative mechanisms and ways of leading board work. At the same time, regulatory bodies should also play an important role in facilitating the necessary institutional conditions to ensure such discussions rather than promoting restrictive guidelines and practices.

Fourth, this dissertation also inferred how important it is to be included in some professional networks. During the data collection process, many board chairs shared how stressful it was at the initial stage to understand their role, let alone discuss and drive organizations toward social impact. However, these challenges were largely reduced as different networks started to organize various engagement activities. For instance, GIVA Sverige’s organizing of Insamlingsforum, the largest fundraising forum in the Nordic region, was recognized by many interviewees as an important...
platform for knowledge sharing among social hybrid organizations in Sweden. Similar developments can be seen for pure for-profit entities as well. For instance, the development of Business Roundtable in the USA has promoted different board governance suggestions, including the recent calls for rethinking the purpose of organizations and embracing societal issues at the core of organizational planning (Business Roundtable, 2019). Similarly, in the Nordic region, the recent installation of the Boards Impact Forum has started to steer the discussions on climate-aware board governance practices (Boards Impact Forum, n.d.). I believe engaging these large discussion platforms would be a fantastic way to rethink traditional board governance norms and help make board work more interesting and impactful both for the shareholders and the stakeholders at large.

4.3. Limitations and Agenda for Future Research

As in any research, this dissertation also has limitations. First, even though I attempt to unfold the role of the board chair in the presence of divergent institutional logics, one could argue that the lack of board observation data is a weakness. I agree that attending board meetings could be a fantastic opportunity to unearth a large number of subtle cues and internal organizing of the board meetings (see, for instance, Bezemer et al., 2018; Tilbury & Sealy, 2023), which was not possible in my dissertation. I attempted to minimize these challenges by adopting an “engaged scholarship” approach (Van de Ven, 2007), which allowed me to stay close to the interviewees, organize multiple interactions and follow-ups with them and other sector experts, and challenge and be challenged with new ideas and debates that helped me gain a rich understanding of the research contexts. Second, my dissertation partly suffered from the situational challenges created by the COVID-19 pandemic. I had to conduct most of the interviews online. In contrast to physical meetings that greatly help in the initial ice-breaking and trust-building with the interviewees, online discussions often tend to focus more on efficient and brief responses. Also, during some interviews, the so-called “zoom fatigue”4 could be noticed. Of course, it was a global phenomenon that everyone suffered from in some way or another; however, thanks to the collaboration with GIVA Sverige and an alignment of interests with the interviewees regarding the importance of studying board governance in social hybrids, we could minimize most of these data collection challenges. Third, even though I consider myself fairly integrated into Swedish society and the work system, not speaking the language fluently, I assume there might still be some subtle cues that I might have missed during the data collection process. From writing up specific contextual information to challenges related to understanding specific terms, I always reached out to my Swedish supervisors and coauthors to cross-check that I was not misinterpreting any term unintentionally. In two instances, as requested by the interviewees, interviews were conducted in Swedish by my coauthors. Also, many of the critical findings were cross-validated among the research team and the sector

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4 “Zoom fatigue,” named after the popular video communication platform Zoom, refers to the exhaustion and tiredness that follow from the overuse of online meetings, which commonly occurred during the COVID-19 pandemic.
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experts to ensure that our emerging theory echoes practice. I hope those actions were
good enough to overcome the language barriers.

How can we look beyond these limitations and translate the findings of this
dissertation into opening new opportunities for future research? This dissertation
shows that being a board chair is a daunting task, especially when we start
recognizing the increased demand for rethinking the role of board chairs beyond the
profit-maximization discussions. While Paper 1 highlights a long dominance of
financial performance discussions in understanding board chair performance, Paper
2 specifically shows how recent developments, such as the emergence of social
impact discussions, have challenged the traditional conceptualizations of board
governance and the role of the board chair. Paper 2 showed that different boards
approach these challenges in different ways – some follow the leading organizations
in the field, whereas others simply stick to their traditional practices. If this is the case
for social hybrid organizations that are supposedly more aware of, and better
equipped with, social impact experiences, how do boards in the corporate world
approach these tensions? To explore this question, research must investigate the
actual board processes, which thus far have received limited scholarly attention.
Extending this line of thought and joining the emerging discussions on hybrid board
governance (Battilana et al., 2022; Mair & Wolf, 2021; Pache et al., 2023), this
dissertation calls for more board process studies. Specifically, there is a need to
investigate how board chairs design and lead the board agenda, if and how they
collect and integrate divergent stakeholder demands into this agenda, how they
prepare their boards and the CEO for discussing social issues, what happens when
boards face difficult questions, e.g., installing sustainable practices that require
substantial financial investments, what power, influence, and board consensus look
like in those situations, how board chairs react in navigating those questions, and so
forth.

Further, board chairs do not work in a vacuum; rather, they relate to different
individuals both within and beyond the boardroom (Van Ees et al., 2009; Westphal,
1999), which influences how they devise different board leadership and collaboration
strategies. Here, an important relationship that requires careful attention is that
between the board chair and the CEO. Since board members and their chairs do not
work full-time in an organization just like the CEO (Boivie et al., 2016), they usually
suffer from a great deal of informational asymmetry, as shown in both Paper 1 and
Paper 2. While the literature on boards and board chairs recognizes the importance of
a functioning board chair and CEO relationship (Kakabadse et al., 2006; Koskinen &
Anna-Maija, 2016; Morais et al., 2018), thus far, they have largely focused on how
to increase financial returns for the shareholders, usually without considering the
idiosyncrasies among shareholders in terms of their interests (Federo et al., 2020) and
ownership competencies (Foss et al., 2021). I wonder what this relationship might
look like when corporate boards start integrating social issues into board meeting
agendas, especially when extant literature hints at the lack of social impact
measurement metrics (Costa & Andreaus, 2021; Costa & Pesci, 2016; Ebrahim &
Rangan, 2014). Who will be more active in leading the discussion, the board chair or
the CEO, how will they design the board meeting agenda, should social issues come
earlier than financial topics, and how will they complement the traditional
performance measurement systems focused on profit-and-loss discussions, what tools will they design or deploy to discuss and measure social impact? In contrast, in hybrid organizations, the roles of the board chair and the CEO are often not so clear (Cornforth & Macmillan, 2016; Iecovich & Bar-Mor, 2007), which means they often jump between strategic and executive roles, thus making it difficult for other board members to follow the board processes. Even though Paper 2 builds on interview data collected from the board chairs and general secretaries from multiple social hybrid organizations, it does not investigate the full set of dyadic relationships between the board chairs and the general secretaries but rather looks at the big picture of how the overall board governance system works and undergoes different challenges. Thus, with this dissertation, I strongly encourage future research to explore the board chair and CEO relationship in greater depth, preferably through designing longitudinal studies that will follow how the relationship between the board chair and the CEO evolves, especially when we consider the changing contexts surrounding the organizations.

While I study what the role of boards and their chairs should look like in embracing hybrid board governance, future research can explore how these roles are influenced by the longstanding practices of the respective organizations or the industries where the organizations operate. As highlighted in Paper 2, board chairs who had long been involved with their organization either as board members or volunteer members of the social movement often tended to continue with their conventional practices, which sometimes even led to path dependence. Increasingly reflecting on this, I believe future research could also consider theoretical lenses such as organizational history and memory (Decke, Hassard, & Rowlinson, 2020; Foroughi, Coraiola, Rintamäki, Mena, & Foster, 2020; Suddaby, Silverman, Jaskiewicz, De Massis, & Micelotta, 2023), which can help us better understand why individuals, in this case boards and their chairs, behave as they do, which can then help in bridging between the present and future roles for these individuals. In fact, Foroughi et al. (2020) argued that “different groups with varying degrees of influence attempt to impose their view of the past,” especially when it concerns designing the future practices of the organizations. In line with this thought, I believe questions for future research could ask how different interpretations of the organizational history and memory can influence power dynamics and board decision-making, what happens when a new board member or a board chair enters without having a historical orientation to the organization, and how board chairs promote inclusion in those instances, especially when Paper 2 suggests that many social hybrids prefer not to invest in in-depth board training and evaluation systems as a way to maintain administrative costs at the minimum level.

In sum, this dissertation shows that the role of the board, particularly the role of the board chair, entails a greater number of responsibilities than ever before. Boards and their chairs are increasingly expected to be involved in setting the strategic direction for their organizations and guiding the organizations toward adopting a broader organizational outlook that embraces societal issues alongside financial targets (Aguilera, 2023; Business Roundtable, 2019). These developments call for rethinking traditional board governance practices with the introduction of hybrid board governance (Battilana et al., 2022; Mair & Wolf, 2021; Pache et al., 2023).
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However, doing so is extremely difficult: Pure for-profit boards are trained to serve the logic of profit maximization (Amis et al., 2020; Barney, 2018), whereas boards in hybrid organizations often lack sufficient resources to protect them from either becoming too invested in the social mission goals or leaning towards short-term, compliance-seeking objectives (Ebrahim et al., 2014; Mair et al., 2015). Moreover, institutional developments around board governance systems seem to also overlook idiosyncrasies among different types of organizations (Cuomo et al., 2016), which further complicates boards’ journey toward embracing a hybrid board governance system. To understand these challenges and, more specifically, how boards balance divergent institutional logics, it is important that future research continues to engage with (Van de Ven, 2007) board practitioners and explore what actually happens inside the boardroom (Bezemer et al., 2018; Pache et al., 2023; Pache & Santos, 2013) and how boards approach these tough questions related to combining profit with social purpose.
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The Role of the Board Chair

Changing Expectations and Hybrid Organizations

The purpose of this dissertation is to enhance our understanding of the changing role of the board chair and what this means for hybrid organizations and their board work. Historically, the role of the boards and their chairs evolved around safeguarding shareholders’ financial interests. Whilst this responsibility persists, boards are increasingly expected to embrace societal issues in board governance discussions and to rethink performance measurement systems to incorporate the social impacts generated by their organizations. To navigate these challenges, boards are encouraged to adopt hybrid board governance systems that strike a balance between financial and social mission targets. Board chairs can guide boards to secure such a hybrid outlook, but we lack academic insights on this role beyond financial performance. Systematically reviewing four decades of research, the first article of the dissertation demonstrates the need and opportunities for considering divergent stakeholder interests and contextual factors influencing the role of the board chair. Building on this, the second article engages with board chairs and general secretaries in social hybrid organizations and unearths different board-specific and field level challenges that currently hinder boards from implementing social impact measurements. Subsequently, the third article discusses how adopting a qualitative, engaged scholarship approach can generate practice informed research, contributing new understanding for boards and their chairs. Together, these insights offer implications for theory and practice and promote an agenda for future research that embraces a social purpose beyond profit maximization.

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