Weekly Brief June 30, 2026

Transformations Are Hard. Boards Can Help.

Our records indicate that this is the first time you're receiving the Weekly Brief, and I want to personally welcome you. I hope that BCG's latest knowledge and my own reflections can help you make sense of our rapidly changing reality. If you have any feedback, I'd love to hear from you.

Transformations are among the most high-stakes and consequential undertakings in the life of an organization. Their success or failure can decide the fate of the enterprise. So why do organizations not lean more heavily on some of their most trusted advisors, their boards of directors?

An Untapped Resource

Many board directors are seasoned executives, with decades of experience overseeing the tricky dynamics of a transformation. But boards are hardly involved in transformations, according to a BCG survey of several dozen chief transformation officers (CTOs). Nearly two-thirds of CTOs said board involvement was mostly limited to reviewing status updates. While roughly 90% of CTOs said that their board supports the transformation underway, only 26% said their board is highly engaged in the transformation. This is an opportunity for directors to take a more active part.

It is an understandable instinct to confine board directors to their traditional roles—hiring the CEO and offering high-level advice and guidance. That’s still a sound, business-as-usual approach but may be the wrong approach for transformations.

Transformations are not business as usual. They require all hands on deck.

Different Levels of Support

Not every transformation demands the same level of board involvement. A CEO-led growth program may only need quarterly updates. A turnaround initiated by the board itself, however, warrants more frequent engagement and, potentially, direct access to the transformation leader.

That's what happened at a health care company facing financial distress. The board kicked off the transformation, set strategic milestones, and stayed heavily involved through execution—including a reshuffling of the product portfolio and investment strategy. Along the way, the board received monthly updates on key financial metrics and important milestones. The outcome: the company hit its targets on schedule and became one of the top-performing stocks in its industry that year.

Most transformations fall somewhere in between these extremes. Boards can calibrate their level of involvement depending on the complexity of the transformation. But most boards aren't making these distinctions. They apply the same oversight regardless of what's at stake.

A Better Way

Companies can increase the involvement of their boards in a few straightforward ways:

- Form a smaller working group of directors with relevant experience and give them direct access to the transformation leader, also outside of full board meetings.
- Set up regular touch points among the CEO, CTO, and selected directors. For example, companies can schedule online meetings synced to key transformation decisions or milestones that fall between quarterly board meetings.
- Tie compensation to performance. Only 29% of CTOs say that their companies have plans with a clear link to transformation outcomes. Boards play a key role in establishing compensation and incentive programs. The most successful incentive programs reward transformation leaders at all levels, from the CEO to initiative and workstream leaders who meaningfully contribute to transformation outcomes.

The stakes are too high in most transformations to limit the role of board directors to receiving quarterly updates.

Until next time,

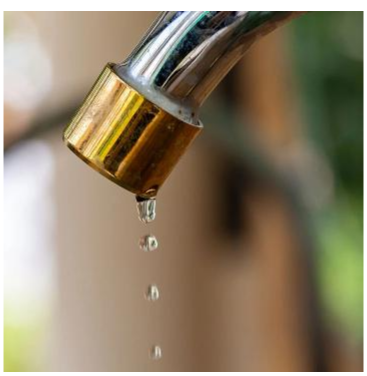
Christoph Schweizer
Chief Executive Officer

Further Insights

[The Secret to a Successful Transformation? An Engaged Board.]

Directors often have critical insights that can help companies implement large-scale change programs. Boards should shift their focus from oversight to agile partnership.

ENGAGE THE BOARD



The Hidden Cost of Inattention: How Boards Can Stop Transformation Value Leakage

When engaged as thought partners and strategic stewards, boards can be the difference between good intentions and great results.

PROTECT TRANSFORMATION VALUE

Boards Can Make or Break a Transformation

In the current environment of continuous transformation, business-as-usual oversight is not enough. Instead, boards must engage with management more frequently and proactively.

Go beyond oversight

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