

Leading across boundaries: Why CEOs and board members see this capability as a strategic asset

A survey of more than 500 CEOs and board members in markets around the world finds that a majority see the ability to lead across boundaries as foundational to achieving their organization's strategic goals. This report explores their reasons for feeling this way and how they're developing this capability.



Heidrick & Struggles conducted this survey online in May and June 2025 and gathered responses from 522 CEOs and board members in Australia, Brazil, Canada, France, Germany, Hong Kong, India, Mexico, Saudi Arabia, Singapore, the United Arab Emirates, the United Kingdom, and the United States. The companies they represent had a minimum of \$500 million in annual revenue; 28% had \$5 billion or more. The companies span all sectors and ownership types.

Earlier this year, we asked board directors and CEOs in markets around the world about the importance of leading and governing across boundaries—both familiar internal boundaries, such as business units and functions, and boundaries created by competing and sometimes deeply held personal values of employees, customers, and other stakeholders. This kind of leadership is not new to corporate executives, of course. They have long needed to balance across internal divisions—finance versus sales, business unit versus enterprise priorities, global versus local needs. Indeed, the promise of job security, financial rewards, and, for some, wealth creation has often motivated employers and employees alike to find ways to set aside political, social, and personal differences in pursuit of common goals. Business leaders have also generally heeded calls to play roles in meeting societal needs such as wars, economic recessions and depressions, or pandemics, crossing boundaries of competition or nationality to do so.

Today, in our fractured and hyperconnected world, expectations for business leaders are higher than ever¹ and divides are harder to bridge. Yet **two-thirds of the directors and CEOs we surveyed say that being able to do so is foundational to meeting their strategic goals.**

Lasting success in any attempt to lead across boundaries tends to require what we have come to call “arenas”: trusted spaces where people can express their differences and agree on how to move toward an outcome not all will agree with but everyone will respect. Business arenas, from board meetings to open town halls to informal gatherings, are far less heralded than sports or political arenas but are at least equally important. The reasons the directors and CEOs we surveyed see leading across boundaries as foundational to meeting their strategic goals, and the ways they are trying to do so, suggest considerations for all leaders today.

A clear link to financial performance

Our survey found that a majority of CEOs and directors are very clear that leading across boundaries is a hard performance driver. Organizations led by boundary-spanning leaders, they say, are better positioned to grow, innovate, and withstand shocks. Two-thirds say the ability to lead across boundaries is foundational to achieving their strategic goals.

Importance of leading across boundaries (%)

How critical is the leadership skill set of leading people across boundaries to your company's ability to meet your strategic goals?

(Respondents could select only one choice)

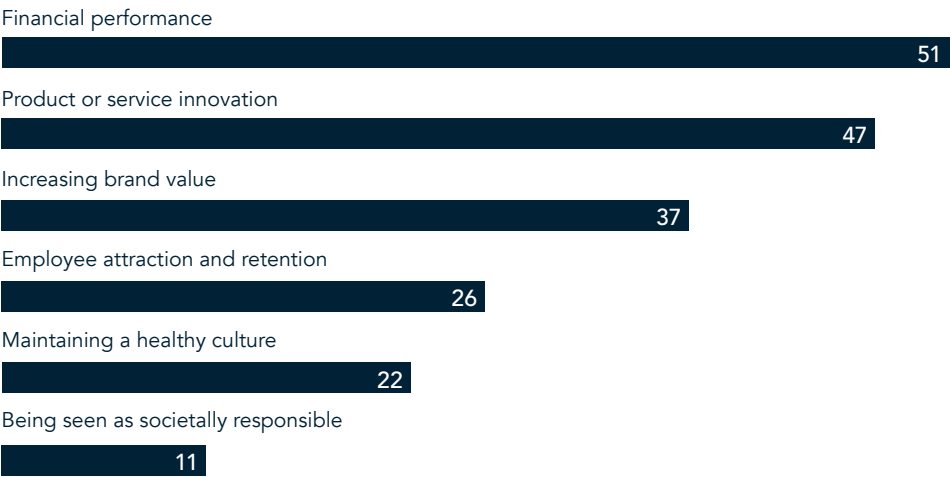


Note: Numbers may not total 100%, due to rounding.
Source: Heidrick & Struggles' survey of CEOs and board members, May/June 2025, n=522

1 2025 Edelman Trust Barometer, Edelman, 2025, edelman.com.

The primary reason: its positive impact on financial performance.

Strategic goals leading across boundaries helps with most (%)
Which strategic goals does leading across boundaries most help with?



Note: Respondents could select up to 2 choices.
Source: Heidrick & Struggles’ survey of CEOs and board members, May/June 2025, n=522

(The findings of this survey complement those of [a survey we conducted of US board members and CEOs](#) shortly before the US presidential election last fall.)

Of course, **other leaders completely disagree** about the importance of leading across boundaries, and the reasons leaders have for their perspectives vary too. **Context matters.** The share of directors saying this capability is foundational ranges from a high of 88% in Brazil to a low of 35% in Hong Kong, and from 71% in financial services to 60% in consumer. There is somewhat less variation among the strategic goals CEOs and directors see leading across boundaries as most important to, with financial performance almost always leading the way. Interestingly, CEOs’ and directors’ views vary little by ownership type. For more context on leaders’ responses to all the data in this report, see [this complementary article](#).



How and why leaders are leading across boundaries

We asked leaders how much they agreed or disagreed with 13 statements about leading across boundaries in their organizations. Those statements reflected perspectives on both personal responsibility and enterprise-wide responsibility:

Perspectives on leading across boundaries



Personal leadership:

Self-awareness, transparency, and leader actions across divides

- Leaders have a responsibility to consider issues in which people have competing values, but not to act on them
- We actively consider the ability to lead across boundaries as part of our leadership criteria
- It is important for leaders to take actions to lead across boundaries, beyond making statements
- Leaders must be transparent about their own values to succeed in leading others across boundaries
- Leaders must be self-aware to succeed in leading others across boundaries



Enterprise responsibility:

The company's role in navigating societal and stakeholder expectations

- Businesses are better than most other types of organizations at helping society make progress on issues in which people have competing values
- It is important to do the right thing on issues in which people have competing values, even if it hurts the company
- Businesses should work with other types of organizations to make progress on issues in which people have competing values
- Decision-making about issues in which people have competing values must be anchored in their influence on our ability to reach our strategic priorities
- It is important for society that businesses take a stand on issues in which people have competing values
- It is the CEO's responsibility to guide the organization's approach to issues in which people have competing values
- The CEO and board must work together on the organization's approach to issues in which people have competing values
- It is better for businesses to take a stand on issues in which people have competing values

Source: Heidrick & Struggles' survey of CEOs and board members, May/June 2025, n=522



We then looked at the shares of leaders who strongly agreed with each statement, and, based on how much they agreed with statements in each group, defined four different groups of respondents, based on how much emphasis they place in each area:

Leaders fall into one of four emphasis profiles

Integrated leaders	15%	Personal leaders	32%	Enterprise led	19%	Uncertain observers	35%
These leaders place equal importance on both personal leadership behaviors and the enterprise’s responsibility for leading across boundaries		Leaders in this group most often strongly agree with the statements about what individual leaders must embody: self-awareness, transparency, and the courage to lead across boundaries		These leaders most often strongly agree with the statements about the organization’s responsibility to lead across boundaries for organizational and societal benefit		Leaders in this group less often strongly agree with statements in either category. They are less certain about their perspectives on leading across boundaries than their peers	

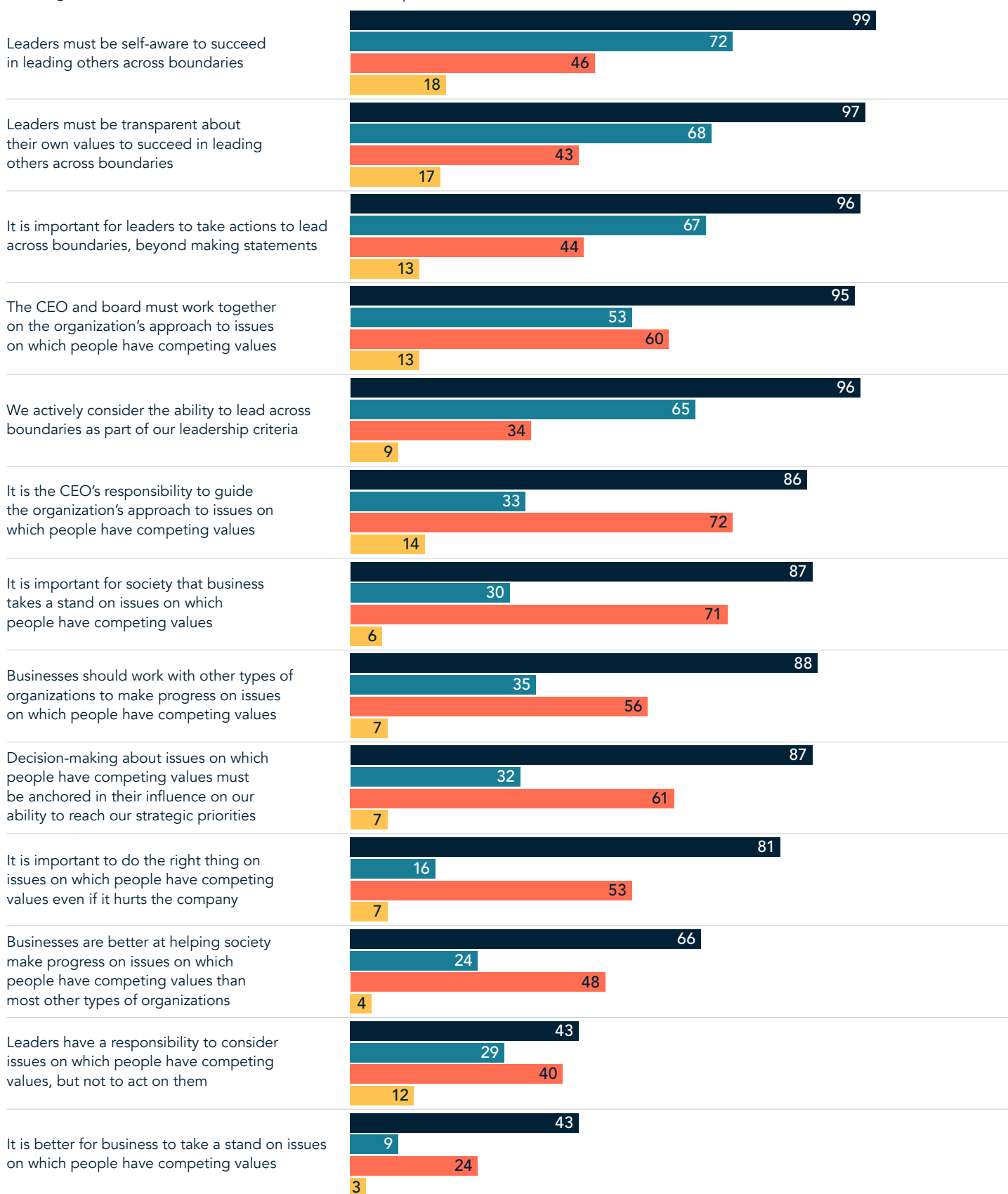
Source: Heidrick & Struggles’ survey of CEOs and board members, May/June 2025, n=522

Directors who take an integrated approach are even more often than others convinced that leading across boundaries is foundational to being able to achieve their organization’s strategic goals—87% say so—and more often see its positive influence on both financial performance and innovation.

Personal and enterprise leadership emphasis (%)

Share of respondents who strongly agree with each statement

■ Integrated leaders ■ Personal leaders ■ Enterprise led ■ Uncertain observers



Source: Heidrick & Struggles' survey of CEOs and board members, May/June 2025, n=522



Integrating individual and organizational leadership

Leaders who emphasize personal leadership most often agree strongly on actions each individual leader should take to lead across boundaries. Those who emphasize the enterprise more often agree strongly that organizational actions are important. Integrated leaders, of course, bring the two emphases together. **These leaders are taking the most comprehensive approach to exercising their personal sense of responsibility in the service of encouraging the whole enterprise to move forward together.**

The integrated group includes CEOs and directors from all markets we surveyed, across sectors, sizes, and types of ownership.

Focusing on employees

Integrated directors' emphasis on the combination of personal and enterprise leadership is highlighted by two of the top reasons they see leading across boundaries as important (in addition to its positive effect on financial performance): they place **equal emphasis on their own view of it as a priority and on current employees' expectations that their values will be taken into account in decision-making.** And they place far more emphasis on both of these reasons than any other directors.

This focus on employee interests aligns with the findings of many other surveys of leaders around the world we and others have conducted in recent years. It underscores that engagement is increasingly not just a "nice to have" but an organizational asset that leaders see as contributing to benefits including more innovation, fewer accidents, and higher retention.

Allocating board time

Integrated leaders also indicate that their boards more often than others spend time on topics that are also material to their organization's ability to achieve its strategic goals.

The topic they consider most often, and far more than others, is the impact of strategic decisions on employees (these could include topics such as operational locations or remote working policies). That is followed by the organization's impact on communities where it is present. And the same two topics, these leaders say, are the ones that are most material to their performance.

The boardroom is an arena

Harnessing Difference: The Arena

As individuals, we often view difference through a moral lens. But difference is not good or bad, right or wrong—it simply is. Natural and social ecosystems and communities thrive because of diversity. In business settings, innovation and performance depend on the interplay of opposing ideas to generate fresh approaches. Leaders who accept difference as a natural constant can harness its power—if they are intentional in their actions.

It can help to think about arenas in other settings. When many of today's leaders were young, two contests gripped the world: Muhammad Ali versus Joe Frazier in the “Thrilla in Manila,” and Bobby Fischer versus Boris Spassky across a Cold War chessboard. These weren't just competitions—they were global battles. Lines were drawn. Loyalties ran deep. Everyone had a stake, it seemed.

But it wasn't only the combatants' skill, or regional or fan favoritism, that engaged everyone. It was the fact that these clashes took place in arenas: structured spaces where conflict could unfold with rules, referees, and legitimacy everyone could see. Rivalry could rage, but trust that the combatants were treated fairly endured. These systems didn't eliminate conflict—they civilized it. They gave the competitors a way to engage in heated, closely watched battles, accept the decision, and move forward.

The world has built arenas to support competition in the expression of difference well beyond the world of sports and games. In business, it is clear. The highest performing companies build arenas for engagement and decision making into their systems and cultures. Whether leaders focus on personal responsibility, the enterprise's role, or both, they can harness the power of difference. Avoiding it, we believe, is a mistake.

In this context, the boardroom is a crucial arena for organizations. It's far from the only place in an organization where differences should be respectfully discussed and conclusions reached to drive the organization forward—but it is the arena where responsibility for the future of any organization fundamentally sits.

As CEOs and directors consider building their own arenas, they can start with a few key beliefs that strong majorities of their peers agree with. On the **individual side**:

Self-awareness: 92% of respondents agree that “leaders must be self-aware to succeed in leading others across boundaries.” Leaders must know their own values, biases, and blind spots.²

Personal responsibility and collaboration: 91% of respondents agree that the CEO and board must work together on the organization's approach—this can't be delegated.

Transparency: Leaders who share their values openly are seen as more likely to succeed, 89% of respondents indicate. Stakeholders distrust hidden agendas. The message: declare your principles on any topic that is material to your organization and relevant to implementing your strategy, and then engage.

Two **organization-level** beliefs also stand out:

Taking action on governance: 87% of respondents say it's important for leaders to take action to lead across boundaries, not just make statements. Leaders must model boundary-spanning behavior in the boardroom and beyond.

Committing to leading across boundaries as central to leadership and succession planning: 86% of respondents consider this as part of their leadership criteria.

All this suggests four considerations for directors who want to improve their organization's capability to lead across boundaries. **First, you need to understand where you stand**, and which elements of leading across boundaries—individual, organizational, or both—you emphasize. How and how much do you embrace discomfort in efforts to build trust that can not only survive strain but strengthen culture and outcomes? Where would your organization most benefit from being more effective?

Depending on where you want to focus, any or all of the following considerations will also be useful:

- 2 **Arenas matter, so create them for your organization.** The boardroom is certainly an arena, but so too are councils, cross-functional task forces, and team meetings—any structured setting where disagreement is safe and the expectation is that a fair conclusion will be reached. It's important that arenas are not just symbolic or performative, but that everyone can see that the organization truly values disagreeing and then finding a way forward together.

2 For more on how leaders can become more self-aware, see Les Csorba, “Too aware to fail,” Heidrick & Struggles, August 1, 2024, heidrick.com.

3 Act with intent. Determine which topics are material to your organization's ability to reach its strategic goals, be transparent about your own beliefs, and collaborate with the rest of the board, the leadership team, and other stakeholders to reach alignment on how to respond. Don't spend your board's or your own time on other topics, however pressing they may seem.

4 Make leading across boundaries a foundation of your organization. Being able to engage constructively on topics that matter most to your organization can become part of your organizational culture. But it won't necessarily last without a continuous focus not only on culture shaping but also on ensuring that future leaders at every level have the capabilities and commitment to leading across boundaries. This takes making the capability part of your CEO and executive succession planning work.³

Our work with corporate leaders around the world and our research make it clear that most see the value of institutionalizing constructive conflict, and that the most effective among them see both a personal and an enterprise-level responsibility to do so.

As society's expectations for business grow just as fast as society's divisions on many other topics, this capability will only matter more. The 10% of directors who don't see leading across boundaries as important to their organization's ability to meet strategic goals may well fall behind their peers who do.

So build your arenas. Your success won't be judged by the disappearance of conflict but by the fruit of that conflict—and whether your people emerge strong enough for the next round, because it is coming.

³ For more on this at the CEO level, see *Route to the Top: Today's CEO*, Heidrick & Struggles, February 28, 2024, heidrick.com.

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CEO & Board of Directors Practice

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