



Thomas Keil

Marianna Zangrillo

November 12th, 2025

The best company boards plan to evolve with the firm

To what extent should the design and functioning of a board of directors reflect a company's current situation? In a new book Thomas Keil and Marianna Zangrillo argue that boards should be deliberately built to reflect the company's stage of development.

As a company matures, its strategic challenges change. And so too should its leadership.

Management theory is clear that organisational design should be situational. A **chief executive** with a certain **style of the leadership** that can be a springboard for a growing company could kill a more mature business – or be dangerous for a company in crisis. A firm which is scaling up will face very different strategic demands from one which is consolidating or trying to sail through turbulence. Despite this, boards are treated as if “one size fits all”, reinforced by governance codes and proxy advisors that encourage uniformity, even as firms move through different eras.

In our new **book**, *The Next Board: Delivering Value Today while Making the Board Fit for Tomorrow*, we argue that boards must be deliberately shaped to mirror the company's strategic challenges and stage of development. Composition, structure and leadership should be aligned with the company's situation, ensuring that the board brings the expertise, perspective and leadership needed to guide the company effectively. A board designed for yesterday's reality can quickly become a future liability.

When the board's design and focus do not reflect the company's situation, the consequences can be significant. Boards that are poorly aligned to the needs of the company can remain anchored to the past and resist implementing changes. A focus on traditional financial metrics can blind directors to signs of emerging crises and delay adaptation to a changing market. And boards without the right expertise may engage in misguided responses by focusing on operational details, thereby blurring clarity of governance and delaying vital decisions.

Getting started with situational design

Situational design begins with a clear view of the company's current position as well as the opportunities and challenges it faces. Boards should then focus on four key actions. The first is to assess current and future needs. Create a map of the skills the board will require to navigate future industry dynamics, geographic adjustments and company-specific challenges. The second is to update the board's composition. Recruit directors with the expertise to meet changing needs, even if that requires regular renewal. Some boards temporarily expand during periods of growth or transformation, and even crisis. Others leverage advisory boards, ad hoc working groups or specialised committees to tap into outside perspectives.

The next is to plan succession proactively. Identify potential directors early. Treat succession planning as an ongoing process rather than an ad hoc exercise when directors retire. Companies should balance renewal and continuity by bringing in novel perspectives to address future challenges while retaining core directors who provide institutional knowledge and stability.

Boards across the corporate cycle of growth, maturity and crisis

Designs must be adapted to reflect different stages of a corporation's lifecycle. During times of growth boards should be hands-on and agile. In high-growth firms, the board cannot be a passive overseer. Their mandate is to rapidly scale up, accelerate growth, de-risk inexperienced leadership teams and enable quick strategy pivots. Growth-stage boards should be founder and investor-heavy, with independent directors to inject operational know-how. While these boards are typically small and flexible, companies should anticipate the next stage of development and overstaff the board to secure expertise ahead of time. The best boards created by private equity firms, such as EQT, KKR or Partners Group, follow this approach. During the growth stages boards need to be light touch and agile. They should limit standing committees and engage in frequent ad hoc meetings with an emphasis on speed rather than form. The work in these boards should be hands-on, collaborative and orientated towards finding solutions.

During maturity boards need to be more structured. As companies stabilise, boards shift from hands-on guidance to disciplined oversight and long-term stewardship. Their mandate expands to encompass financial, legal, operational and reputational compliance. These boards should include independent directors who bring **diverse** and strategic insight as well as expertise in finance, law, operations and international markets. Board structure becomes more important, with formal committees for audit, compensation and governance ensuring robust checks and balances. The boards of large public companies, like ABB, Glencore or Novartis, use these structures to keep the agenda focused on future strategy. In mature corporations, the work of boards becomes more

deliberative and methodical. Meetings are often risk and compliance-heavy which carries the risk of crowding out forward-looking conversations.

In **times of crisis** boards must be decisive and deeply involved. When things go wrong, boards must step in and take a more active and stabilising role. Boards must also make sure management does not crack under pressure, while safeguarding organisational continuity. Following geopolitical pressures at Sulzer, a Swiss engineering firm, in 2022 the board took control and installed a new executive chair to more directly steer management.

Boards should consider bringing in temporary members with transformation or turnaround expertise. These members can serve on crisis committees or dedicated working groups set up to channel and focus resources to the most burning issues. To reflect the urgency of the situation, meetings should become more frequent, board agendas more streamlined and decisions made faster. An imperfect solution that addresses the main problem and can be implemented fast may be better than a perfect solution that takes too long.

Effective governance requires a “horses for courses” mindset. Some directors may be appointed only for a defined period to help address specific challenges. Specialist skills can be temporarily tapped through non-permanent committees or advisory boards.

Flexible boards that plan for renewal, anticipate future capability gaps are better positioned to steer organisations through growth, maturity and crisis. Fit and situational alignment are everything. The most effective boards align their design with the company’s strategic context. In times of growth they accelerate scaling up. In mature times, they should ensure discipline and structure. And in a crisis they must guarantee speed and decisive leadership. A misaligned board risks slowing transformation and intensifying existing problems.

Situational board design calls for a proactive and flexible approach, allowing boards to deliver value today while positioning the organisation for resilience and renewal tomorrow. Chairs and directors must honestly assess their skills and know in which situations they can add the most value even if that means planning themselves out of a job.

Thomas and Marianna are the co-authors of *The Next Board: Delivering Value Today while Making the Board Fit for Tomorrow*, Routledge, 2026.

This article gives the views of the author, not the position of LSE Business Review or the London School of Economics. You are agreeing with our comment policy when you leave a comment.

Image credit: Rawpixel.com provided by Shutterstock.

About the author

Thomas Keil is a professor at the University of Zurich, Switzerland, where he teaches strategy and international management.

Thomas Keil

Marianna Zangrillo

Marianna Zangrillo is a corporate leader, business angel, investor, author, and partner at The Next Advisors.

Posted In: Leadership



© LSE 2025