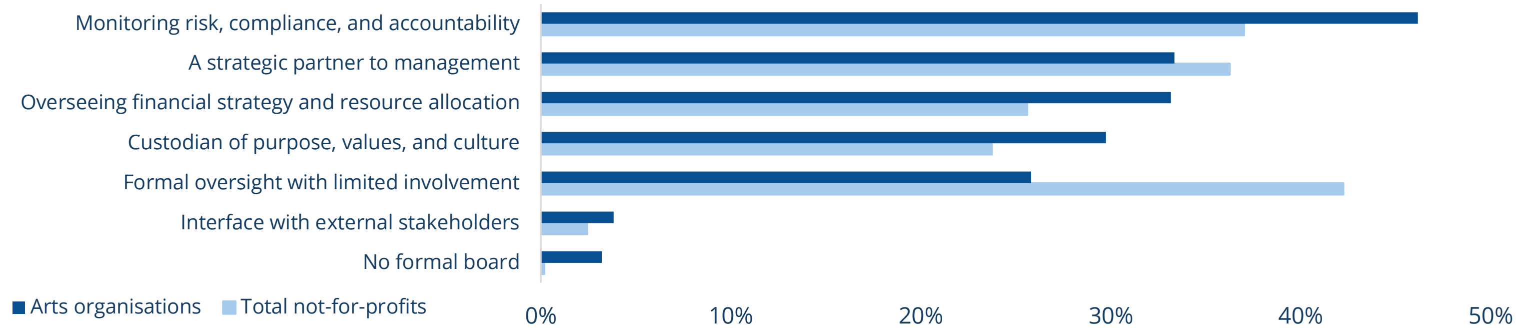
Arts: 31 CEOs

June 2026

Section 1: Purpose-led Governance and Board Leadership

Primary Purpose of Board



CEOs most frequently identify their board's primary purpose as monitoring risk, compliance, and accountability (46%), followed by a strategic partner to management (33%). CEOs could select up to two roles, as boards may have more than one primary purpose (total selections >100%). Arts organisations were 16 percentage points less likely than total not-for-profits to report 'formal oversight with limited involvement' as their board's primary purpose.

Board and management alignment

Alignment between boards and management understanding and respecting their roles is generally strong, with 37% of CEOs stating that the roles are completely aligned. However, some organisations may still face risks associated with role ambiguity or boundary overlap. It highlights an opportunity to enhance role clarity and optimise governance effectiveness. Arts organisations are 4 percentage points more likely to report that board and management roles are completely aligned.

Board structure and composition for effective governance

Boards most commonly report that their structure ensures integrated financial and non-financial reporting (70%) and aligns composition to reflect stakeholder experience and perspectives (53%). In contrast, fewer report that their board structure oversees performance metrics on sustainability (31%) and ensures sustainability aligns with strategy and purpose (30%), highlighting an opportunity to strengthen how board structures support broader organisational priorities. Arts organisations are 20 percentage points more likely to report that their board fully oversees performance metrics on culture.

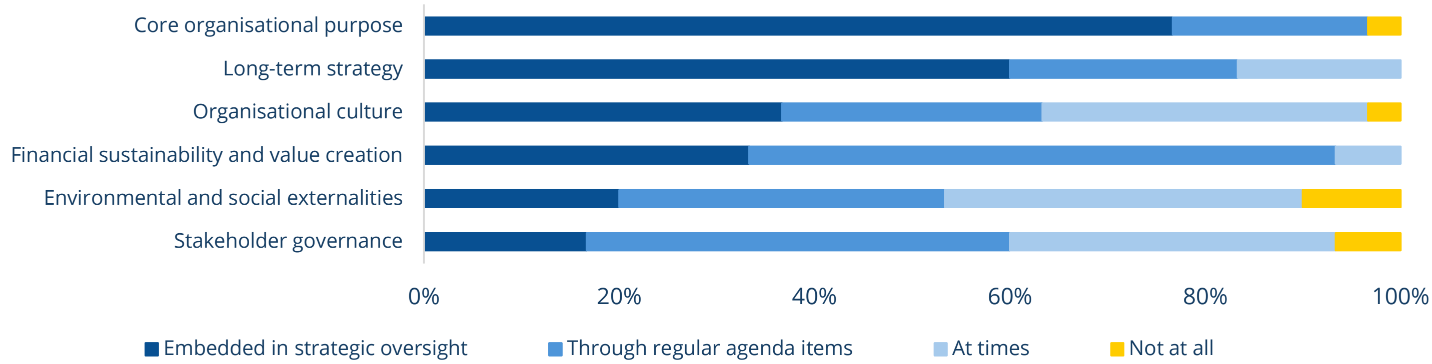
Authors: Susanna Lee (Leadership and Governance Collective),
Professor Claire Matthews and Dr Jeffrey Stangl (Massey University)

Leadership and Governance Collective

TE KUNENGA KI PŪREHUROA | MASSEY UNIVERSITY
UNIVERSITY OF NEW ZEALAND

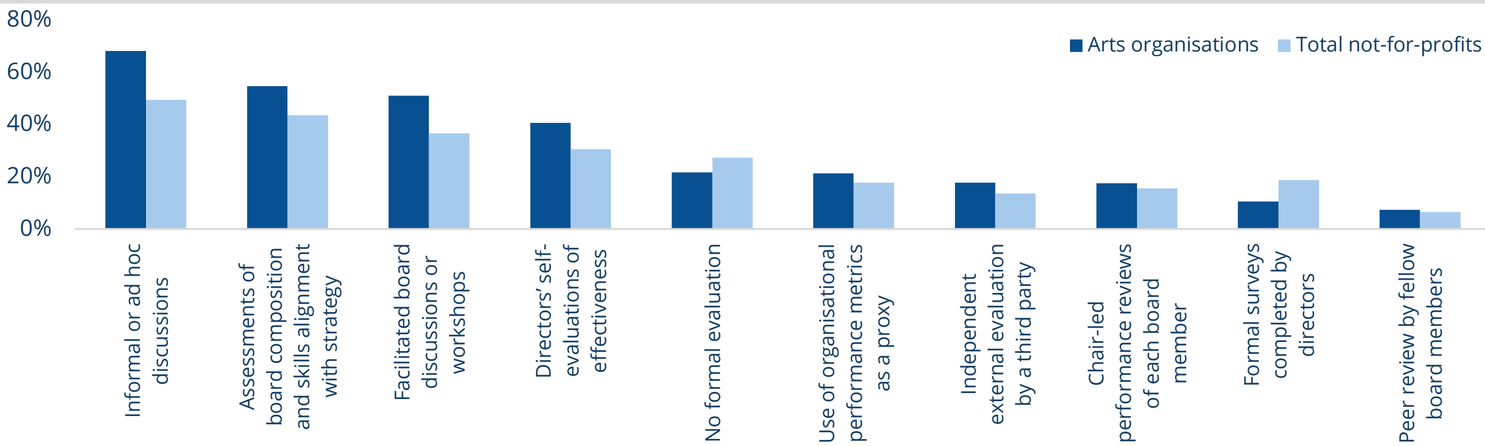
Arts: 31 CEOs

Extent of formal board oversight across key areas



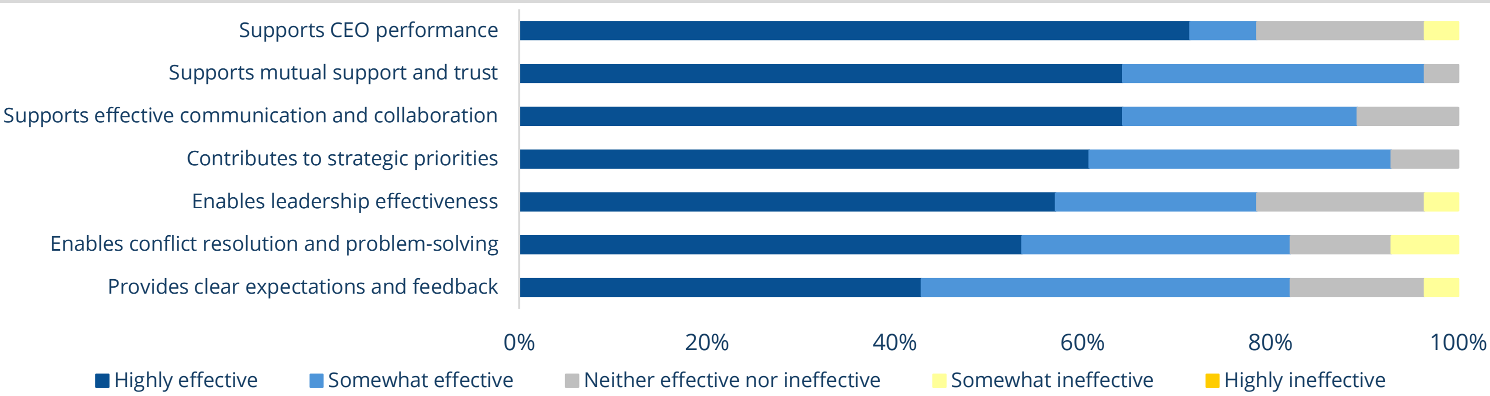
Many boards embed oversight of core organisational purpose (77%), long-term strategy (60%), and organisational culture (37%) within strategic oversight. However, fewer boards embed financial sustainability and value creation (33%), environmental and social externalities (20%), and stakeholder governance (17%), highlighting an opportunity for organisations to more consistently integrate factors that influence strategy, risk, and long-term value. Arts organisations are more likely to report that their board embeds core organisational purpose into strategic oversight.

Board methods of evaluating own governance and oversight effectiveness



While organisations routinely evaluate management and organisational performance, board governance itself is often assessed more informally. With 68% relying on informal or ad hoc discussions and 54% using assessments of board composition and skills alignment with strategy, many boards have an opportunity to strengthen oversight and better enable organisational performance by adopting more formal, objective evaluation methods. Arts organisations are more likely to rely on 'informal or ad hoc discussions'.

Effectiveness of CEO–chair relationship



The CEO–Chair relationship is central to governance, sitting at the interface between board and management and shaping oversight, communication, and strategic alignment. CEO–Chair relationships are generally strong: 71% of CEOs rated the chair ''highly effectively'' 'supports CEO performance', followed by 'supports mutual support and trust' (64%), and 'supports effective communication and collaboration' (64%). The lower ratings for 'enables conflict resolution and problem-solving' and 'provides clear expectations and feedback' indicate opportunities to strengthen these relationships to enhance the CEO's ability to lead optimally.

Authors: Susanna Lee (Leadership and Governance Collective), Professor Claire Matthews and Dr Jeffrey Stangl (Massey University)

Leadership and Governance Collective

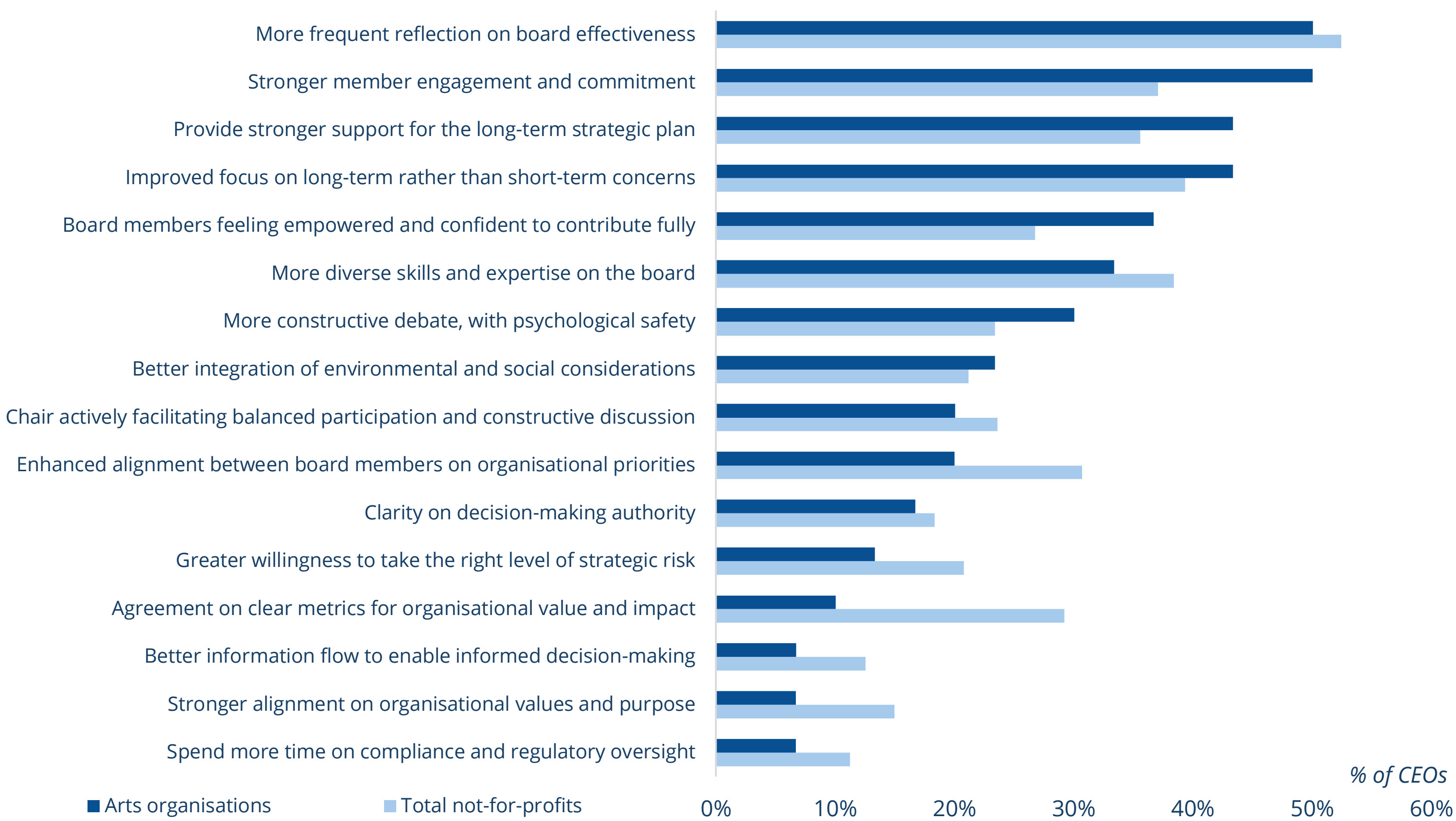
TE KUNENGA KI PŪREHUROA | MASSEY UNIVERSITY
UNIVERSITY OF NEW ZEALAND

Arts: 31 CEOs

Board effectiveness in enabling organisational purpose

Even some of the strongest boards have room for improvement: 53% of CEOs rate their board as 'highly effective' in supporting oversight of compliance and organisational risks, followed by 50% in supporting constructive board culture and dynamics, and 47% in supporting long-term orientation. More than 47% of boards are not highly effective in enabling organisational purpose in these factors; if these are not addressed, they risk leaving value on the table. Arts organisations are more likely than total not-for-profits to rate highly on 'supporting oversight of compliance and organisational risks' in enabling organisational purpose.

Areas the board could more effectively support and enable leadership



CEOs view board effectiveness as an important contributor to organisational performance. CEOs identify that boards could more effectively support and enable leadership, with 50% highlighting more frequent reflection on board effectiveness, 50% stronger member engagement and commitment, and 43% provide stronger support for the long-term strategic plan. Arts organisations are 19 percentage points less likely than total not-for-profits to identify agreement on clear metrics for organisational value and impact to enable organisational purpose as an area for improvement.

Authors: Susanna Lee (Leadership and Governance Collective),
Professor Claire Matthews and Dr Jeffrey Stangl (Massey University)

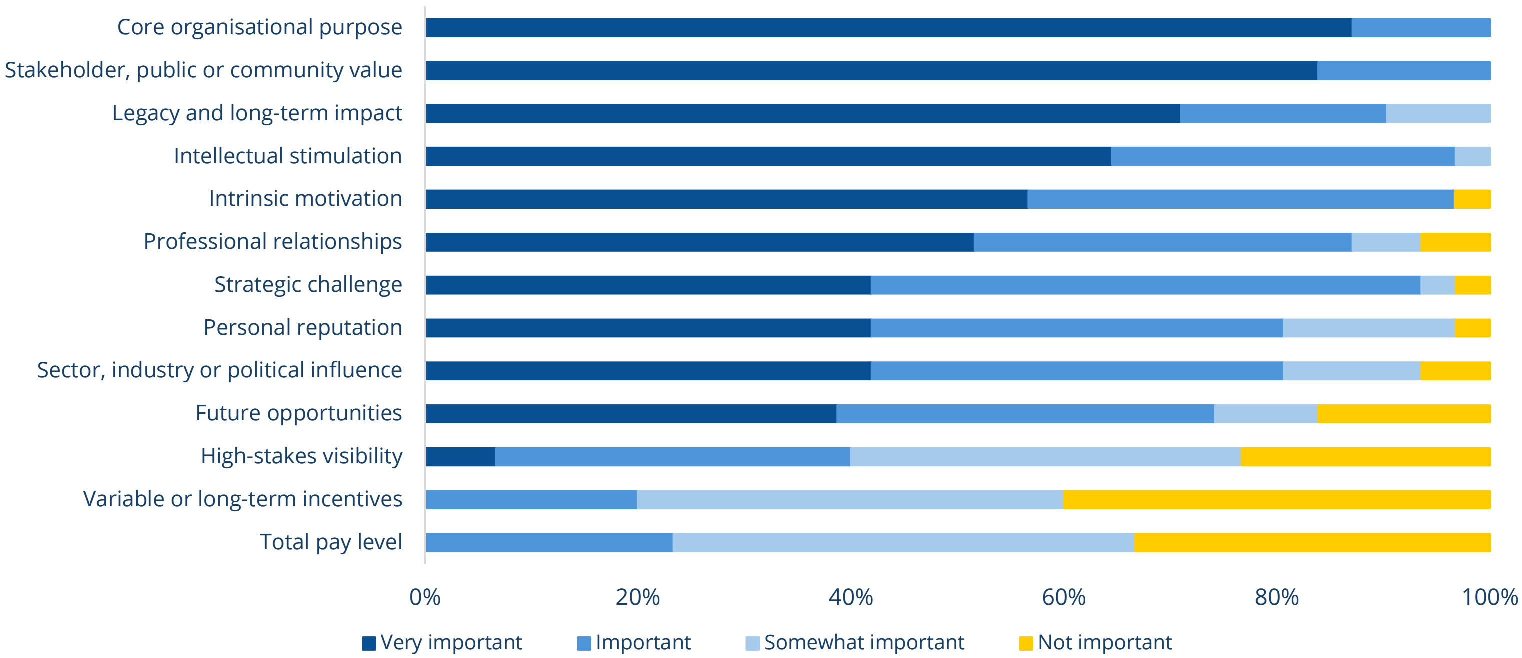
Leadership and Governance Collective

TE KUNENGA KI PŪREHUROA | MASSEY UNIVERSITY
UNIVERSITY OF NEW ZEALAND

Arts: 31 CEOs

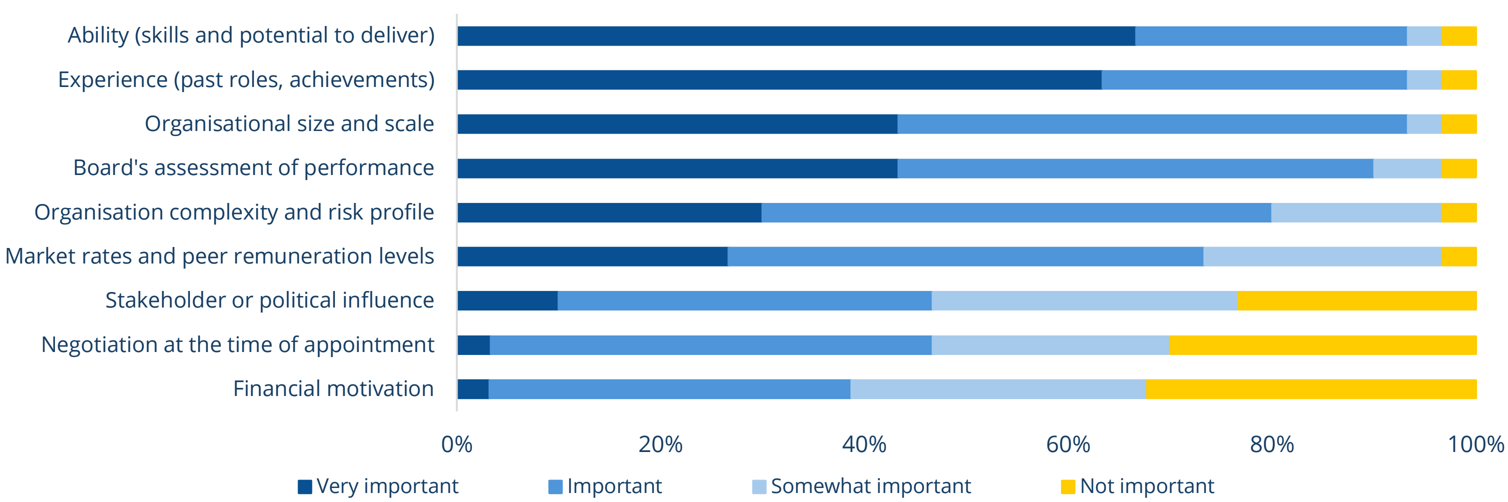
Section 2: CEO Personal Motivation, Values, and Alignment

Personal CEO motivations



CEO motivation is an important issue that has not been studied directly by asking CEOs. Attracting and retaining the right CEO is an important governance issue. The existing literature does not directly measure CEO motivation, instead inferring it from incentive structures (such as compensation design), observed CEO behaviour (e.g. risk-taking or earnings management), and governance outcomes (e.g., pay–performance sensitivity or compensation levels). CEO responses suggest that purpose-driven and intrinsic motivations rank highest, followed by reputation-related motivations, while financial or visibility-related factors are least prominent. Specifically, 87% of CEOs rated core organisational purpose as very important, followed by stakeholder, public or community value (84%) and legacy and long-term impact (71%), whereas only 0% rated variable or long-term incentives and 0% rated total pay level as very important motivators.

Key factors CEOs view as determinants of their pay



While the literature emphasises market benchmarks, managerial bargaining power, and incentive alignment, CEOs instead view pay as primarily driven by perceived individual ability and board judgment, with relatively little importance placed on negotiation or financial motivation. Specifically, 67% rating ability (skills and potential to deliver), 63% experience (past roles, achievements) and 43% organisational size and scale as very important determinants of pay, compared with 10% for stakeholder or political influence, 3% for negotiation at the time of appointment and 3% for financial motivation. CEOs view remuneration as recognition of the strategic value they are expected to create and the risks they assume in delivering organisational outcomes. Arts organisations are 13 percentage points less likely than total not-for-profits to consider the negotiation at the time of appointment as a key determinant.

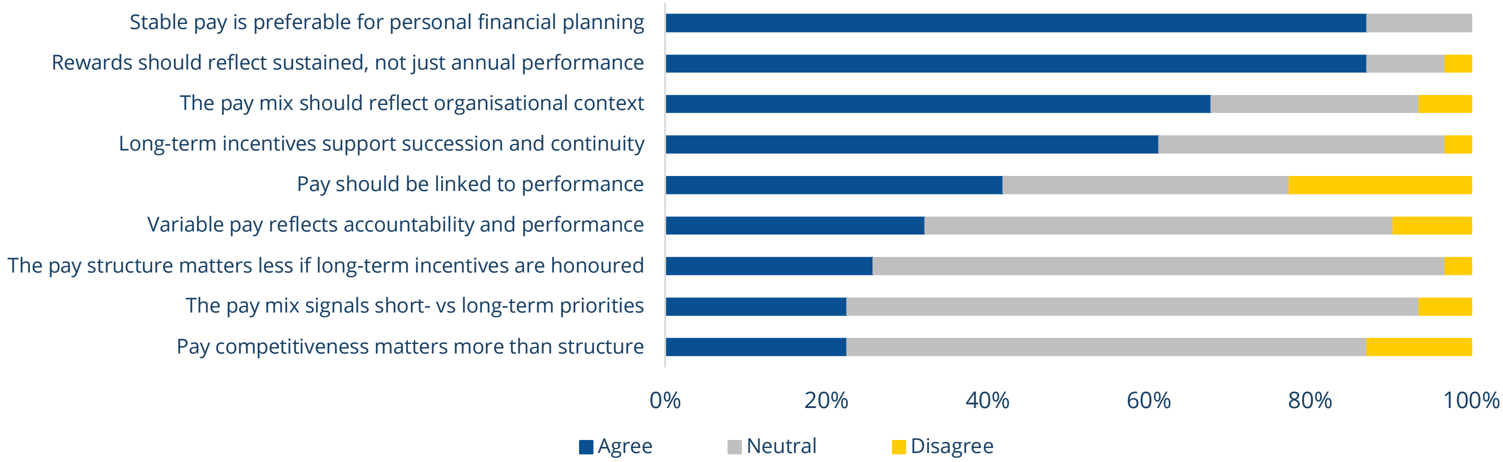
Authors: Susanna Lee (Leadership and Governance Collective),
Professor Claire Matthews and Dr Jeffrey Stangl (Massey University)

Leadership and Governance Collective

TE KUNENGA KI PŪREHUROA | MASSEY UNIVERSITY
UNIVERSITY OF NEW ZEALAND

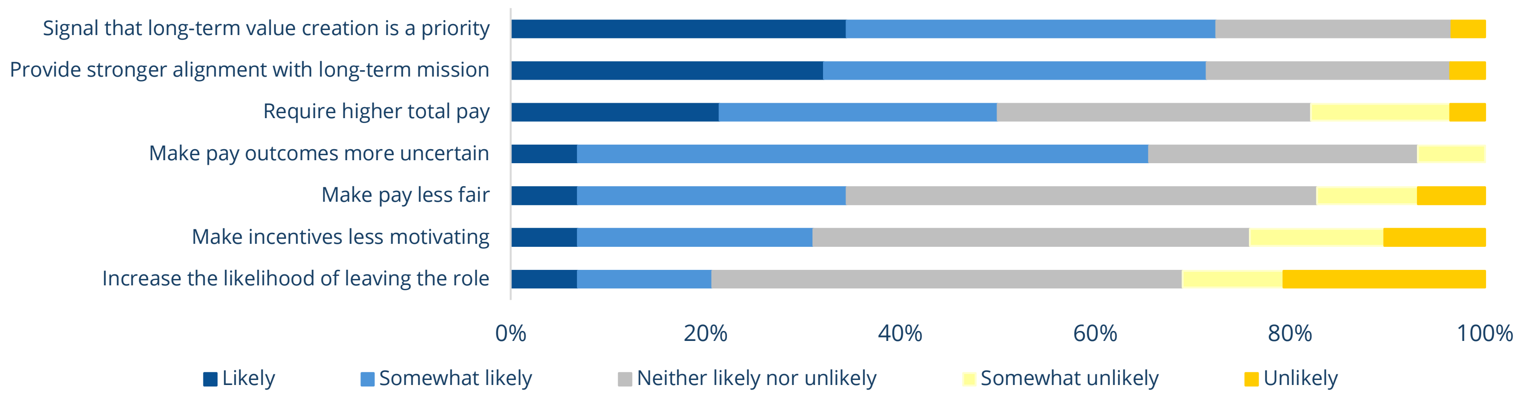
Arts: 31 CEOs

CEO's views on fixed and variable pay



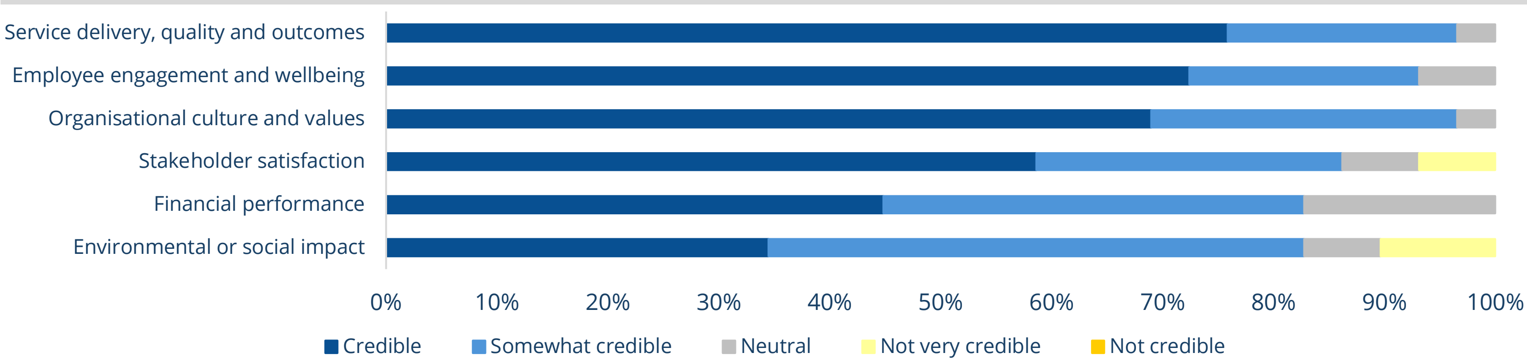
Most CEOs agree that 'stable pay is preferable for personal financial planning' (87%), that 'rewards should reflect sustained, not just annual performance' (87%), and that 'the pay mix should reflect organisational context' (68%). Not-for-profit CEOs are 26 percentage points more likely than for-profit CEOs to agree that stable pay is preferable for personal financial planning, showing a stronger preference for income predictability, likely reflecting lower, more constrained remuneration levels. Overall, CEO responses show no evidence of self-interested, short-term, or rent-extractive behaviour assumed in the academic literature.

CEO perspective on the impact of current incentives being made longer-term



Most CEOs agree that longer-term incentives tend to 'signal that long-term value creation is a priority' (72%) and 'provide stronger alignment with long-term mission' (71%). Despite academic research suggesting executives prefer more immediate pay, CEOs are most neutral that they 'make pay less fair' and 'make pay outcomes more uncertain'. Many said it is unlikely or somewhat unlikely that it would 'increase the likelihood of leaving the role'.

CEO's views on the credibility of pay-linked KPIs for their own performance



CEOs believe that pay-linked KPIs are most credible for 'service delivery, quality and outcomes' (76%) and 'employee engagement and wellbeing' (72%), moderately credible for 'organisational culture and values' (69%) and 'stakeholder satisfaction' (59%), and least credible for 'financial performance' (45%) and 'environmental or social impact' (34%). Many see these measures as somewhat credible, with very few rating any measure as not credible. Arts organisations are 18 percentage points more likely than total not-for-profits to agree that stakeholder satisfaction is a credible and fair way to assess CEO performance.

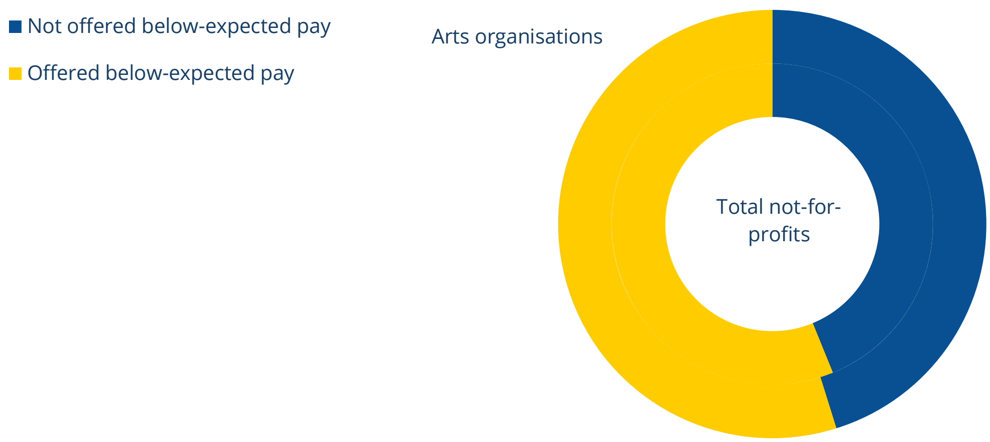
Authors: Susanna Lee (Leadership and Governance Collective),
Professor Claire Matthews and Dr Jeffrey Stangl (Massey University)

Leadership and Governance Collective

TE KUNENGA KI PŪREHUROA | MASSEY UNIVERSITY
UNIVERSITY OF NEW ZEALAND

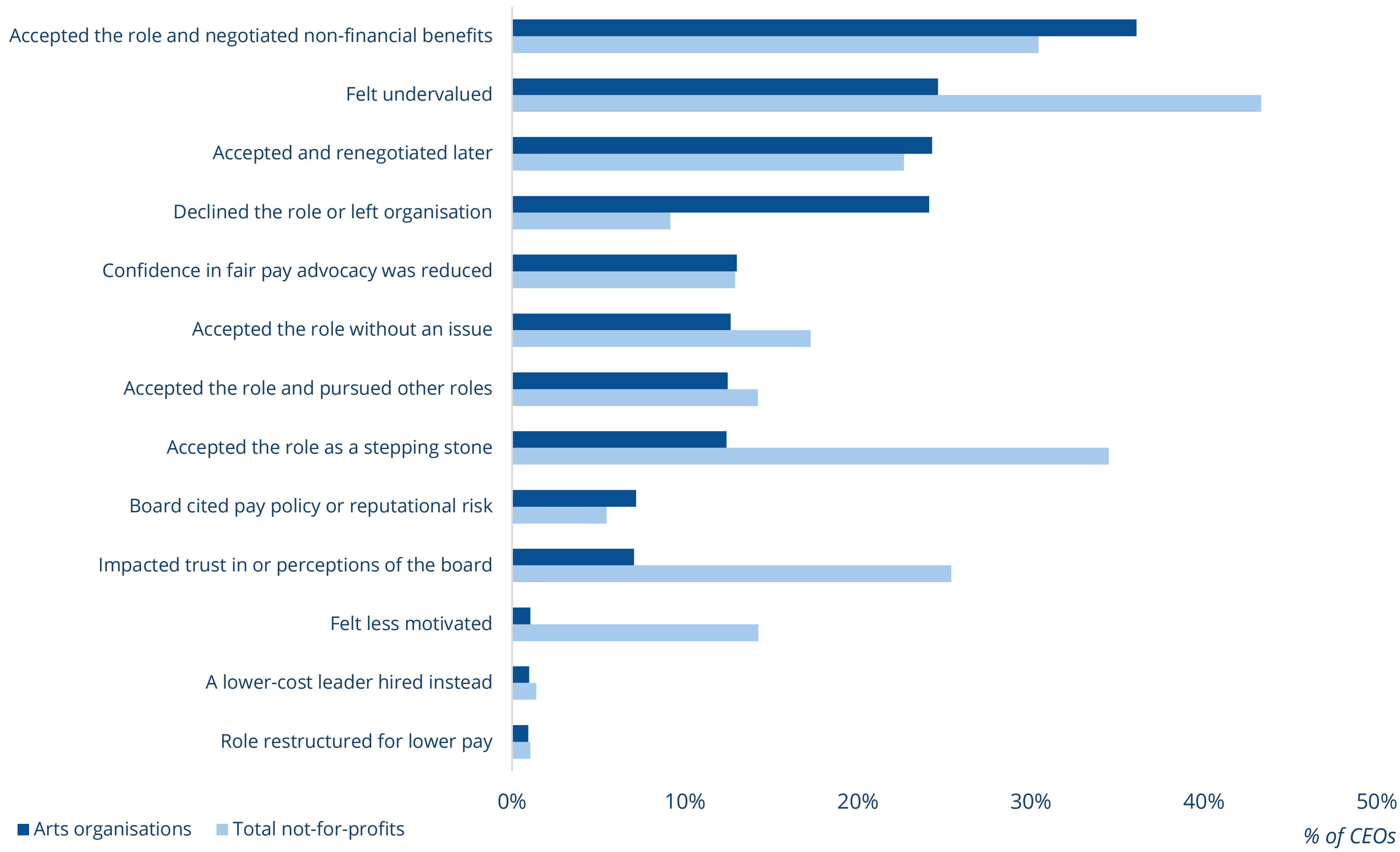
Arts: 31 CEOs

CEOs offered below-expected remuneration during their time in leadership



A key governance signal is potential misalignment between CEO remuneration and candidate expectations, creating attraction, retention, and leadership continuity risk. During their time in leadership, 55% of CEOs reported experiencing total pay offers below what they felt was appropriate, often leading to career-management responses. CEOs in arts organisations were equally as likely to have been offered below-expected pay.

Leader consequences of lower-than-expected pay offers



Boards risk weaker leadership quality, poorer strategic continuity, and reduced ability to attract and retain capable CEOs when pay is set below appropriate market levels. The most common responses for CEOs who received lower than expected pay offers included that they accepted the role and negotiated non-financial benefits (36%) and felt undervalued (25%), highlighting that executives often respond to perceived underpayment by managing their career trajectory around it, with potential implications for longer-term commitment and board–CEO alignment. CEOs in arts organisations were 22 percentage points less likely than total not-for-profits to have accepted the role as a stepping stone.

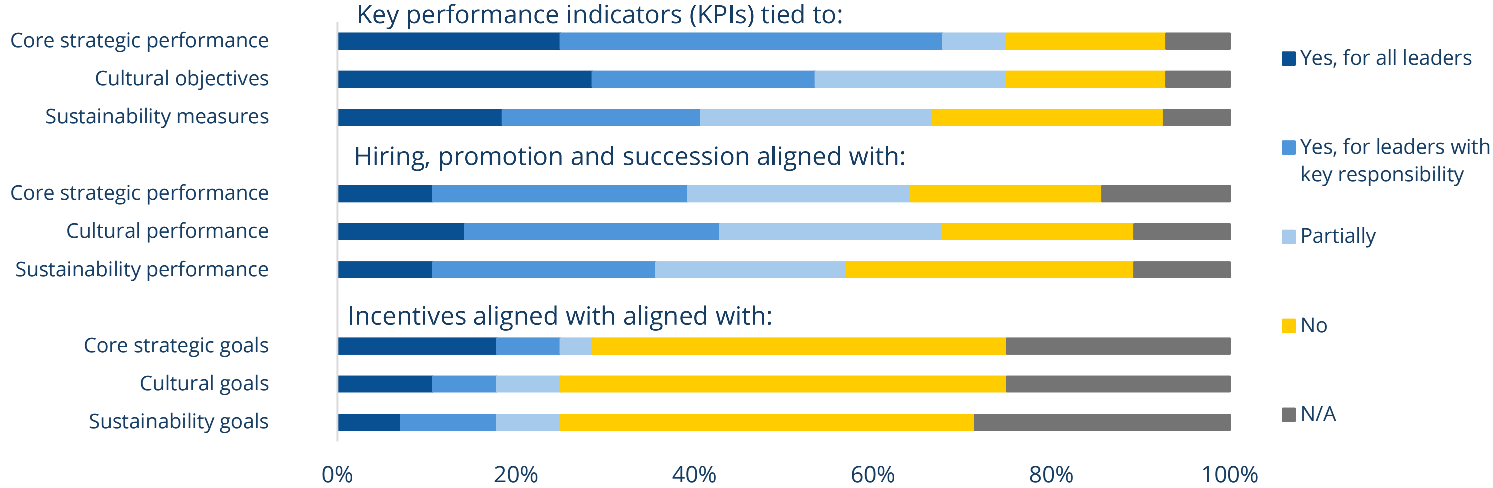
Authors: Susanna Lee (Leadership and Governance Collective),
Professor Claire Matthews and Dr Jeffrey Stangl (Massey University)

Leadership and Governance Collective
TE KUNENGA KI PŪREHUROA | MASSEY UNIVERSITY
UNIVERSITY OF NEW ZEALAND

Arts: 31 CEOs

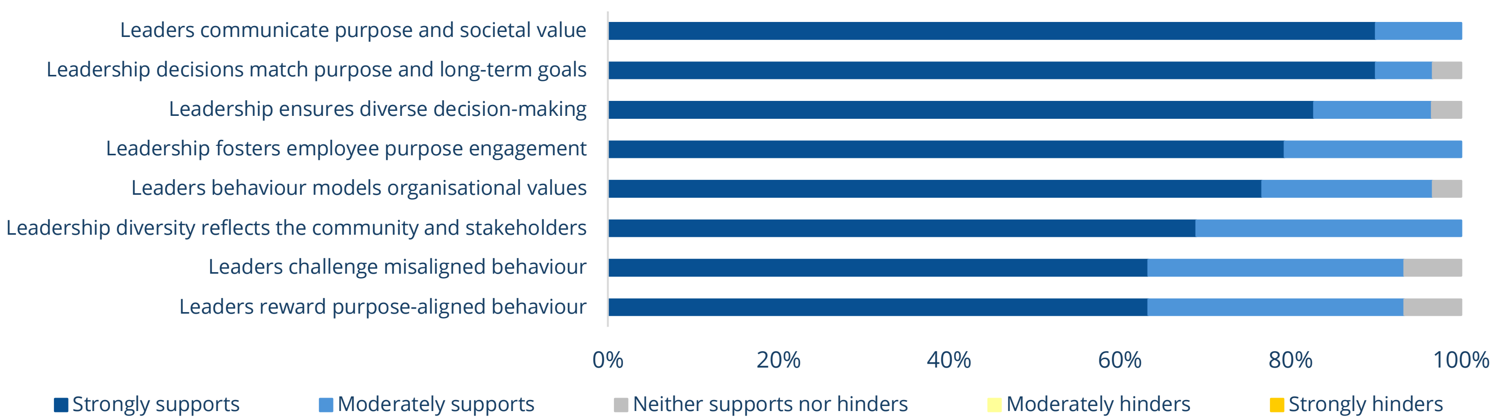
Section 3: Executive and Senior Leaders Signals, Pay and Incentives

Signals of strategy, culture, and sustainability for executive & senior leaders



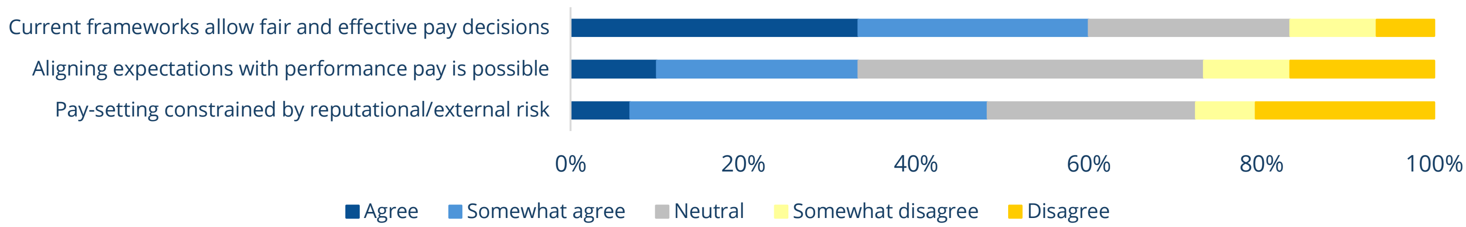
Leadership incentives, KPIs and succession decisions aligned with sustainability, culture and strategy are social and governance mechanisms as they determine how effectively leadership behaviour is shaped, monitored and held accountable for delivering organisational purpose and sustained value creation. 39%–68% of CEOs integrate core strategic performance into executive hiring, promotion, succession and KPIs, compared with 43%–54% for culture and 36%–41% for sustainability. Reward systems have a stronger focus on strategic goals rather than their execution (culture) or being a responsible citizen (sustainability).

Senior leader behavioural alignment with organisational purpose and values



Alignment between leadership behaviour, decision-making and representation influences organisational trust, inclusivity and long-term effectiveness. Between 77% and 90% of CEOs report that senior leaders strongly support organisational purpose through communication, modelling and decision-making. In comparison, only 63% believe leaders challenge misaligned behaviour, and 63% say leaders reward purpose-aligned behaviour, highlighting an opportunity to align behaviour and structural inclusivity.

Executive remuneration framework effectiveness



Effective remuneration systems are important because they support fair, performance-linked pay, strengthen accountability, and help align leadership behaviour with organisational objectives while maintaining trust in social and governance processes. 60% of respondents agree or somewhat agree that current frameworks support fair and effective pay decisions, and 33% agree or somewhat agree that expectations can be aligned with performance pay. In contrast, 48% perceive pay-setting to be constrained by reputational or external risk.

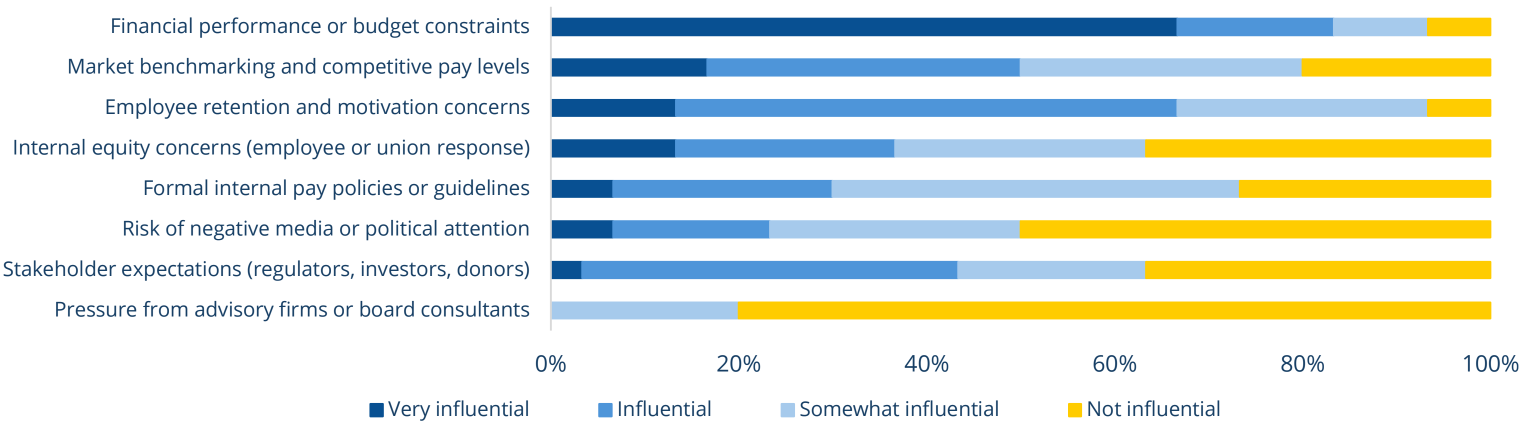
Authors: Susanna Lee (Leadership and Governance Collective),
Professor Claire Matthews and Dr Jeffrey Stangl (Massey University)

Leadership and Governance Collective

TE KUNENGA KI PŪREHUROA | MASSEY UNIVERSITY
UNIVERSITY OF NEW ZEALAND

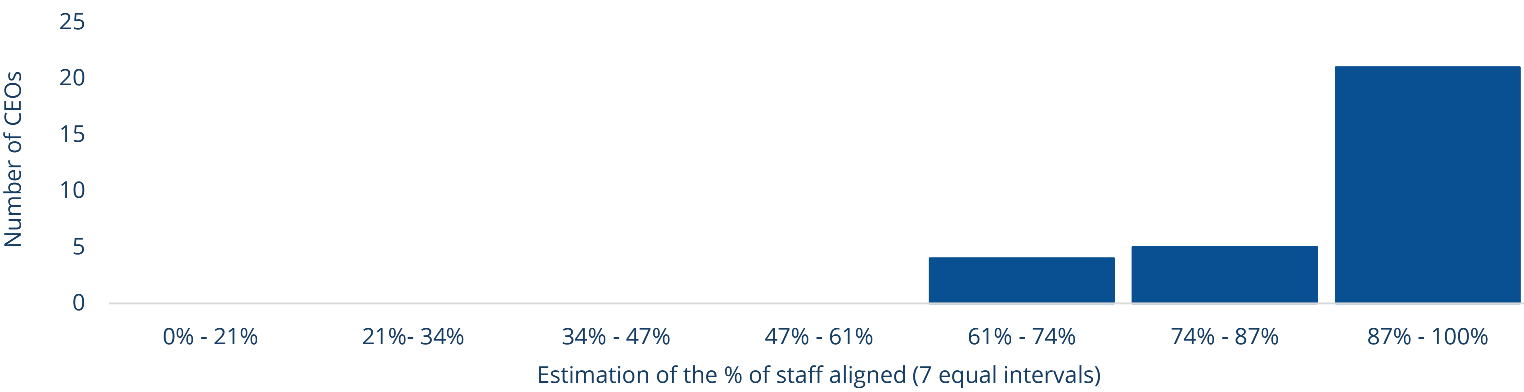
Arts: 31 CEOs

Factors influencing executive or senior leader pay decisions



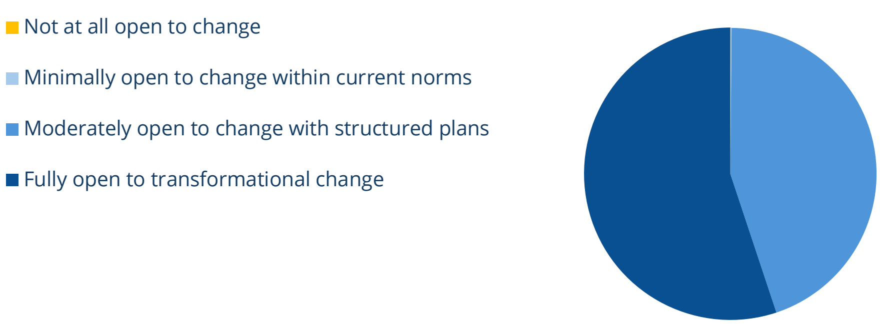
Executive and senior leader pay decisions are driven primarily by governance factors, including financial performance, benchmarking, stakeholder expectations and formal pay policies, which reflect how boards exercise oversight, manage accountability and align remuneration with organisational objectives. Social factors are also evident, with employee retention, motivation and internal equity concerns reflecting workforce and cultural implications of executive pay decisions, including fairness, trust and cohesion. Comparatively, external pressures such as advisory firms, media or political risk have limited influence. CEOs in arts organisations were 9 percentage points less likely than total not-for-profits to cite formal internal pay policies or guidelines.

Percentage of staff motivated by sustainability goals



The majority of CEOs believe that staff are highly aligned with the organisation's purpose, including social, environmental, and broader stakeholder objectives, with the average CEO estimating alignment at around 89% of all staff. This percentage is meaningful because it indicates the extent to which that purpose is embedded in employee behaviour, shaping execution capability, cultural coherence, and the credibility of the organisation's ESG commitments.

Willingness to support culture shift for sustainability goals



An organisation's willingness to pursue cultural change for sustainability is important because it signals whether environmental and social commitments can be embedded in organisational behaviour and governance, rather than remaining at the level of policy or reporting.100% of organisations are willing to pursue cultural change to support sustainability goals, with 45% favouring structured change and 55% open to transformational change. Because willingness is high, organisations may benefit from targeted support such as practical tools for embedding sustainability, leadership guidance, and staff or board training to enable deeper, systemic change. CEOs in arts organisations were 6 percentage points less likely than total not-for-profits to be minimally open to change within current norms.

Authors: Susanna Lee (Leadership and Governance Collective),
Professor Claire Matthews and Dr Jeffrey Stangl (Massey University)

Leadership and Governance Collective

TE KUNENGA KI PŪREHUROA | MASSEY UNIVERSITY
UNIVERSITY OF NEW ZEALAND

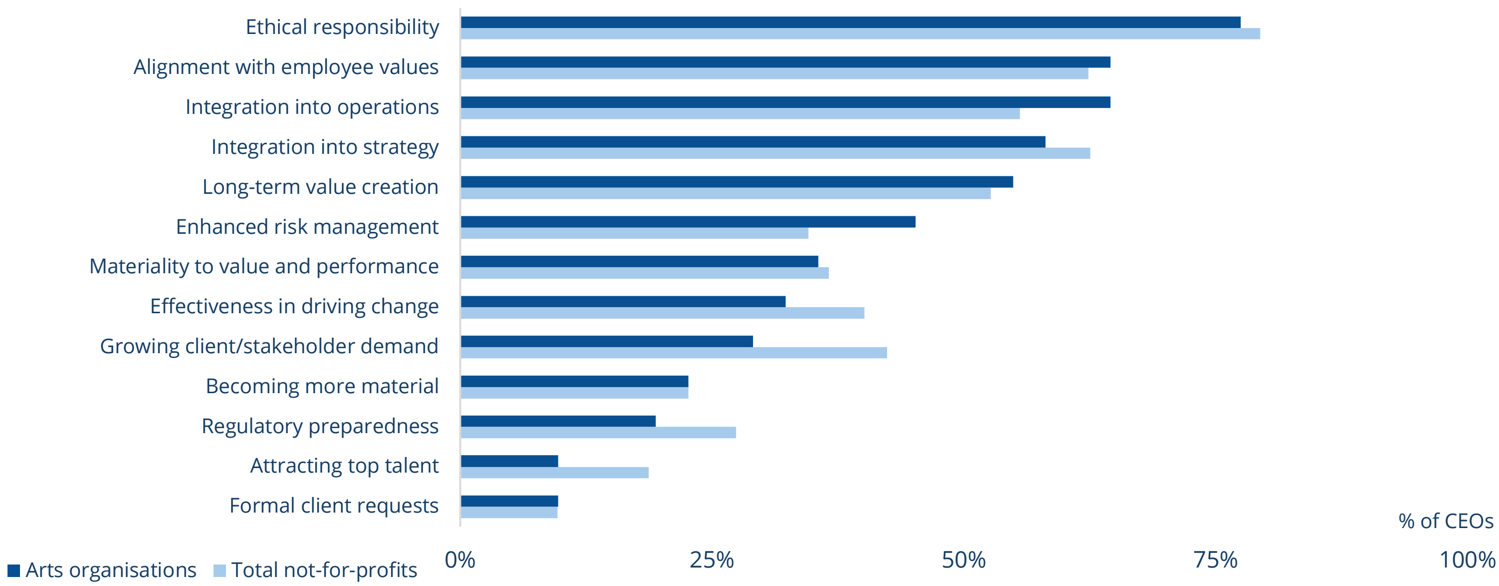
Arts: 31 CEOs

Section 4: Sustainability Strategy and Investment Priorities

Impact of **environmental** and **social investments** on organisational value

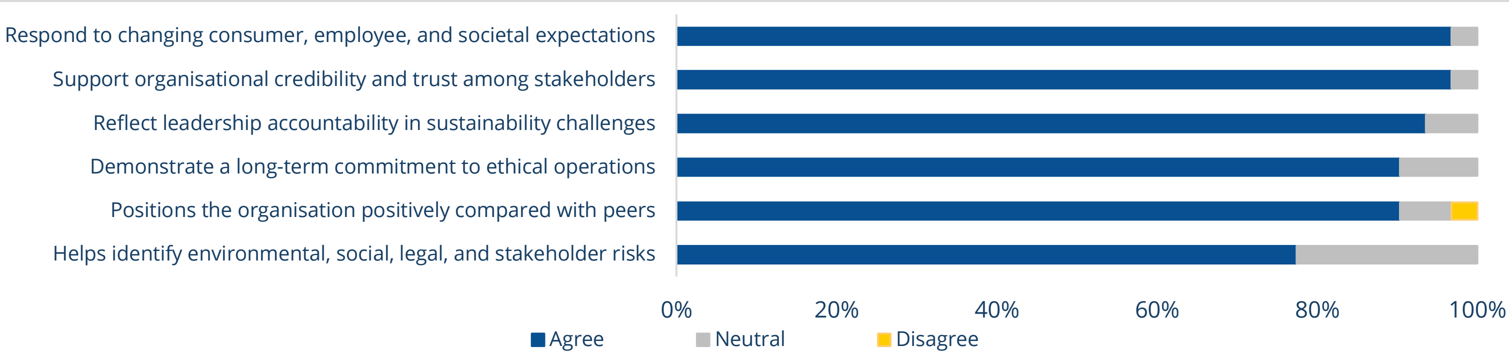
The majority of CEOs (100%) believe investing in environmental and social practices enhances their organisation's value, while 0% say it does not. This highlights that most CEOs view environmental and social practices as value-enhancing, reinforcing their role as a core driver of long-term strategic decision-making rather than a peripheral concern. CEOs in arts organisations were 8 percentage points more likely than total not-for-profits to believe these practices aid in add value.

Reasons investments in sustainable practices add to organisational value



100% of CEOs say sustainable practices enhance their organisation's value, primarily due to ethical responsibility (77%) and alignment with employee values (65%). CEOs in arts organisations were 13 percentage points less likely than total not-for-profits to believe these practices aid in growing client/stakeholder demand.

Agreement with statements on sustainable business practices



The majority of CEOs agree that sustainable practices respond to changing consumer, employee, and societal expectations (97%), support organisational credibility and trust among stakeholders (97%) and reflect leadership accountability in sustainability challenges (94%). Sustainable business practices are viewed as an integrated driver of competitiveness, stakeholder trust, and risk management, rather than a peripheral activity.

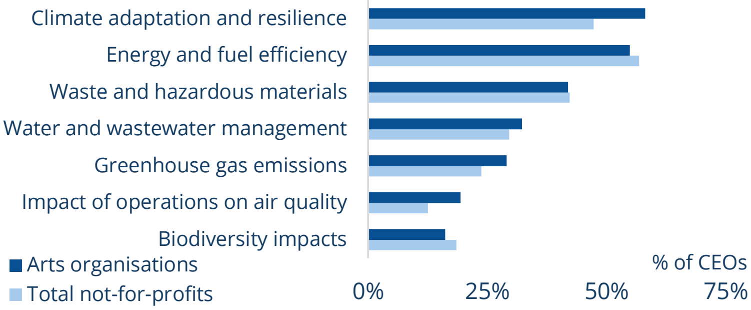
Authors: Susanna Lee (Leadership and Governance Collective),
Professor Claire Matthews and Dr Jeffrey Stangl (Massey University)

Leadership and Governance Collective
TE KUNENGA KI PŪREHUROA | MASSEY UNIVERSITY
UNIVERSITY OF NEW ZEALAND

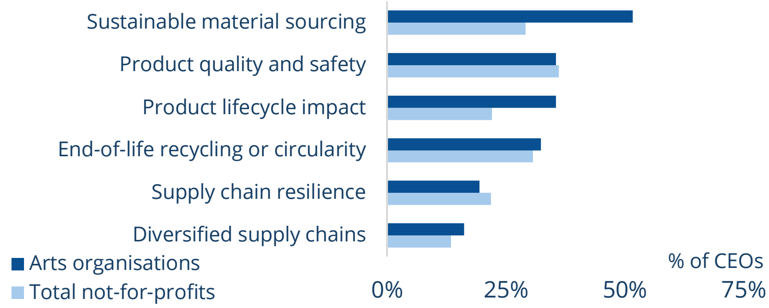
Arts: 31 CEOs

Material **environmental** factors driving strategic priorities and long-term value

Environmental sustainability factors



Product and supply chain sustainability factors

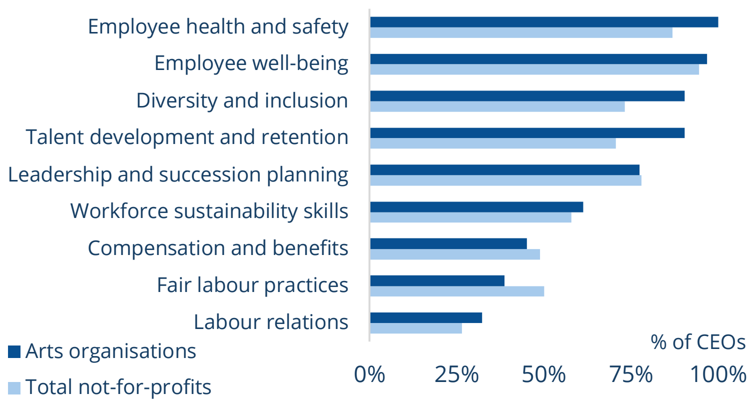


CEOs view climate adaptation and resilience (58%) and energy and fuel efficiency (55%) as top drivers of value. Arts organisations are more likely to view climate adaptation and resilience as material.

CEOs view sustainable material sourcing (52%) and product quality and safety (36%) as the primary drivers of long-term value. Arts organisations are more likely to view sustainable material sourcing as material.

Material **social** factors influencing strategic priorities and long-term value

Workforce sustainability factors



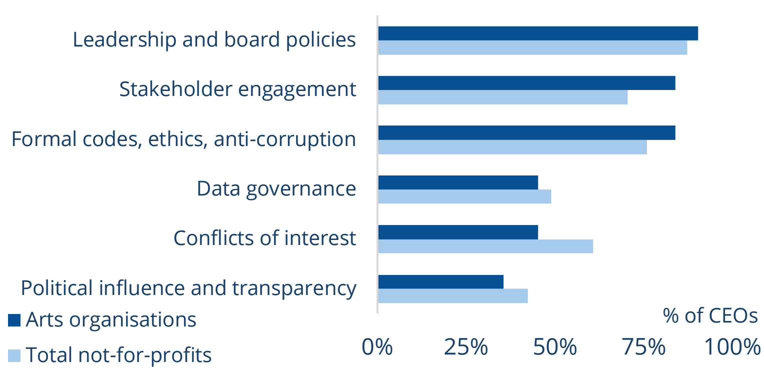
Stakeholder sustainability factors

CEOs view employee health and safety (100%) and employee well-being (97%) as the primary workforce sustainability value drivers. Arts organisations are more likely to consider talent development and retention as material.

CEOs view community relations (90%) and accessibility and inclusive design (81%) as primary social stakeholder drivers of long-term value. Arts organisations are more likely to view responsible marketing as material.

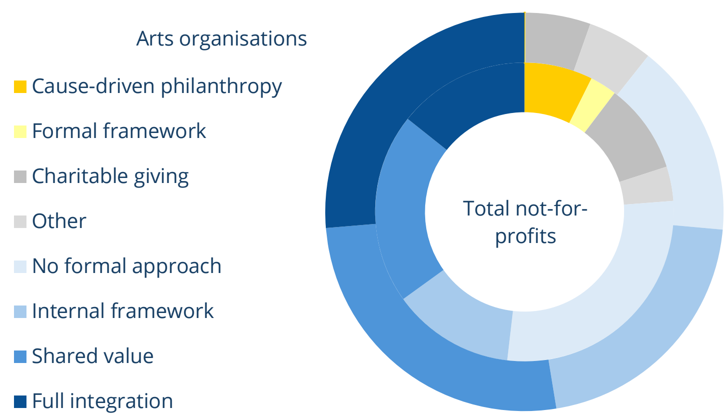
Material governance factors

Governance sustainability factors



CEOs view 'leadership and board policies' (90%) and 'stakeholder engagement' (84%) as the primary governance drivers of long-term value. Arts organisations are less likely to consider 'conflicts of interest' as material.

Approach to sustainability strategy



The most common approach to sustainability is full integration: sustainability is woven into the fabric of the organisation, embedded in strategy, culture, operations, and innovation (26%).

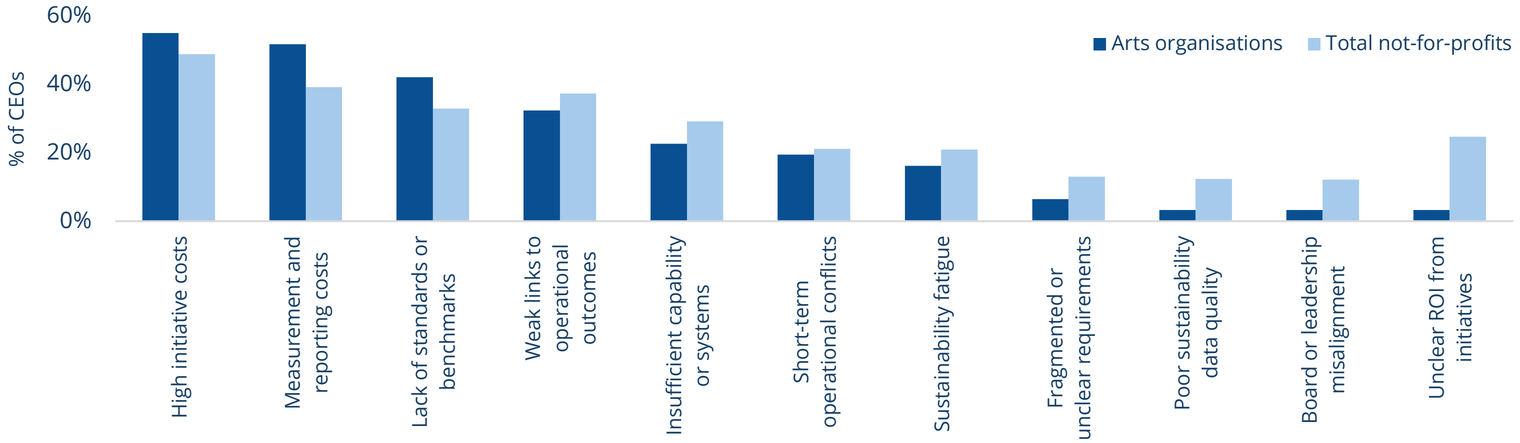
Authors: Susanna Lee (Leadership and Governance Collective), Professor Claire Matthews and Dr Jeffrey Stangl (Massey University)

Leadership and Governance Collective

TE KUNENGA KI PŪREHUROA | MASSEY UNIVERSITY
UNIVERSITY OF NEW ZEALAND

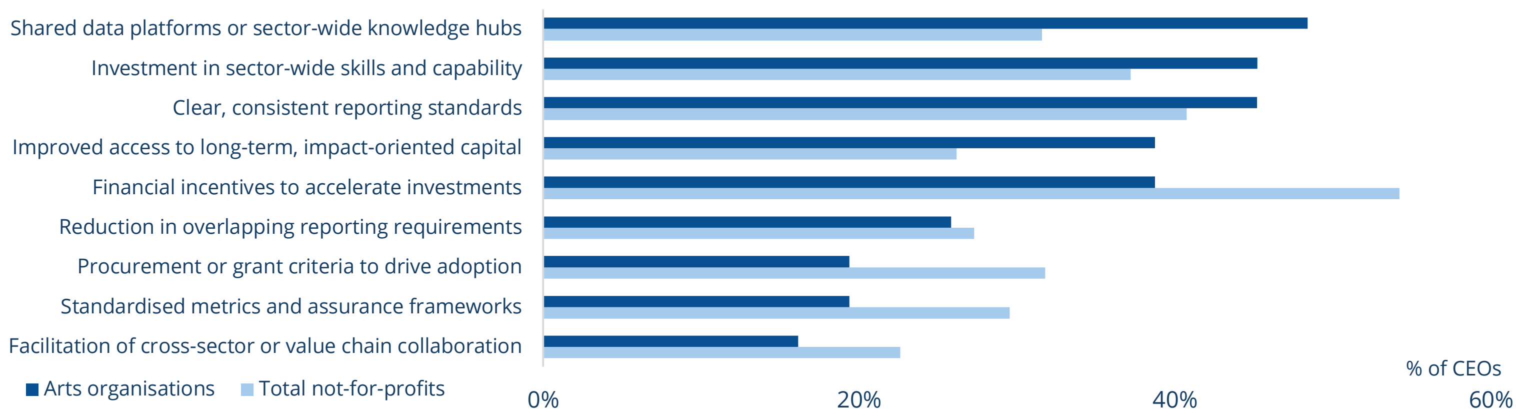
Arts: 31 CEOs

Key barriers to integrating sustainability into strategy and operations



Organisations see high initiative costs (55%) as the most common barrier to integrating sustainability into strategy and operations, followed by measurement and reporting costs (52%) and lack of standards or benchmarks (42%). CEOs in arts organisations were 21 percentage points less likely than total not-for-profits to see unclear ROI from initiatives as a barrier.

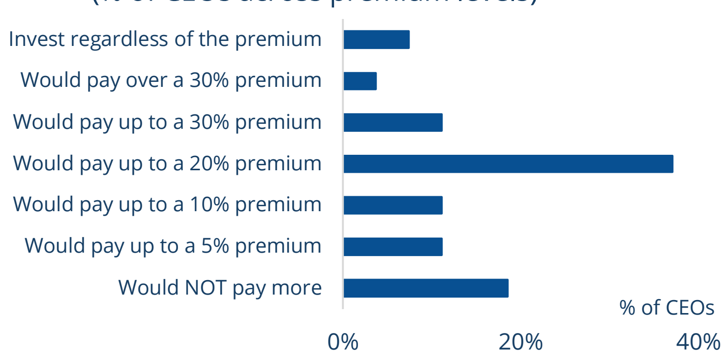
Government or industry body actions that most support sustainability goals



Based on selection frequency, CEOs identify shared data platforms or sector-wide knowledge hubs (48%) and investment in sector-wide skills and capability (45%) as the most important actions government or industry bodies can take to support sustainability goals, followed by clear, consistent reporting standards (45%). CEOs in arts organisations were 17 percentage points more likely than total not-for-profits to see shared data platforms or sector-wide knowledge hubs as important.

Willingness to pay for greener outcome

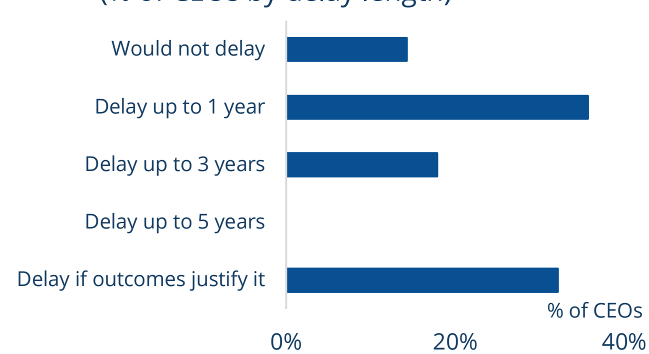
Greener versus conventional options (% of CEOs across premium levels)



22% of CEOs would pay a moderate premium (5%–10%) for greener technology: 59% would pay a premium of over 20%, while 19% would not pay more. CEOs in arts organisations were 23 percentage points less likely than total not-for-profits to say they would pay up to a 10% premium.

Tolerance for sustainable project delays

Time delay for environmental or social gains (% of CEOs by delay length)



Most CEOs tolerate short delays for higher environmental or social gains: 36% up to 1 year, 18% up to 3–5 years, and 14% would not delay. CEOs in arts organisations were 9 percentage points more likely than total not-for-profits to say they would delay up to 3 years.

Authors: Susanna Lee (Leadership and Governance Collective), Professor Claire Matthews and Dr Jeffrey Stangl (Massey University)

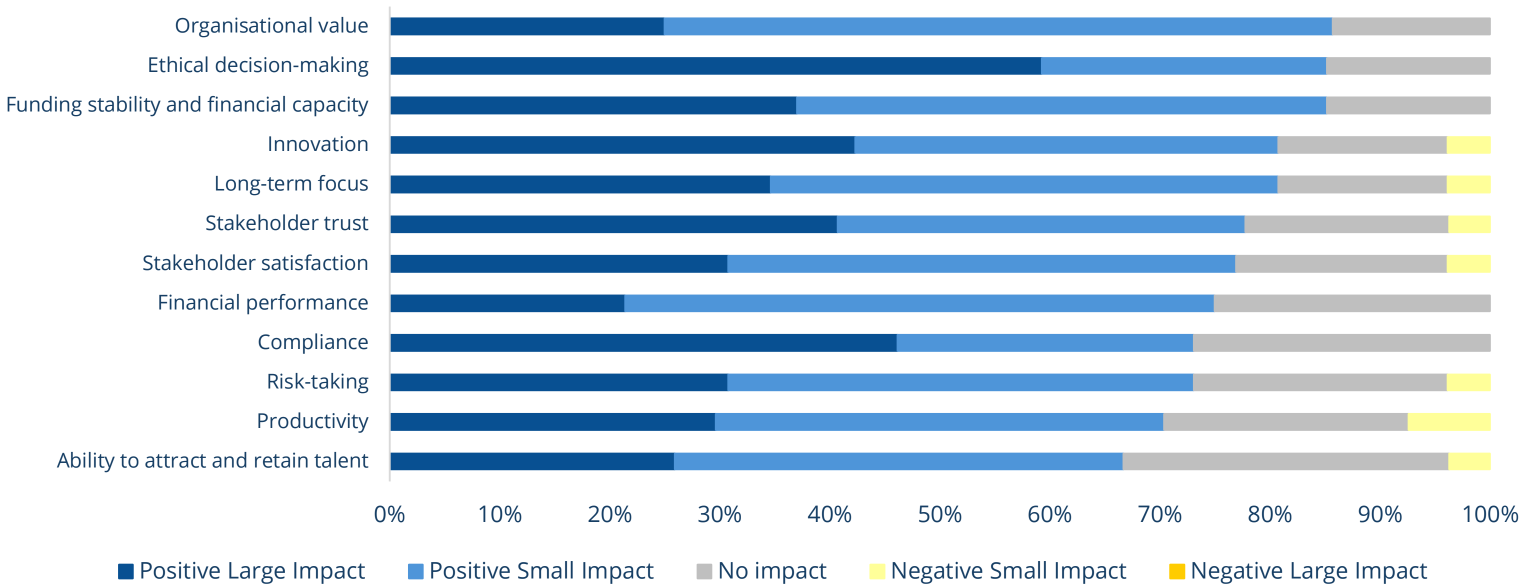
Leadership and Governance Collective

TE KUNENGA KI PŪREHUROA | MASSEY UNIVERSITY
UNIVERSITY OF NEW ZEALAND

Arts: 31 CEOs

Summary: Overall influence on long-term organisational performance

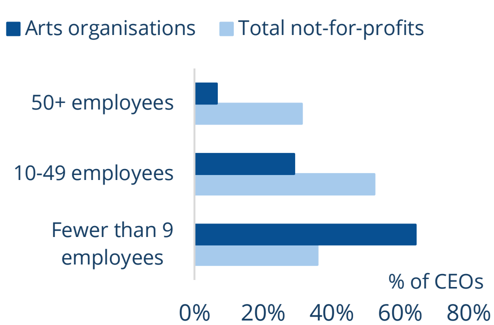
Impact of environmental, social and governance sustainability on factors



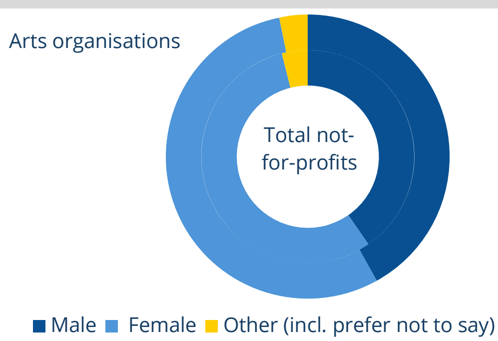
ESG sustainability positively impacts long-term performance, particularly value creation and ethical decision-making. CEOs in arts organisations were 11 percentage points more likely than total not-for-profits to say their ESG approach positively impacts productivity.

Demographics: CEOs and Boards

Number of employees

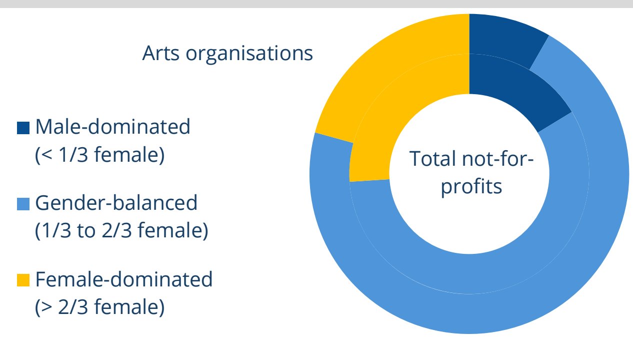


CEO gender identity

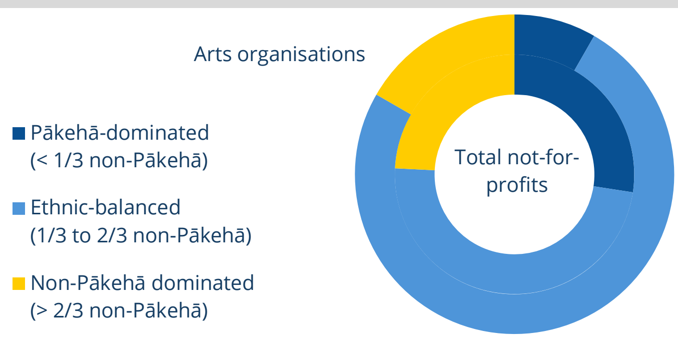


For-profit / not-for-profit

Female board representation



Ethnic board representation



Women comprise 47.4% of the NZ workforce (Household Labour Force Survey, June 2023). The not-for-profit sector is more gender-balanced than the for-profit sector, with just over half of CEOs being women and most boards gender-balanced, with slightly more female- than male-dominated boards.

The 2023 NZ Census showed 47% identify as either Māori (17.8%), Pasifika (8.9%), Asian (17.3%), or other (3%), with 53% primarily NZ European/Pākehā. Not-for-profit boards closely reflect this ethnic diversity, indicating comparatively stronger ethnic representation in governance than in for-profit boards.

Authors: Susanna Lee (Leadership and Governance Collective), Professor Claire Matthews and Dr Jeffrey Stangl (Massey University)

Leadership and Governance Collective

TE KUNENGA KI PŪREHUROA | MASSEY UNIVERSITY
UNIVERSITY OF NEW ZEALAND