



Board effectiveness: A survey of the C-suite

Inside the executive mind

Governance Insights Center



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We are living through a period of historic change — one marked by rapid shifts in policy, global alliances and market dynamics. For business leaders in 2025, the challenges are real, and the uncertainty is undeniable. But this volatility and uncertainty also presents a powerful opportunity: to reimagine strategies, build greater resilience and uncover new avenues for growth.

The fast-moving legal and regulatory environment, while complex, is reshaping the corporate governance landscape in ways that require fresh thinking and bold leadership. Policy changes and evolving international relationships are driving companies to adapt quickly — rethinking supply chains, adjusting to tariff changes and navigating shifting consumer behaviors. And although declining consumer confidence has made planning more difficult, it also underscores the need for agile strategies and strong, steady leadership.

In this environment, boards play a critical role — not only in providing oversight, but in helping companies find clarity and direction amid the noise. Expectations of boards are rising fast, as is the need for directors to bring both vision and versatility to the table.

Are boards meeting these expectations? In some ways, yes. As the fifth annual *Board Effectiveness: A Survey of the C-Suite* from PwC and The Conference Board shows, more executives are expressing confidence in their boards. Progress is clear — but so are the opportunities for enhancement. Directors are being called upon to expand their remit, refresh their skill sets and align more closely with the operational realities executives face.

This year's survey — capturing insights from more than 500 executives — reveals a landscape of both momentum and challenge. Encouragingly, 35% of executives now say their boards are doing an excellent or good job, up from 30% the prior year. At the same time, concerns remain about board composition, preparedness for global complexity and the evolving boundaries of board oversight.

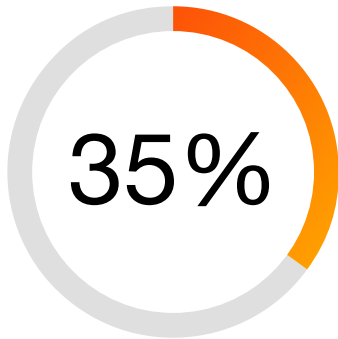
By comparing executive views with insights from PwC's *2024 Annual Corporate Directors Survey*, we highlight where alignment is strong — and where more connection is needed. Executives and directors often view board priorities through different lenses, shaped by their roles. But bridging those perspectives will be key to navigating the road ahead.

As companies look to the future, the ability of boards and management to collaborate, lead through change and seize emerging opportunities will define success. We hope this year's survey provides a clear roadmap for strengthening that relationship — and helping businesses not only weather uncertainty but grow through it.

Key findings

Board effectiveness

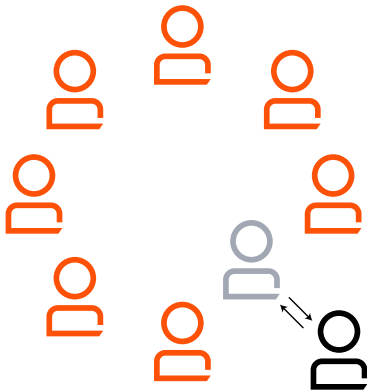
Executives’ confidence in their boards edges up modestly, showing progress but room to grow



of executives rate their boards’ overall effectiveness as excellent or good (up from 30% the previous year)

Board refreshment

Desire for board refreshment soars as executives question board willingness to act on underperforming directors



93% of executives say they want someone on their board replaced (highest ever)

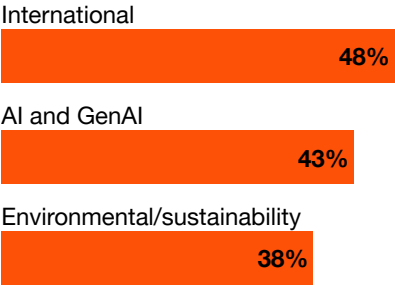
Only
50%
of executives have confidence in their boards’ ability to remove underperforming directors

Board composition

Executives seek new boardroom expertise, signaling a push to meet today’s business challenges

Only
32%
of executives think their boards have the right expertise

The top three areas of expertise they want added to their boards in the next 12 months are:



Key findings

Board role and engagement

Executives worry boards are overstepping, blurring lines between oversight and management

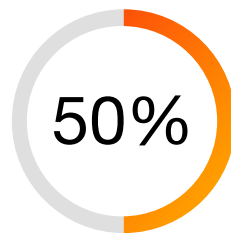
32%

The percentage of executives who say their boards overstep the boundaries of their role doubled from the previous year, up from 16%

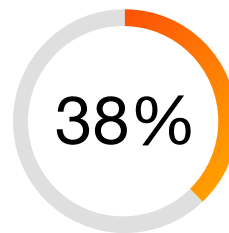
Board time and attention

Executives urge boards to refocus on critical areas amid emerging risks

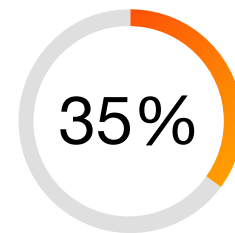
Executives want more board time spent on:



ESG



Talent management



AI and GenAI

Top risks

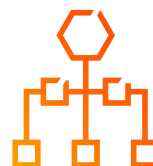
The biggest risks that keep executives up at night — essentially the same areas they wish the board would prioritize — point to potential gaps in strategic focus

Top risks for executives:



18%

Talent



13%

Supply chain



12%

AI

Board effectiveness

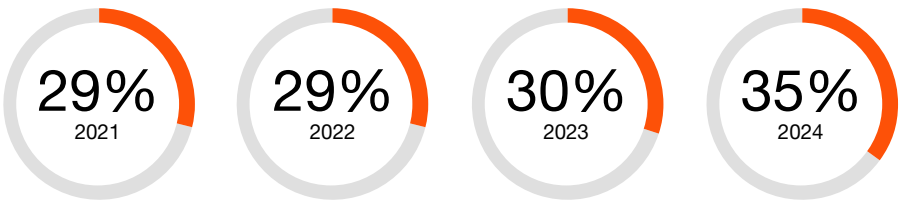
Executive confidence in board effectiveness shows progress, but room to grow remains

What are executives saying?

In 2024, 35% of executives rated their boards’ effectiveness as excellent or good — an encouraging increase from recent years. While there is still room for progress, the upward trend marks a positive shift in C-suite board perceptions.

Executives’ perception of their boards’ effectiveness improves

Percentage of executives rating their boards’ effectiveness as excellent or good

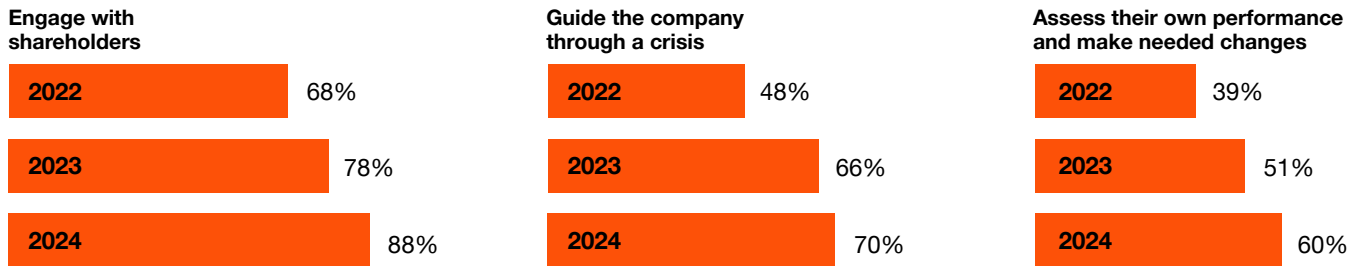


Q1: How would you rate the overall effectiveness of your board of directors? Responses: Excellent and good
Base: 552 (2021); 601 (2022); 620 (2023); 520 (2024)
Sources: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite, 2022-2025*.

What may be driving this?

Executives are taking note of their boards’ commitment to their roles. More executives now believe directors are dedicating sufficient time to their responsibilities — 42%, up from just 29% the previous year. This shift may, in part, be influenced by strong corporate performance in 2023 and early 2024, as well as relative economic stabilization in the US during 2024. In this context, boards may be viewed as having successfully steered their companies through recent turbulence. Supporting this perception, 70% of executives express confidence in their boards’ ability to effectively guide the company through a crisis. At the same time, executives are showing greater confidence in their boards’ ability to effectively engage with shareholders and assess their own performance to make needed changes — key indicators of a more proactive and accountable approach to oversight.

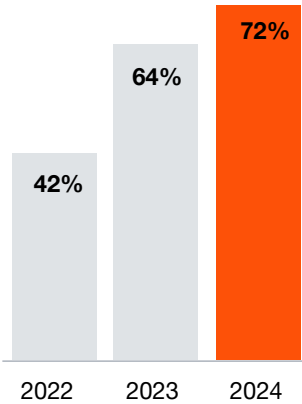
Confidence booster: executives’ trust in boards is gaining momentum



Q4: How confident are you in your board’s ability to effectively:
Base: 590-594 (2022); 610-614 (2023); 514-516 (2024)
Sources: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite, 2023-2025*.

CFOs increasingly give their boards high marks

Percentage of CFOs rating their boards' effectiveness as excellent or good



Q1: How would you rate the overall effectiveness of your board of directors? Responses: Excellent and good
CFO base: 101 (2022); 87 (2023); 50 (2024)
Sources: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite, 2023-2025*.

Going deeper

Executives' views on board effectiveness typically differ depending on their role. CEOs and CFOs remain among the most positive this year. In fact, 72% of CFOs now rate their boards as excellent or good — a notable rise from 42% in 2022. While this steady improvement may reflect stronger board oversight of financial risks, it could also be influenced by external factors such as the robust financial and stock market performance over the last two years. Additionally, more efficient board refreshment efforts may have helped close critical skill gaps, enabling boards to provide more informed and effective oversight — a shift that finance leaders increasingly recognize.

However, not all executives share this optimism. A record-high 40% of CIOs now rate their boards' effectiveness as poor, signaling growing frustration. One potential factor: a persistent knowledge gap between technology leaders and board members. Many CIOs may feel that boards lack a deep understanding of critical areas like digital transformation, cybersecurity and AI.

Not all executives have full visibility into board dynamics or deliberations, with perceptions shaped by select touchpoints or outcomes rather than the full scope of board responsibilities. Executives who interact with the board frequently tend to have a stronger grasp of its role and responsibilities. Those with more limited access to board discussions may have different expectations, often believing directors should have greater expertise in their functional areas. This could create a gap in perceived effectiveness among all executives.

Effectiveness ratings vary widely by executive function

Executive functional area	Excellent	Good	Fair	Poor
Executive leadership (CEO)	38%	56%	6%	0%
Finance (CFO)	12%	60%	24%	4%
Audit (CAE)	2%	21%	60%	18%
Human resources (CHRO)	4%	28%	55%	12%
Information technology (CIO/CTO)	5%	16%	38%	40%
Legal (GC/CLO)	2%	21%	60%	17%
Marketing (CMO)	0%	18%	54%	29%
Operations (COO)	3%	22%	57%	18%

Q1: How would you rate the overall effectiveness of your board of directors? Responses: Excellent and good
Base: 504
Source: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite, May 2025*.

Actions moving forward

Executives

- **Bridge the governance gap:** Many executives, especially those with less board visibility, may not fully understand the breadth of a director's governance role. Upskilling executives through governance education can help foster a stronger mutual understanding of the board's role, workload and decision-making process.
- **Increase engagement with the board:** To make their perspectives heard, executives should seek more regular opportunities to appear on the board's agenda. A structured cadence of engagement can help align strategic priorities and improve collaboration.
- **Speak the board's language:** Executives can enhance communication with directors by presenting information in a way that aligns with board expectations. Using clear, user-friendly language and framing insights with metrics the board understands will lead to more productive discussions and better-informed decision-making.

Directors

- **Expand engagement beyond the CEO and CFO:** While directors often have close relationships with the CEO and CFO, fostering deeper connections with a broader range of senior executives can provide valuable insights. Engaging with leaders from different functional areas — such as CIOs, CHROs and COOs — can help directors develop a more comprehensive understanding of key business challenges.
- **Create more touchpoints with senior management:** Strengthening director-executive relationships need not be limited to formal board meetings. Consider holding informal discussions, attending leadership meetings or scheduling one-on-one check-ins to build trust and create open lines of communication.
- **Solicit feedback on board performance:** Actively seek input from management during the board assessment process to gather valuable insights into the board's effectiveness and identify areas for improvement.

For more information

[2024 Annual Corporate Directors Survey](#)

[The nine questions you need to ask to take your board from good to great](#)

[Overseeing technology: nine questions the board should ask the CIO or CTO](#)

[C-Suite Outlook 2025: Seizing the Future](#)

Board refreshment

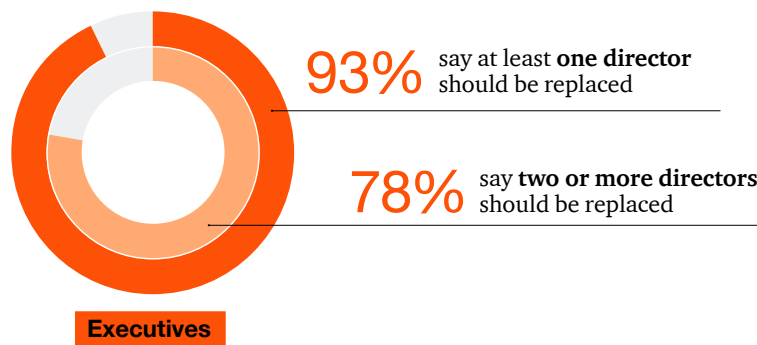
Executives want more refreshment, but turnover proves challenging

What are executives saying?

Even as executives express growing confidence in their boards' effectiveness, many still believe change is necessary. Ninety-three percent (93%) indicate that at least one director should be replaced — slightly above the previous year and the highest level recorded in our survey — while 78% want two or more directors to be replaced. Directors also recognize the need for refreshment; however, their level of concern is notably lower, 49% and 25%, respectively.

There is also a disconnect on boards' actions related to board refreshment, with half of executives (50%) expressing concerns in their boards' ability to remove underperforming directors. That contrasts with 71% of directors who have confidence in their boards' ability to do so.

Board refreshment remains a priority for executives



Q7: In your opinion, how many directors on your board should be replaced?

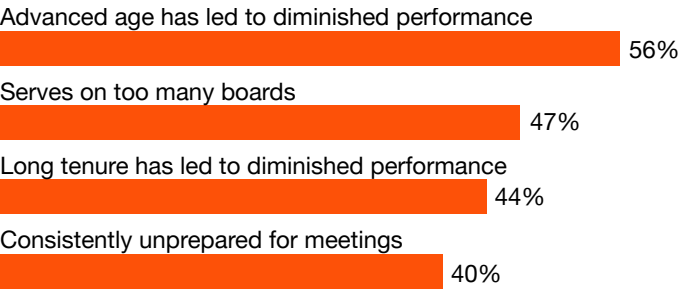
Base: 513 (Executives)

Source: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, May 2025.

What may be driving this?

The push for board refreshment from executives could reflect a growing desire for new skills and perspectives in the boardroom. As business challenges evolve, executives may see a need to bring in directors with fresh expertise, particularly in emerging areas. It's likely why many also point to factors like long tenure and advancing age as concerns — seeing them as potential barriers to bringing in the new and diverse skill sets they believe the board needs to tackle today's challenges. But it's important to recognize that not all dissatisfaction signals a clear need for change. In some cases, executives may express frustration with directors who are particularly rigorous or independent-minded — qualities that are essential for effective governance.

Reasons why executives might want board refreshment

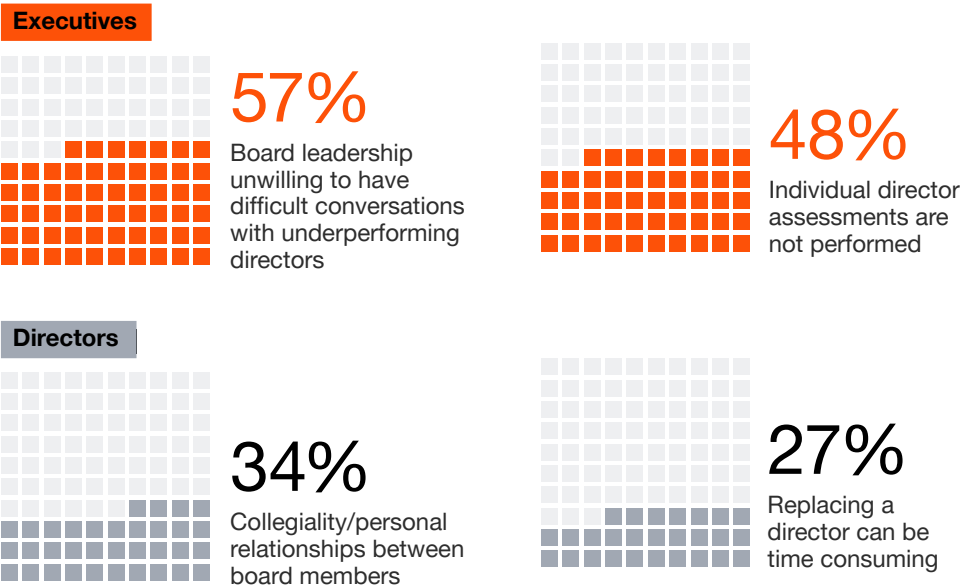


Q6: Do you believe any of the following about any of your company's board members? (select all that apply)
Base: 518
Source: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, May 2025.

Going deeper

Despite executives advocating for board refreshment, replacing directors remains a challenge, with board turnover rates remaining low. With this appetite for change, the natural question is: why isn't it happening? Executives cite obstacles such as board leadership's reluctance to have difficult conversations and a lack of individual director assessments, while directors are more likely to point to personal relationships and the time-consuming nature of a board search. These wide-ranging perspectives underscore the true complexity of achieving meaningful board refreshment.

Top challenges in replacing directors



Q8. What do you think are the challenges in replacing directors? (select all that apply); Q. If you indicated that you think someone on your board should be replaced, why do you think the board hasn't taken action? (select all that apply)
Base: 507 (Executives); 246 (Directors)
Sources: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, May 2025; PwC, *2024 Annual Corporate Directors Survey*, September 2024.

Actions moving forward

Executives

- **Leveraging management feedback for impact:** Provide input on the skills, expertise and experience that could enhance the board's effectiveness. While the final decisions rest with the board, management's perspective can offer valuable insights into the company's strategic needs. Executive feedback helps the board understand which areas of expertise may be beneficial in supporting the company's direction.

Directors

- **Consider board refreshment mechanisms:** Consider refreshment policies such as term limits and mandatory retirement, as these measures can help the board remain aligned with the company's long-term needs. Regularly revisiting these policies shows the board is committed to supporting board effectiveness.
- **Explore individual director assessments:** Explore conducting individual director assessments, at least periodically, as part of the annual board self-assessment process. Ask directors to conduct an individual self-assessment, which can be shared with the lead independent director and/or nominating/governance committee.
- **Hold hard conversations when needed:** Board leadership should be prepared to engage in open, constructive conversations with directors regarding their performance. This includes providing feedback, and when transitions are necessary, working collaboratively with directors to help facilitate a smooth process.

For more information

[Serving on and chairing the nominating/governance committee](#)

[Why boards should evaluate individual director performance](#)

[Making Board Refreshment a Reality](#)

Board composition

Executives push for fresh skills

What are executives saying?

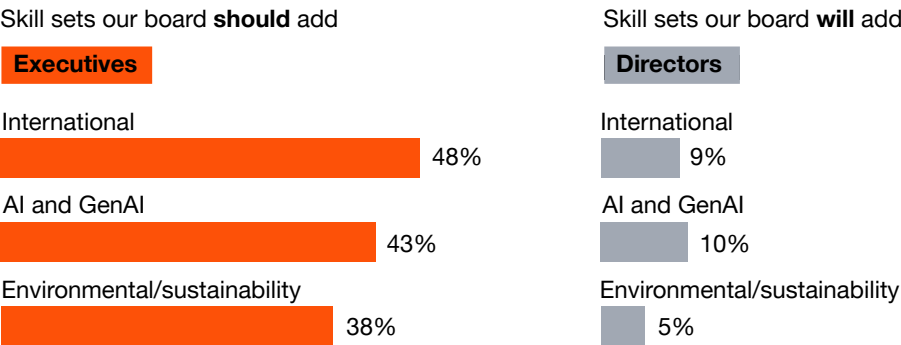
As the world transforms, executives are looking for boards with the right expertise to guide them forward. Yet many feel their boards fall short in that area — only 32% believe their boards have the right mix of skills and expertise. This may explain why executives have been vocal about board refreshment, as their calls for change are not about turnover just for the sake of change but about bringing in expertise in areas they see as critical to oversight.

This year, international expertise emerged as executives’ top priority, with 48% saying this attribute should be added to their board — more than doubling from 21% the prior year. Directors, however, do not see this expertise as a priority, with only 9% saying their boards would add it in the coming year. Whether their views will shift remains to be seen. However, a similar gap exists with AI — while many executives want stronger board knowledge in this area (43%), few directors (10%) say their boards are planning to add that expertise.

What may be driving this?

The heightened demand for international expertise may stem from growing geopolitical uncertainty. Ongoing conflicts in Ukraine and the Middle East along with shifting US trade policies — including efforts to decouple from China, realign trade relationships under the new administration and respond to rising protectionist pressures — are adding strain to global supply chains. At the same time, the expanding landscape of international regulation — particularly on sustainability disclosures — poses new strategic challenges for US companies operating abroad, with extra-jurisdictional implications that go well beyond compliance costs. As companies navigate this complexity, many are also eyeing long-term growth opportunities in regions outside North America and Europe, which require more globally informed oversight. In response, executives may be looking for board members with specific international experience to better oversee these risks and guide strategy in an increasingly interconnected world.

Executives and directors diverge on priority skill sets



Q5. What top three areas of expertise should be added to your board within the next 12 months? (limit to only three); Q. Over the next 12 months which of the following skills/attributes do you plan to add to your board? (select all that apply)
Base: 519 (Executives); 526 (Directors)
Sources: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, May 2025; PwC, *2024 Annual Corporate Directors Survey*, September 2024.

At the same time, AI is evolving at an unprecedented pace, creating both opportunities and risks for businesses. Many executives recognize this and indicate that they want their boards to dedicate more time to overseeing the topic. As regulatory scrutiny increases and competitive pressures mount, executives may be seeking directors who can provide more informed oversight and agile guidance on AI strategy and governance.

Going deeper

Executives may be prioritizing specialized expertise to strengthen board oversight in these areas. However, their views on which skills matter often align with their own functional priorities. Many may be viewing it through the lens of their own responsibilities and the challenges most relevant to their role. For example, as some companies more closely align their finance and sustainability functions — driven by impending regulations requiring greater assurance and auditability — CFOs may increasingly value board members with expertise that spans both domains.

Directors on the other hand, take a broader approach to board composition, prioritizing financial, industry and operational expertise over specialized skills. This perspective highlights their focus on the board being equipped to oversee the company's strategic direction and financial health.

Desired board expertise is different depending on the executive role

Executive functional area	Top area of expertise wanted for their board
Audit (CAE)	International
Executive leadership (CEO)	International
Finance (CFO)	Environmental/sustainability
Human resources (CHRO)	International
Information technology (CIO/CTO)	AI/GenAI
Legal (GC/CLO)	AI/GenAI
Marketing (CMO)	Environmental/sustainability
Operations (COO)	International

Q5. Select the top three areas of expertise that you feel should be added to your board within the next 12 months. (limit to only three)

Base: 503

Source: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, May 2025.

Actions moving forward

Executives

- **Drive efforts to upskill:** Adopt a proactive strategy by leading educational efforts in emerging fields. Clearly communicate your priorities and support the development of educational initiatives, training programs and resources that provide board members with essential foundational knowledge in these newer areas. While it might not be feasible or recommended to appoint an expert director, current board members can still take steps to improve their acumen.
- **Support ongoing board education:** Providing directors with regular updates on industry trends, regulatory changes and emerging risks empowers them to effectively fulfill their oversight duties while avoiding overstepping into a management role.

Directors

- **Reassess board composition regularly:** Boards should periodically evaluate whether their current composition aligns with the company’s strategic needs. Revisiting the board’s skills matrix can help determine if directors have the right expertise to oversee the strategy and emerging risks.
- **Leverage external expertise:** Directors can enhance their skills and stay informed on emerging areas by participating in targeted workshops, bringing in outside advisors to provide insights on highly specialized topics and attending industry conferences. This continuous education will enable them to provide effective oversight across diverse issues while drawing on up-to-date knowledge in key areas.

For more information

[Board composition: building your dream team](#)

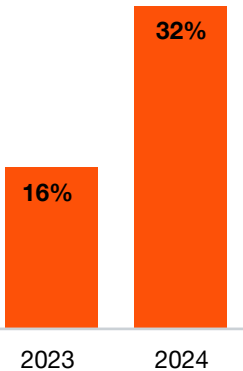
[Board Practices and Composition in the Russell 3000 and S&P 500: 2024 Edition](#)

Board role and engagement

Boards are engaging more — but are they operating at the right level?

Executives increasingly question whether boards are at the right altitude

The board oversteps the boundaries of their oversight role



Q2. With which of the following general statements about your board do you agree? (select all that apply)
Base: 520 (2023); 514 (2024)
Sources: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, 2024-2025.

What are executives saying?

While more executives believe boards are dedicating sufficient time to their responsibilities, the percentage who say directors are overstepping into management’s role has doubled to 32%.

What may be driving this?

The perception that boards are overstepping may be partly driven by the increased expectations placed on boards to provide robust oversight in critical and emerging areas such as AI. With the rapid advancement of technology, boards are expected to oversee the integration of these areas into the company’s strategic framework. At the same time, the evolving profile of board members may also play a role. As boards add directors with deep subject matter expertise in areas like cybersecurity, climate, human capital and digital transformation, those individuals may feel both equipped and compelled to engage more directly — sometimes in ways that executives perceive as straying into execution-level matters. This heightened level of scrutiny and engagement is essential for navigating the complexities of modern business, but it can blur the traditional boundaries between oversight and management, leading to potential friction.

When oversight becomes overreach

“Overstepping” can take many forms, but at its core, it refers to directors crossing the line from oversight into management. Executives often cite behaviors such as instructing management on day-to-day operational decisions, getting involved in individual personnel matters below the C-suite or intervening in areas like vendor selection — responsibilities typically reserved for management. In some cases, directors may bypass the CEO or executive team altogether, directing company staff or seeking information through informal channels. For example, an executive might view a board member’s attempt to influence a mid-level hiring decision or push for a specific supplier as overreach, blurring the boundaries of governance and undermining the chain of command. These actions, even when well intentioned, can erode trust and create confusion about roles and responsibilities.

Going deeper

Executives widely acknowledge the value of strong board oversight but emphasize the importance of directors staying within the boundaries of that role. This concern reflects a growing tension: executives increasingly see boards engaging more deeply in operational areas, which may feel like an overreach. Interestingly though, nearly all directors (93%) believe that their board understands the difference between oversight and management, suggesting that they see their involvement as appropriate. The disconnect may lie in how each group defines and experiences that boundary. What directors see as thoughtful oversight; executives may interpret as second-guessing or micromanagement. Bridging this perception gap begins with a clear understanding — particularly among executives — of the board’s fiduciary responsibilities, which require directors to remain closely informed and engaged on evolving business risks.



Actions moving forward

Executives

- **Prepare the groundwork:** Management should provide the board with materials in advance to allow directors time to read and digest the information and frame effective questions. They should also highlight for the board the areas of risk, opportunity and uncertainty for the matters that will be discussed and identify where the board's advice and judgment would be especially helpful.
- **Clarify roles and decision-making responsibilities:** As board oversight expands, executives and directors should seek to align on where oversight ends, and management begins. Establishing clear protocols — especially in areas with increasing regulatory scrutiny — can help keep board involvement constructive.

Directors

- **Reaffirm board responsibilities:** Directors should revisit governance documents and frameworks, in addition to legal and regulatory requirements, to reinforce a clear understanding of their role. Aligning with executives on decision-making authority can help achieve the right balance.
- **Reflect internally:** As part of the board's annual assessment process, evaluate whether the board is meaningfully engaged in strategic discussions. Consider whether the structure and content of board materials and presentations facilitate open dialogue or unintentionally limit discussion. Additionally, assess how the board's culture influences directors' willingness to share differing perspectives. If engagement is lacking, identify specific actions to improve participation, such as refining how information is presented or fostering a more open and inclusive discussion environment. By addressing these factors, the board can create a culture that encourages directors to contribute valuable insights with confidence.

For more information

[Get boardroom ready: five ways to improve executive interactions with the board](#)

[Why good boards make bad decisions: Four factors undermining board effectiveness](#)

[Four Steps Toward Increased Board Effectiveness](#)

Board time and attention

Executives and directors align on talent and AI — but diverge on the top priority

What are executives saying?

Executives and directors agree that their boards should spend more time focusing on talent and AI, with both ranking them as their boards’ second and third highest agenda priorities. But when it comes to the top focus area, they are not aligned — directors want to dedicate more time to strategy, while executives are prioritizing ESG.¹

Executives and directors align on board priorities — just not the top one



Q10. Which of the following topics should your board spend increased time on over the next 12 months? (select all that apply)
Base: 520 (Executives); 496 (Directors)
Sources: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, May 2025; PwC, *2024 Annual Corporate Directors Survey*, September 2024.

Under pressure: why executives may be prioritizing ESG

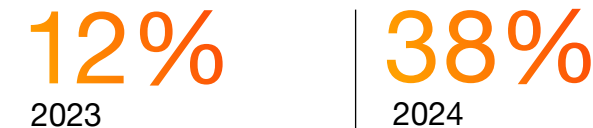
The divergence on ESG may reflect deeper dynamics at play. Executives are likely feeling intensifying pressure from multiple fronts — regulators’ scrutiny of climate and sustainability disclosures, customers demanding more responsible business practices and employees expecting their organizations to take clear stands on environmental and social issues. These external forces are making ESG not just a compliance issue but a central component of corporate strategy. Directors, meanwhile, may be considering ESG within the broader context of strategic oversight, rather than as a standalone priority. While this perspective isn’t necessarily misaligned, it may lead to differing expectations of visibility and emphasis. The alignment on talent and AI reflects a shared understanding of core drivers of performance and innovation, but the divergence on ESG may suggest an opportunity for clearer communication about how sustainability fits into long-term value creation and risk oversight.

¹ It’s worth noting that these survey responses may not fully reflect the current environment. In recent months, some companies have begun to deprioritize ESG, and there has been notable regulatory pullback in the EU. These shifts suggest that we may see more alignment — or at least a recalibration of priorities — in future surveys as the landscape continues to evolve.

What may be driving this?

As highlighted earlier, while executives and directors may differ on the specific expertise needed in the boardroom, they mostly agree on the subjects where boards should concentrate effort. AI and talent management are crucial to corporate strategy, highlighting the need for increased board attention in these areas. As AI reshapes business and workforce strategies, boards play a critical role in guiding companies to harness AI for efficiency and innovation, while attracting and retaining top talent for sustainable growth. This focus is also being reinforced by external stakeholders. AI oversight is quickly emerging as a key investor engagement priority, and some proxy advisors are issuing guidance emphasizing the board’s responsibility to oversee AI-related risks and ethical considerations.

More executives think talent management should be a priority for boards



Q10. Which of the following topics should your board spend increased time on over the next 12 months? (select all that apply)
Base: 595 (2023); 520 (2024)
Sources: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, 2024-2025.

Going deeper

Generally, executives align on the top three areas where they think boards should spend more of their time, but CIOs were notably different.

CIOs overwhelmingly selected AI, technology and cybersecurity. This suggests that some executives might be more inclined to prioritize areas most relevant to their specific roles, potentially overlooking the broader scope of board responsibilities. In fact, only 20% of CIOs cited ESG and 16% talent management, compared to 50% and 38% of all executives, respectively.

CIOs’ top priorities for boards



Q10. Which of the following topics should your board spend increased time on over the next 12 months (select all that apply)
CIO base: 55
Source: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, May 2025.

Actions moving forward

Executives

- **Equip the board with practical knowledge:** Executives should provide directors with regular updates on topics such as ESG, AI trends, evolving technology and talent management best practices. Bringing in subject matter experts or organizing briefings can help the board stay informed and prepared to oversee these rapidly evolving areas.

Directors

- **Make talent and AI recurring board agenda items:** Since both executives and directors agree on their importance, they should be treated as core agenda items. Boards should have dedicated sessions on AI and workforce strategy while also integrating them into ongoing discussions and decision-making.
- **Engage the full C-suite:** Boards should engage regularly with the full range of C-suite leaders — including CHROs, CIOs and CLOs — to gain deeper, cross-functional insights into evolving areas like talent and AI. For example, while CHROs and CIOs bring essential perspectives on workforce and technology, CLOs can offer critical guidance on the legal and regulatory implications of emerging technologies. Involving a broader set of executives helps make board oversight more informed, balanced and aligned with the complexity of today’s business environment.

For more information

- [How boards can effectively oversee AI to drive value and responsible use](#)
- [Talent management: an evolving board imperative](#)
- [AI Under Scrutiny: Strategies for Navigating Machine Power and Peril](#)
- [CEO and C-Suite ESG Priorities for 2025](#)
- [The Evolving Role of the CHRO in the Boardroom](#)

Top risks

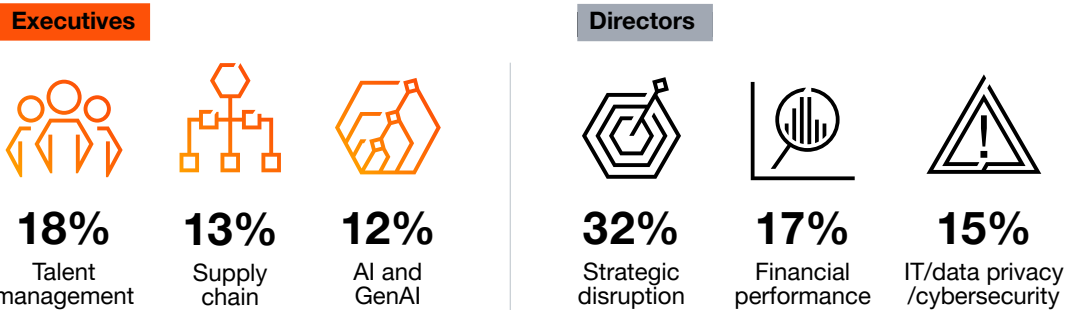
Boards and executives have different risks keeping them up at night

What are executives saying?

Executives and directors view top risks through different lenses. Executives are most concerned with talent, supply chain issues and AI, while directors — perhaps reflecting their broader governance role — focus on strategic disruption, financial performance and data privacy, which they see as fundamental to long-term business stability.

But this disconnect in risk perception can create blind spots in enterprise risk management (ERM) — especially if boards and management are not aligned on where the greatest vulnerabilities lie or where proactive oversight is most urgently needed.

Executives and directors see top risks through different lenses



Q9. What is the single greatest risk that keeps you up at night as an executive/board member?
Base: 520 (Executives); 477 (Directors)
Sources: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, May 2025; PwC, *2024 Annual Corporate Directors Survey*, September 2024.

What may be driving this?

Attracting, retaining and developing skilled employees is becoming increasingly challenging for companies. The fact that talent is the top concern for executives highlights its crucial role in driving innovation and maintaining competitiveness. A strong workforce is essential for achieving business objectives.

Supply chain risks are also a top concern for executives, especially as geopolitical tensions and shifting trade policies create new challenges. At the same time, AI’s rapid evolution and disruptive potential have quickly brought it near the forefront of their worries.

Together, these pressures reflect a business environment where adaptability, resilience and innovation are critical — and where operational issues have become just as urgent as long-term strategic goals.

Going deeper

Executives and directors may be working toward the same goals, but their top risk concerns reflect their different roles. Executives seem to be focusing on the challenges that could disrupt operations — having the right people, maintaining supply chains and keeping up with technology. Directors, on the other hand, seem to be taking a broader view, emphasizing long-term strategic risks that could shape the company’s future trajectory. One thing is clear though — with executives across the enterprise highlighting talent as a top risk, this may be an area that directors need to be paying more attention to.

What keeps executives up at night? It depends on their role

Functional area	Greatest risk
Audit (CAE)	Talent
Executive leadership (CEO)	Financial performance
Finance (CFO)	Supply chain
Human resources (CHRO)	Talent
Information technology (CIO/CTO)	AI/GenAI
Legal (GC/CLO)	Talent
Marketing (CMO)	Talent
Operations (COO)	Talent

Q9. What is the single greatest risk that keeps you up at night as an executive?
Base: 520
Source: PwC and The Conference Board, Board effectiveness: A survey of the C-suite, May 2025.

Actions moving forward

Executives

- **Report regularly on top risks:** Provide quarterly reporting to the board on the organization's top risks. This reporting leverages the results of the ERM program, which includes the board's feedback as a stakeholder in the assessment process. Reporting could feature a dashboard with the top five to ten risks, risk owner, source of assurance (internal audit, third party, etc.) and any change in the risk from quarter to quarter.

Directors

- **Engage in regular, candid risk discussions with management:** Regular discussions with management on top risks are imperative and should be built into every board and committee agenda. Management's quarterly top risk reporting should drive discussions among directors and management to align on the risks and plans to manage those risks. Directors should understand what "keeps management up at night" and have honest conversations about any difference of opinion the board has with those risks.
- **Focus on comprehensive coverage of top risks:** The board should confirm that all top risks are appropriately overseen by either the full board or a designated committee. It's also important to assess whether any reallocation of responsibilities is needed — either between the full board and its committees or among the committees themselves — based on workload, evolving priorities and the specific skill sets of directors. For a company with a dedicated risk committee, the board may want to revisit and potentially expand its mandate. As business risks evolve, this committee could take on oversight of emerging areas such as workforce strategy, AI governance and culture-related risks — including employee conduct, organizational resilience and ethical use of technology. Expanding the risk committee's purview in this way can allow it to give these increasingly complex and interconnected issues the focused attention they require.

For more information

[Risk oversight and the board: Navigating the evolving terrain](#)

[The director's guide to ERM fundamentals](#)

[C-Suite Outlook 2025: Seizing the Future](#)

[Global Gray Swans Tool](#)

Conclusion

In a rapidly evolving global business landscape, strong board leadership is more essential than ever. *Board effectiveness: A survey of the C-suite* reveals encouraging signs of growing executive confidence in board performance — yet it also underscores persistent gaps in expectations, priorities and perceptions. From the need for refreshed skills in areas like AI and international strategy to concerns about director engagement and role clarity, the findings make one thing clear: board effectiveness must be an ongoing journey. As companies face mounting risks and unprecedented change, fostering deeper alignment, open communication and mutual understanding between boards and the C-suite will be critical to long-term resilience, innovation and success.

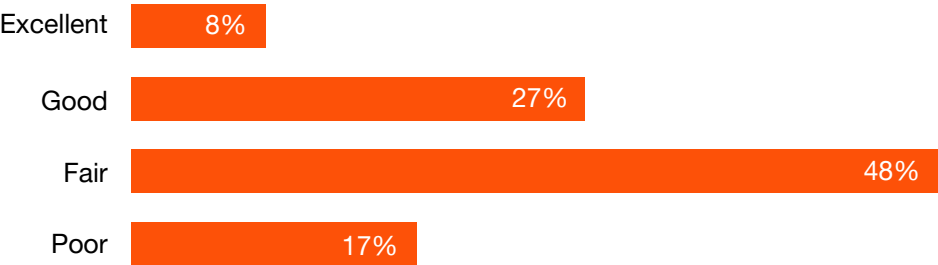


Appendix

Complete survey findings

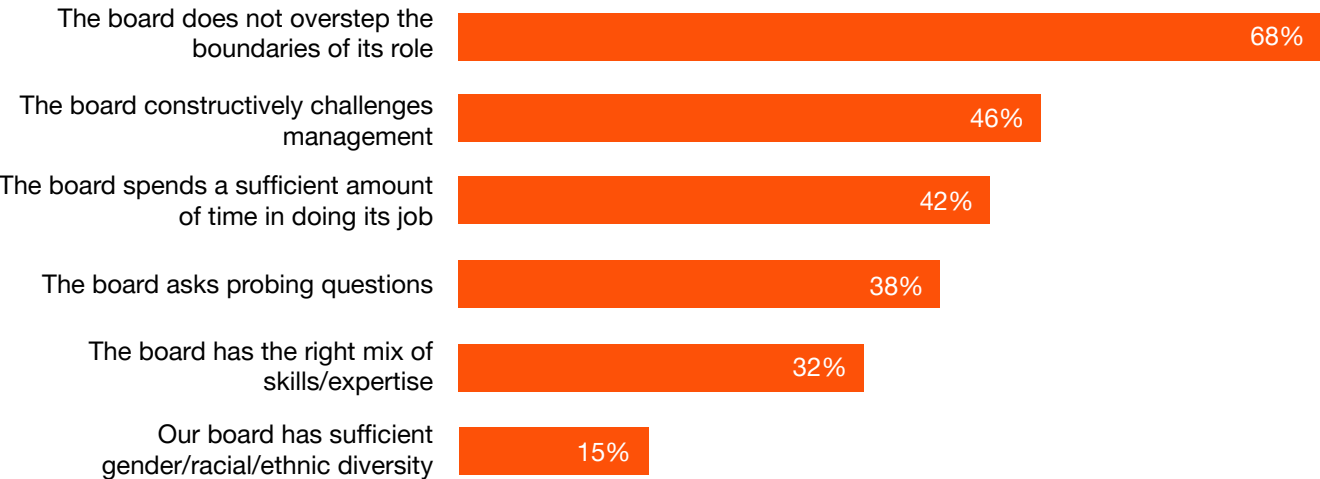
Note: Due to rounding, some charts may not add to 100%.

1. How would you rate the overall effectiveness of your board of directors?



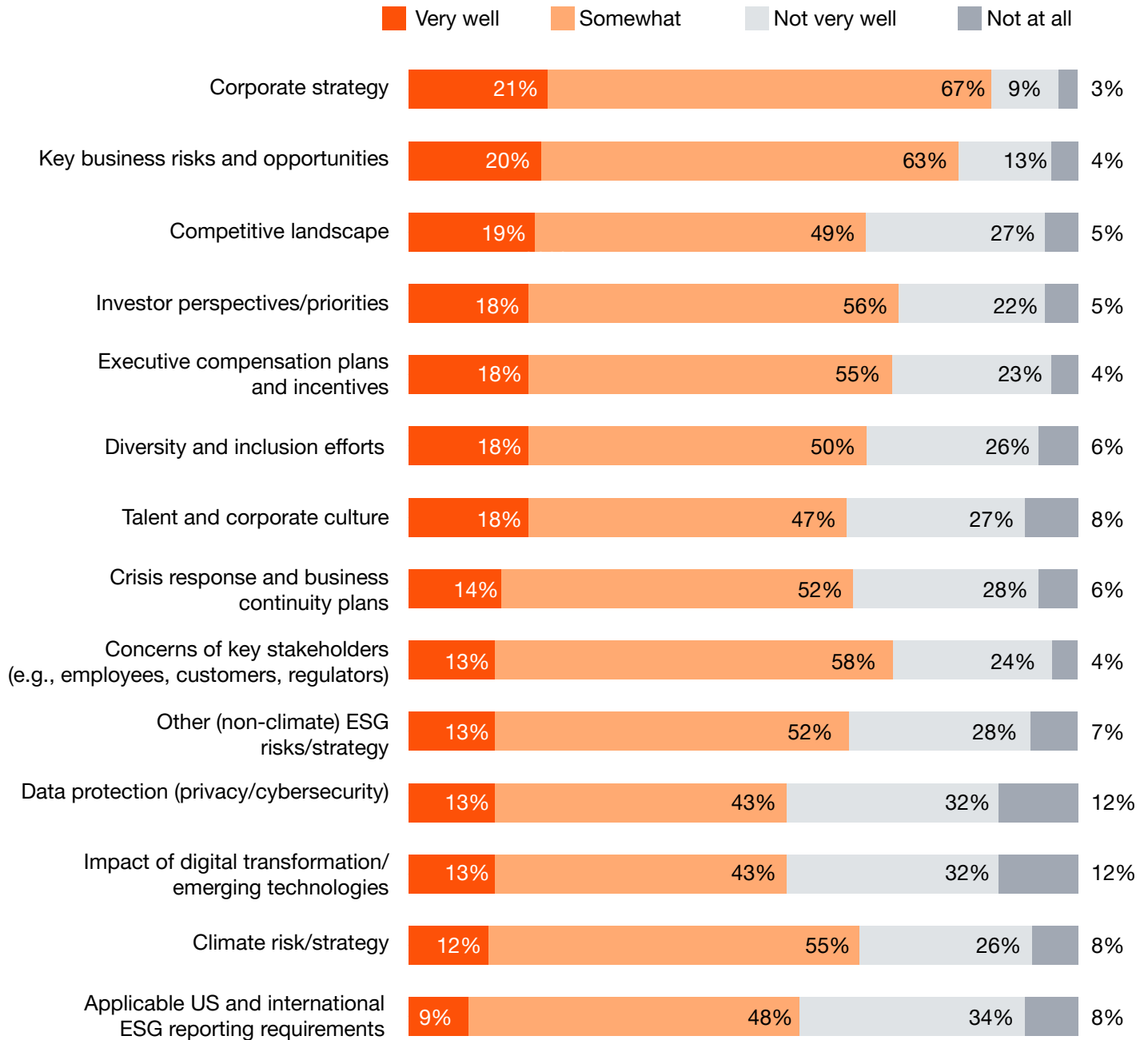
Base: 520
Source: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, May 2025.

2. With which of the following general statements about your board do you agree? (select all that apply)



Base: 514
Source: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, May 2025.

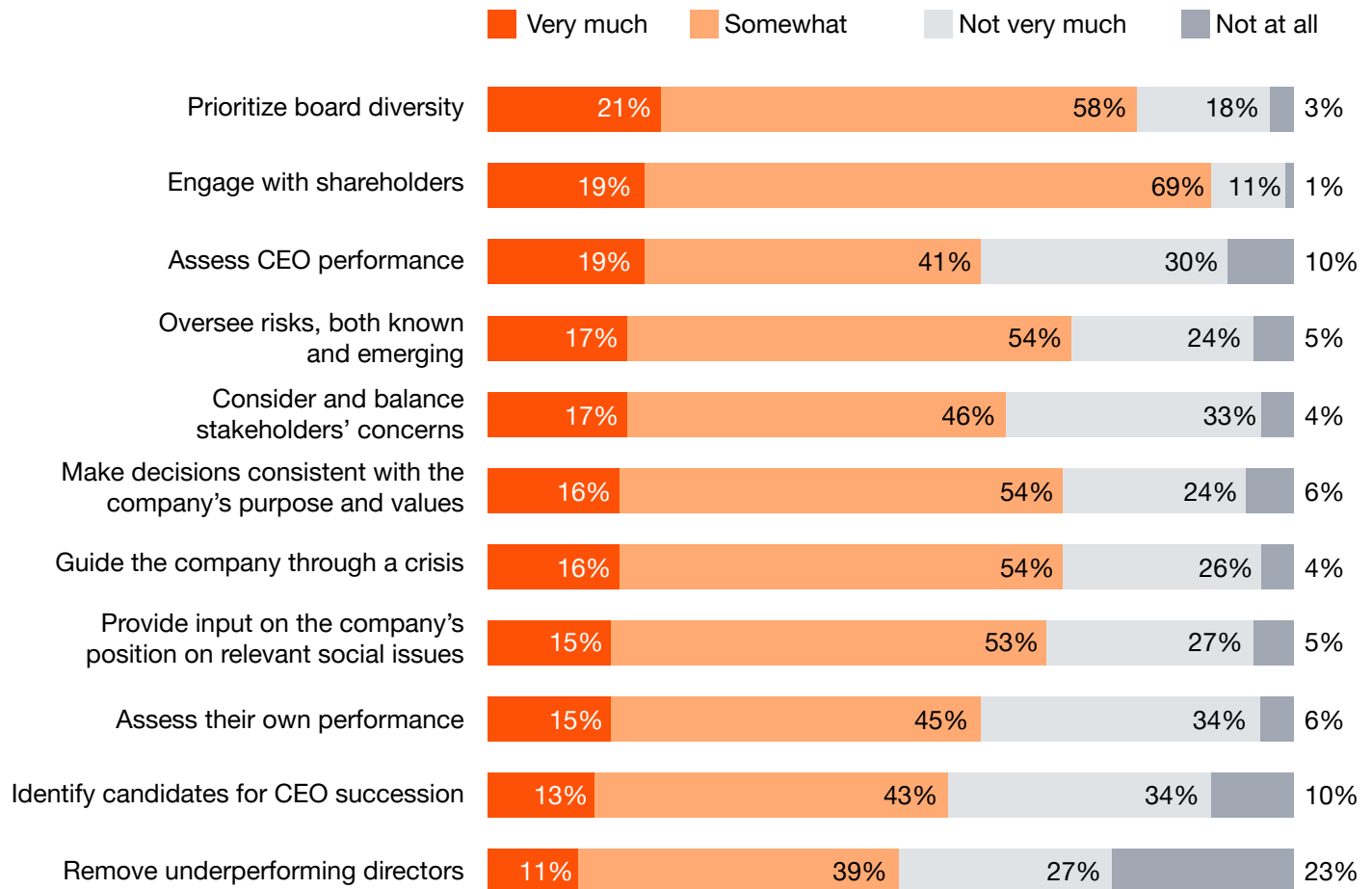
3. How well do you think your board understands the following about your company?



Base: 513-519

Source: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, May 2025.

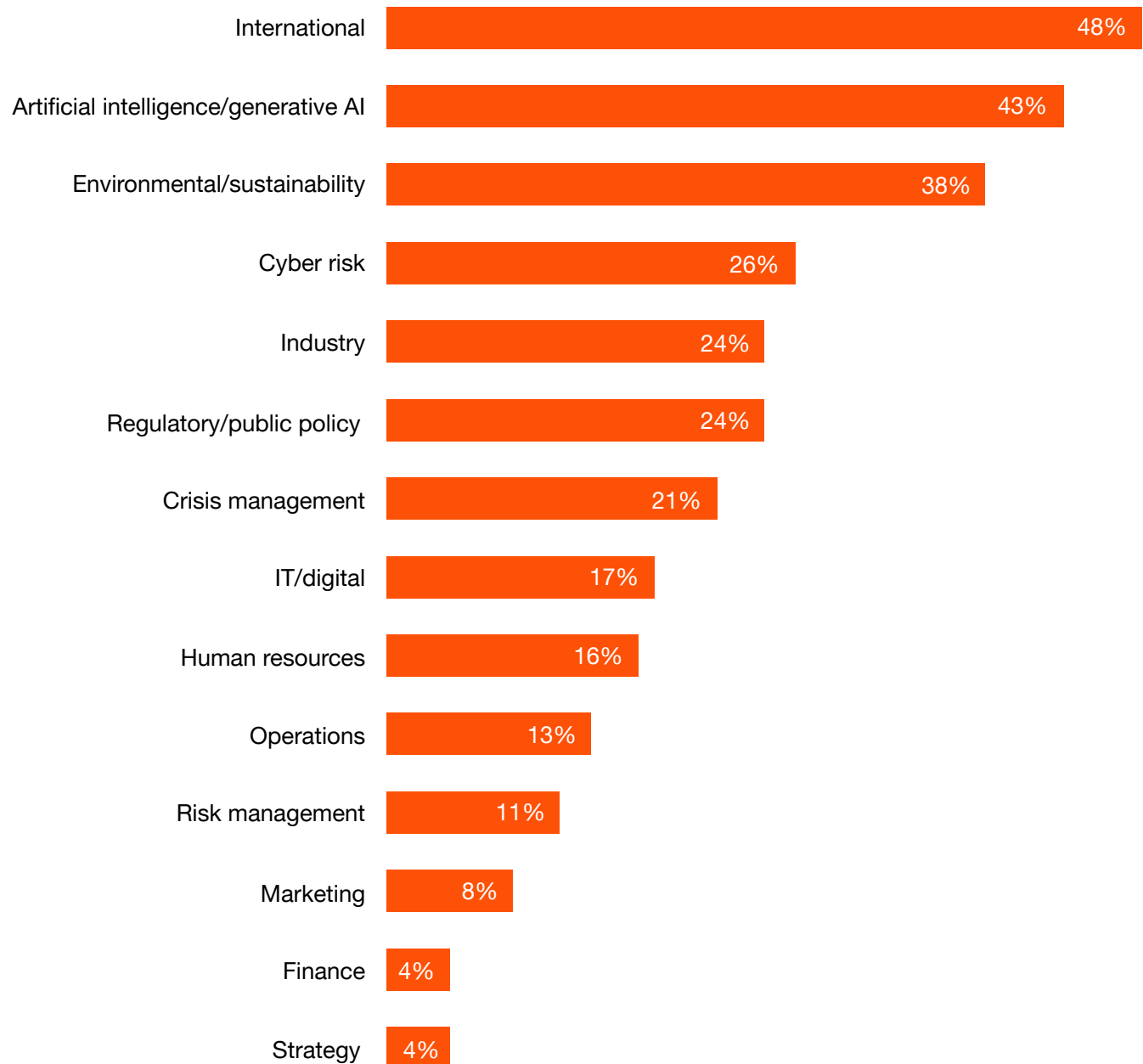
4. How confident are you in your board's ability to effectively:



Base: 514-517

Source: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, May 2025.

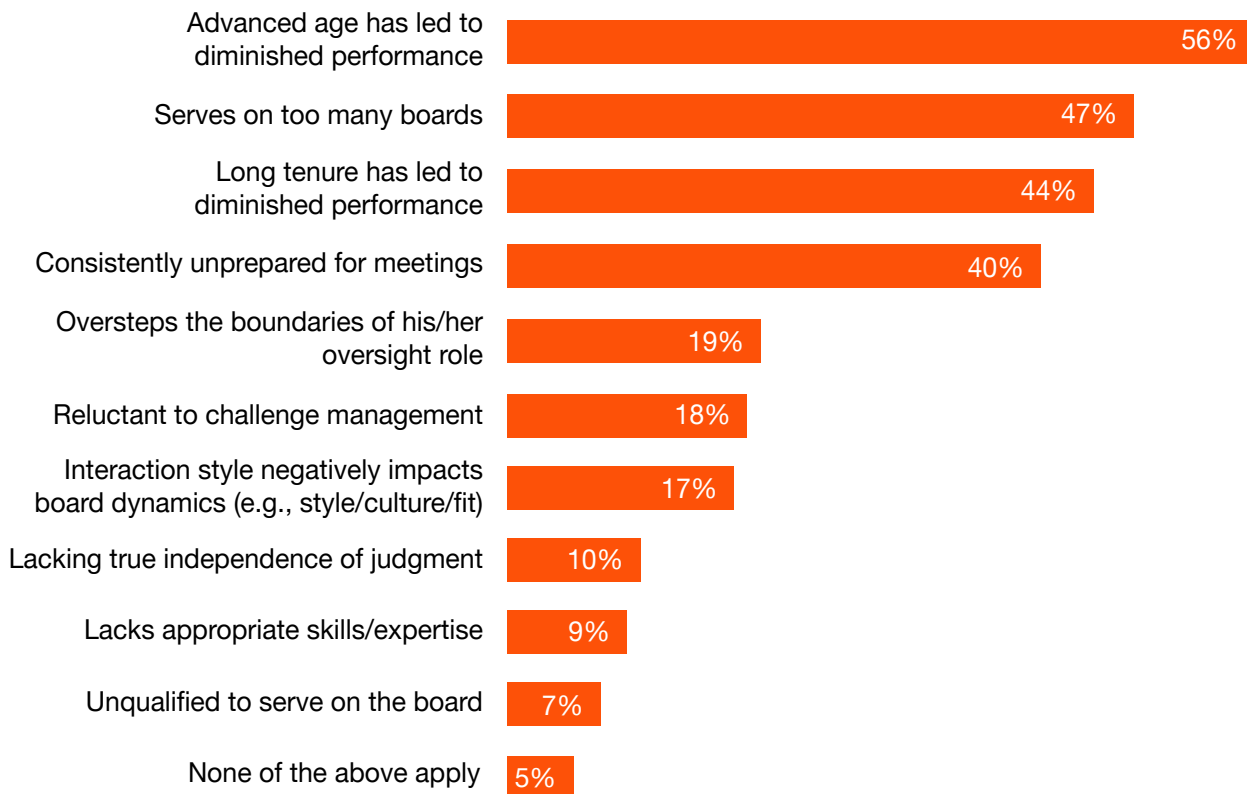
5. What top three areas of expertise should be added to your board within the next 12 months? (limit to only three)



Base: 519

Source: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, May 2025.

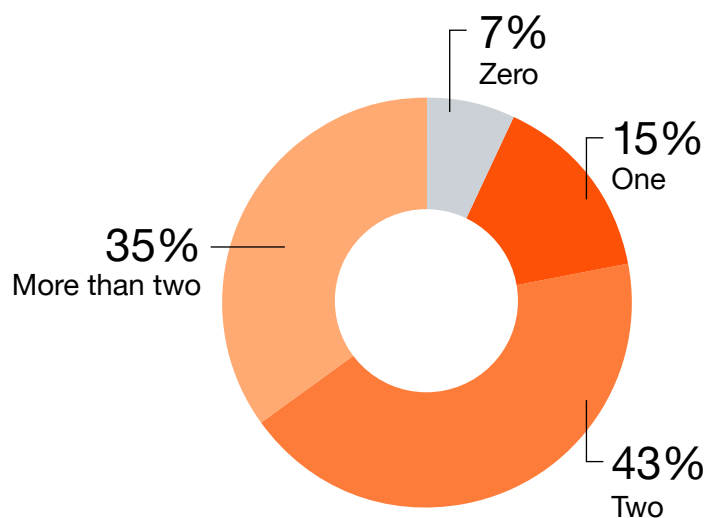
**6. Do you believe any of the following about any of your company's board members?
(select all that apply)**



Base: 519

Source: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, May 2025.

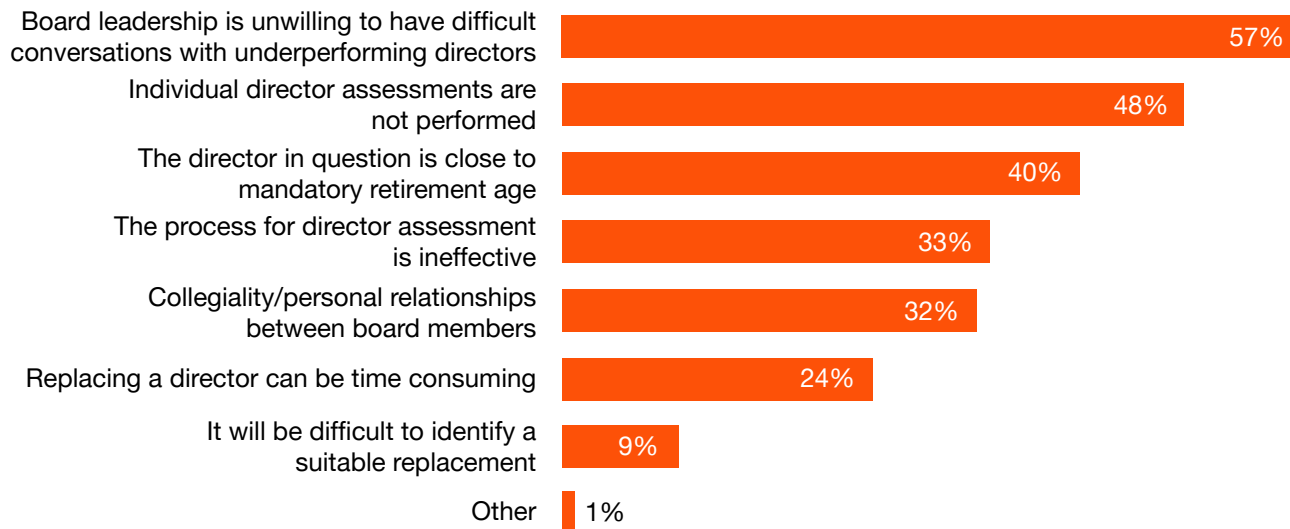
7. In your opinion, how many directors on your board should be replaced?



Base: 513

Source: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, May 2025.

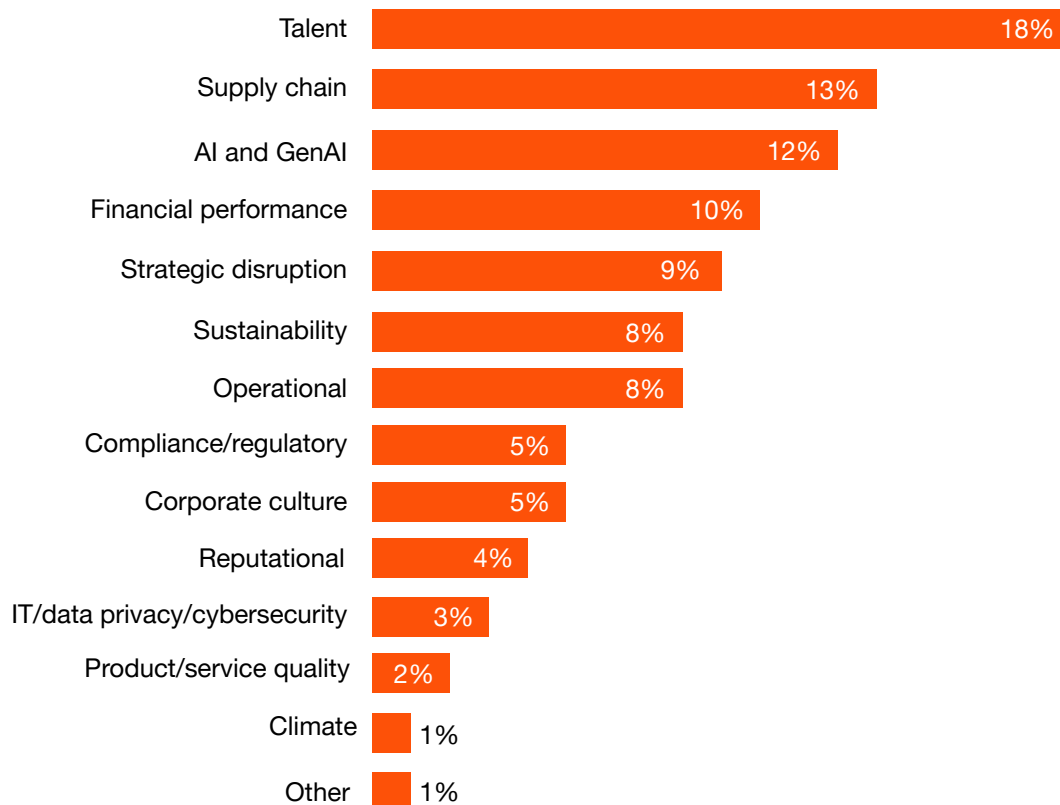
8. What do you think are the challenges in replacing directors? (select all that apply)



Base: 507

Source: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, May 2025.

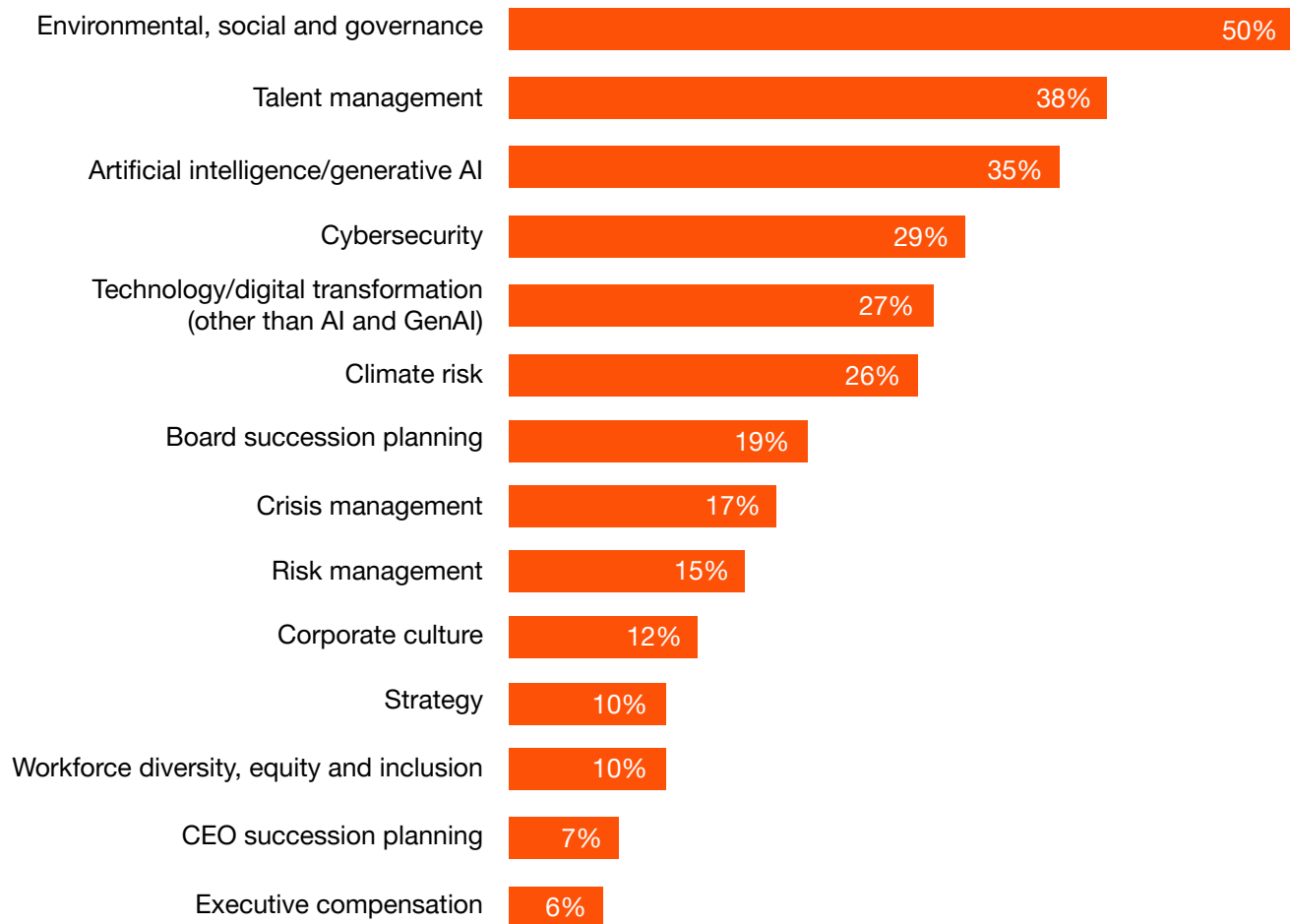
9. What is the single greatest risk that keeps you up at night as an executive?



Base: 520

Source: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, May 2025.

**10. Which of the following topics should your board spend increased time on over the next 12 months?
(select all that apply)**



Base: 520

Source: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, May 2025.

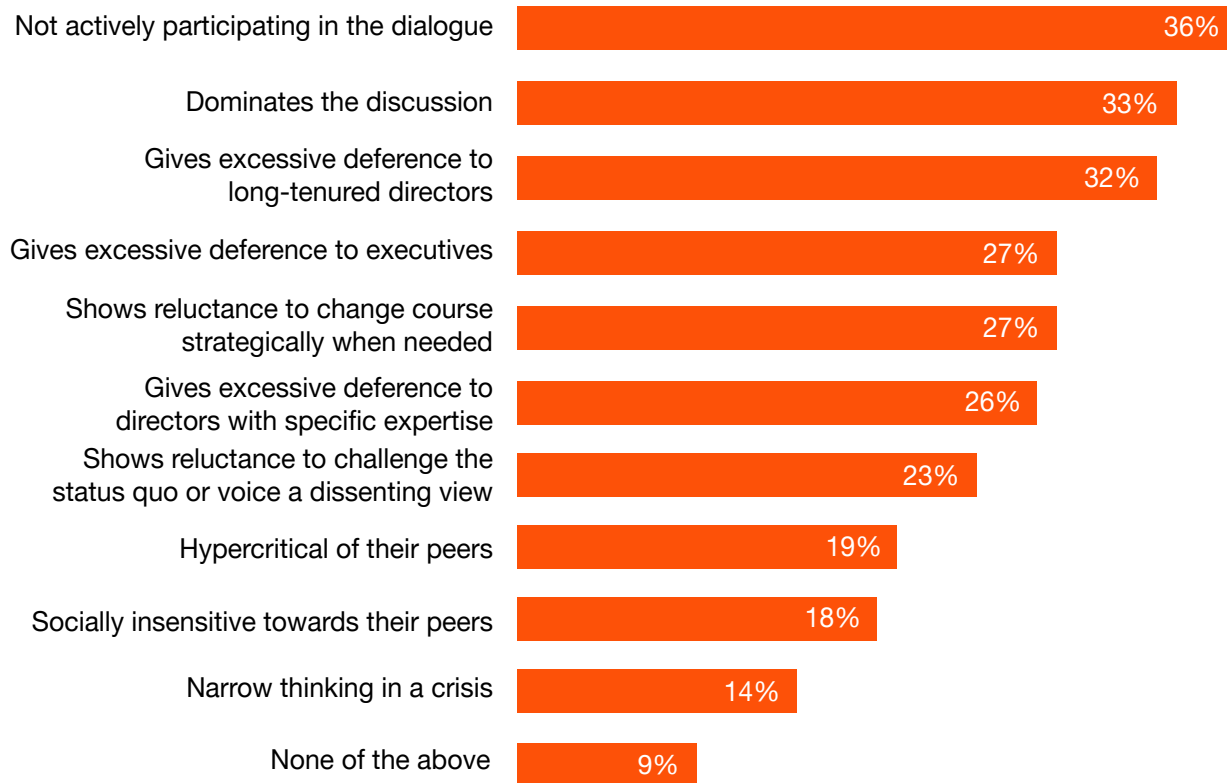
11. How do you think boards need to evolve over the next five years? (select up to three)



Base: 511

Source: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, May 2025.

12. About which of the following should your board chair or lead director provide coaching/feedback to one or more directors? (select all that apply)

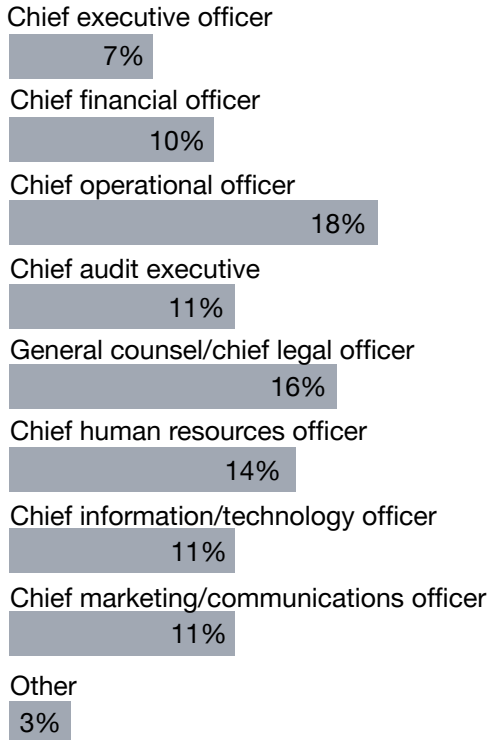


Base: 517

Source: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, May 2025.

Demographics

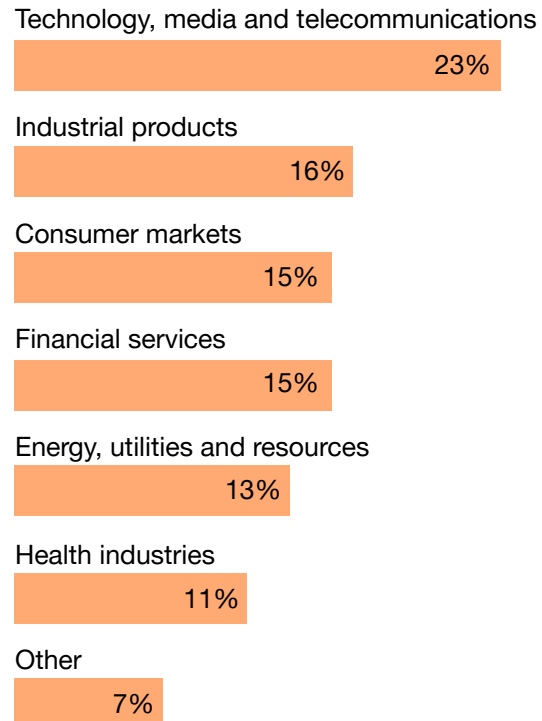
Your role is (or is within the office of):



Base: 519

Source: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, May 2025.

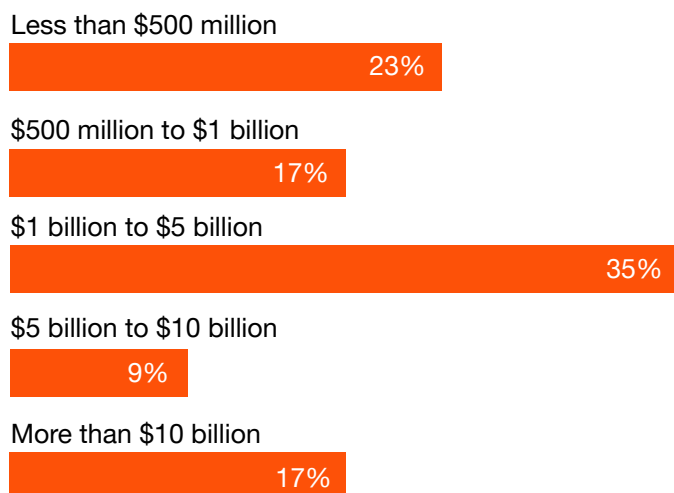
Which of the following best describes your company's industry? (select only one)



Base: 517

Source: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, May 2025.

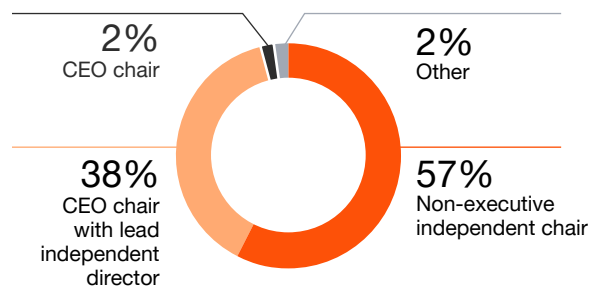
What are the annual revenues of your company?



Base: 516

Source: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, May 2025.

Which of the following describes your board leadership structure?



Base: 460

Source: PwC and The Conference Board, *Board effectiveness: A survey of the C-suite*, May 2025.

About the survey

PwC and The Conference Board's study, *Board Effectiveness: A survey of the C-suite*, gauges the perception that C-suite executives at public companies across the US have related to the performance of their boards of directors. Fielded between September 2024 and November 2024, the survey gathered responses from 520 executives. The respondents represent a cross-section of senior executives from several industries, the majority of whom help to lead companies with revenues of more than \$1 billion.

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Contacts

PwC's Governance Insights Center

Ray Garcia

Governance Insights Center Leader
ray.r.garcia@pwc.com

Paul DeNicola

Principal, Governance Insights Center
paul.denicola@pwc.com

Carin Robinson

Director, Governance Insights Center
carin.l.robinson@pwc.com

Arielle Berlin

Director, Governance Insights Center
arielle.berlin@pwc.com

Nick Bochna

Manager, Governance Insights Center
nicholas.bochna@pwc.com

The Conference Board

Matteo Tonello

Managing Director, Head of TCB
Benchmarking and Analytics
mtonello@tcb.org

Andrew Jones

Principal Researcher, Governance
& Sustainability Center
ajones@tcb.org

Ariane Marchis-Mouren

Senior Researcher, Governance
& Sustainability Center
amarchis-mouren@tcb.org

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