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The Company That Had No Number Two

How Jensen Huang built Nvidia around himself, and why extraordinary success made the arrangement so difficult to question.

BY DAVID AMBROSE · NOVEMBER 13, 2026

Jensen Huang had sixty executives reporting directly to him, no conventional chief operating officer, and a board of directors that operated for thirty-three years without a chairperson. He was reported as beneficially owning approximately 3.6 percent of Nvidia, the company he co-founded, although the SEC disclosure includes foundation shares in which he and his wife had no pecuniary interest. He nevertheless exercised extraordinary influence over an enterprise worth trillions of dollars. It was an unconventional arrangement, although Silicon Valley has always been enthusiastic about unconventional management practices, particularly when accompanied by record profits and a founder willing to explain them onstage.

Huang was proud of the structure. In a 2024 conversation with Stripe co-founder Patrick Collison, he explained that traditional hierarchies restricted information, created bureaucracy, and prevented talented people from participating directly in important decisions. He preferred discussing problems collectively, ensuring that executives heard the same information rather than competing for privileged access to the chief executive. When Collison observed that sixty direct reports were not conventionally considered a management best practice, the audience laughed. Huang was undeterred. By the end of the conversation, he suggested, everyone would want sixty direct reports of their own.

It was an appealing philosophy, particularly while Nvidia was producing some of the most extraordinary financial results in corporate history. Its technology became essential to the artificial intelligence revolution, profits soared, and Huang achieved an influence extending from Silicon Valley to the White House. Business commentators studied his management practices with the enthusiasm ordinarily reserved for discovering a previously unknown law of physics.

There was, however, one question the arrangement never adequately answered: Who was supposed to run Nvidia when Jensen Huang wasn't there?

The company had experienced executives and independent directors, but its public disclosures did not identify a designated successor or establish how succession planning had prepared another executive to lead the enterprise. It lacked a publicly established second-in-command whose authority and institutional standing approached those of its founder. When Nvidia announced Huang's resignation on November 12, 2026, that distinction became considerably more important.

The Efficiency of One

Huang's management philosophy deserves to be taken seriously because it challenged a genuine organizational problem. Traditional corporate hierarchies can become remarkably efficient at withholding information. An employee identifies a problem, informs a supervisor, waits for the supervisor to inform another supervisor, and eventually receives a decision from someone who may be several organizational layers removed from the original issue. By then, the problem has occasionally resolved itself, although rarely in the manner management intended.

Huang wanted something different. With executives participating in common discussions, technical concerns could be examined across functions without navigating an elaborate chain of command. In an industry where hardware design, software development, manufacturing capacity, and customer demand must continually adjust to one another, that transparency may have offered Nvidia a genuine competitive advantage.

His approach also challenged the idea that importance should be measured by proximity to the chief executive. In Huang's account, information belonged to everyone responsible for solving a problem, not merely those fortunate enough to secure a private meeting.

There is considerable merit in that philosophy.

But there is an important distinction between distributing information and distributing authority.

Huang's executives exercised substantial responsibility within their respective functions. His sixty direct reports did not necessarily require his permission for every consequential decision, and the structure should not be mistaken for evidence that he surrounded himself with obedient subordinates. Colette Kress, Nvidia's longtime chief financial officer, reportedly challenged some of his ambitious financing proposals. Independent judgment plainly existed within the organization.

Yet the reporting structure maintained an unmistakable center of gravity. Nvidia's most important executives possessed direct access to the founder, while Huang remained the person connecting an extraordinary number of strategic relationships and organizational functions.

A flatter organizational chart does not necessarily produce a less centralized institution. Sometimes it simply removes the people who would otherwise stand between the chief executive and everyone else.

That distinction matters most when the chief executive leaves.

The Restaurant That Couldn’t Run Without Its Manager

I spent much of my professional career in restaurant leadership, where the difference between developing capable managers and developing successors is considerably easier to recognize.

An assistant manager can execute a flawless shift, maintain labor targets, resolve customer complaints, and demonstrate exceptional operational discipline without necessarily being prepared to lead an entire restaurant. Running a shift and leading an operation require overlapping but different forms of judgment. The latter involves balancing staffing, financial performance, food safety, employee development, and competing priorities whose consequences may not become apparent for weeks or months.

Developing that judgment requires more than allowing someone to observe decisions. It requires giving managers the authority to make them, defend them, and occasionally discover why they were wrong.

Yet restaurants sometimes become extraordinarily dependent on individual general managers. A highly capable manager knows every employee, understands every system, and resolves problems before they become emergencies. The restaurant produces exceptional results, corporate leadership celebrates the performance, and everyone becomes accustomed to having one person who seems capable of handling everything.

There is only one problem. Nobody else knows how to run the place.

The assistant managers may be talented and hardworking, but if every important decision ultimately returns to the general manager, their development becomes limited to executing someone else’s judgment. The operation appears healthy because the individual at its center is exceptionally capable of compensating for weaknesses nobody else has been required to address.

Then the manager transfers, resigns, or simply takes a vacation. Suddenly, responsibilities that were never properly delegated become urgent, employees begin asking questions nobody else has been prepared to answer, and the organization discovers that some of its most important systems were not really systems at all. They were personal interventions performed so consistently that everyone had mistaken them for established procedures.

Corporate leadership expresses surprise, which is rather generous considering that it spent years rewarding the arrangement responsible for the problem.

A restaurant general manager with sixty direct reports and no assistant manager would not ordinarily be described as a visionary. Someone from the district office would probably suggest revisiting the organizational chart.

Nvidia is not a restaurant, and its executives operated within a vastly more sophisticated organization. But the principle remains relevant. Exceptional performance can conceal institutional weaknesses precisely because those weaknesses are being compensated for by someone exceptionally capable.

The responsibility of senior leadership is to recognize that distinction before the exceptional person leaves.

The Board That Had Thirty-Three Years to Prepare

Huang's organizational philosophy was his responsibility. Ensuring that Nvidia could survive his departure was also the responsibility of its board.

For decades, Nvidia operated without a board chairperson, relying instead on a lead independent director. The company defended this structure in its 2026 governance disclosures, arguing that it promoted independent oversight and an appropriate distribution of responsibilities. Stephen Neal, the lead independent director, possessed authority to convene independent directors, help establish agendas, and bring risk matters to the board's attention.

In other words, Nvidia did not lack formal mechanisms for questioning Huang.

The issue was whether those mechanisms adequately addressed the risks associated with his extraordinary influence.

The distinction is important because boards are not required to prevent every crisis, nor can they anticipate every circumstance that might cause a chief executive to depart. Their responsibility is to examine foreseeable organizational vulnerabilities and prepare the institution to withstand them.

Succession planning is not merely identifying who will occupy the chief executive's office during an emergency. It is developing people capable of exercising the judgment, authority, and institutional relationships required to lead the entire enterprise.

Huang's job was to make Nvidia successful. The board's job was to help ensure Nvidia could survive Huang. For thirty-three years, the first responsibility received considerably more public attention than the second.

When Huang departed, the board appointed Kress interim chief executive while she retained her financial responsibilities. It also initiated a search considering internal and external candidates and named longtime director Harvey Jones as Nvidia's first board chairperson.

Jones had served on the board since the company's founding in 1993.

The company had finally appointed a chairman.

It selected someone who had already been there for thirty-three years.

Continuity can be valuable during a leadership crisis, and Jones's long tenure does not establish that he lacked independence. Nor does Kress's interim appointment prove Nvidia had no confidential succession plan. But the transition raises legitimate questions about how effectively the board had prepared executives for the possibility of leading an enterprise whose strategic authority had been so closely associated with its founder.

The public record establishes that Nvidia had governance procedures. It does not establish how thoroughly those procedures had prepared the company for this particular transition.

That is precisely what makes the board's responsibility worth examining.

What Apple Understood

Nvidia was hardly the first technology company whose identity became inseparable from an extraordinary founder.

When Steve Jobs resigned as Apple's chief executive in August 2011, the company's board appointed Tim Cook, who had already served as chief operating officer and overseen its worldwide operations. Cook had managed supply chains, sales, service, and major commercial relationships, gaining experience that extended well beyond the responsibilities of a single corporate function.

Apple did not have to invent a new management structure after Jobs announced his departure. Its board implemented a succession plan, and Cook assumed leadership with years of enterprise-wide operational responsibility behind him.

The comparison is instructive, although not because Apple offers a universal blueprint. Its organizational structure differed from Nvidia's, Jobs's departure occurred under different circumstances, and appointing a chief operating officer does not automatically produce a capable successor.

The important distinction concerns preparation.

Apple had developed an executive whose responsibilities positioned him to assume the chief executive's role. Nvidia had developed accomplished executives within a structure that placed unusually broad strategic coordination in Huang's hands.

That does not mean Huang's approach was wrong. It means the board needed to ensure that the advantages of his approach did not come at the expense of preparing someone else to lead.

Such preparation would not have required dismantling his management philosophy. Directors could evaluate potential successors through confidential reviews, provide

opportunities for executives to exercise enterprise-wide responsibility, test emergency leadership arrangements, and ensure that independent directors developed relationships with more than one possible future chief executive.

None of those activities requires publicly challenging a successful founder or suggesting that his departure is imminent.

A board can prepare for a leader's absence without diminishing the leader's authority.

In restaurant management, developing an assistant manager for promotion is not a vote of no confidence in the general manager. It is one of the general manager's responsibilities, and one of the district manager's obligations to evaluate.

A board that waits for a vacancy before seriously developing the people capable of filling it has confused succession planning with vacancy management.

The Directors Who Became Very Wealthy

There was another complication in Nvidia's governance arrangements: extraordinary financial success had been extraordinarily rewarding for some of the people responsible for overseeing it.

According to Nvidia's 2026 proxy statement, most non-employee directors received approximately $364,000 in annual compensation, including stock awards. That was substantial compensation, but it was not the source of the enormous wealth accumulated by certain longtime directors through their Nvidia holdings.

Several reported beneficial ownership of millions of shares, including holdings through trusts and other arrangements. Their economic interests had become closely connected to the company's extraordinary success. Such alignment is generally encouraged because directors who benefit alongside shareholders have an incentive to protect long-term value.

But financial alignment and independent judgment are not necessarily the same thing.

When a founder generates extraordinary returns for decades, directors have understandable reasons to trust the leadership arrangements associated with those results. Challenging those arrangements can feel unnecessarily disruptive, particularly when the company is outperforming competitors and investors remain enthusiastic.

An unconventional reporting structure becomes evidence of visionary leadership. The absence of an obvious second-in-command becomes proof that the founder possesses irreplaceable talents. A board without a chairperson becomes a sophisticated governance alternative.

And the financial results provide reassuring evidence that everything is functioning exactly as intended.

After all, the numbers are excellent.

Why complicate matters by asking uncomfortable questions?

None of this establishes that Nvidia's directors compromised their independence because of their holdings. Financial success is not evidence of misconduct, and longtime directors can possess both substantial wealth and sound judgment.

The more revealing concern is cultural. Decades of success can make a particular management philosophy seem inseparable from the institution's identity. Directors may find themselves questioning not merely a business decision but the assumptions on which the company's extraordinary achievements appear to rest.

That is when independent oversight becomes most important.

When Success Becomes the Defense

As concerns about Huang intensified, prominent investors publicly supported him. Some expressed disappointment over the revelations while warning that losing him could undermine Nvidia's competitive position. Their concern was understandable. Huang had spent decades cultivating relationships with customers, suppliers, engineers, investors, and government officials. Replacing him meant confronting uncertainty about whether those relationships could survive under different leadership.

But there is a revealing distinction between believing someone is the right person to lead an organization and believing that removing that person would be too expensive.

The first is an assessment of leadership.

The second is an acknowledgment of dependence.

I have seen versions of this throughout my career in hospitality. A district manager may recognize that one general manager has become too central to an operation, that assistant managers lack sufficient authority, and that the restaurant is vulnerable to a leadership change. But if sales are strong and profitability exceeds expectations, there is little immediate incentive to intervene.

The general manager receives recognition. The restaurant becomes a model for other locations. And everyone finds a reason to postpone difficult questions about the operation's sustainability.

The problem is not created when the manager leaves. The departure merely makes it visible.

Nvidia's extraordinary performance created a similar temptation. The more successful Huang became, the more expensive succession appeared. And the more

expensive succession appeared, the easier it became to postpone questions about whether someone else was ready.

That does not prove preparation was neglected. It explains why successful institutions must actively guard against the possibility.

The Influence Beyond Nvidia

Huang's influence was not confined to Nvidia's headquarters. He developed close relationships with President Donald Trump and senior administration officials while advocating policies affecting semiconductor exports and America's technological competition with China.

The national-security questions surrounding those relationships are examined in the preceding essay, "The Indispensable Man." Here, the succession question is narrower: had Nvidia built the institutional authority and policymaking relationships to carry its public responsibilities forward without relying on Huang personally?

When the Board Had No Choice

On November 8, Nvidia's board announced an independent investigation while publicly expressing confidence in Huang and his leadership team. On November 11, it accepted his resignation, which was announced the following day.

The rapid transition made a separate issue immediate: had Nvidia prepared anyone to exercise the company-wide authority Huang held?

That question does not establish that individual directors knowingly overlooked misconduct or could have prevented the crisis; the public record does not answer everything they knew or when. But the succession issue exists independently of those allegations. A founder can depart because of scandal, retirement, illness, or any number of circumstances beyond the organization's control. A board cannot guarantee that its chief executive will remain in place. It can take reasonable steps to ensure the company's future does not depend on that guarantee.

Huang's departure was sudden.

The possibility that he might someday leave was not.

The Company That Had No Number Two

Huang's unconventional leadership philosophy may have been one of Nvidia's greatest competitive advantages. It encouraged open communication, reduced managerial layers, and allowed technical expertise to influence decisions quickly. The company's extraordinary accomplishments provide substantial reasons to respect the structure he developed.

But the best management arrangements must accomplish more than producing exceptional results while their creator remains in charge. They must also develop the people and institutional capabilities necessary to continue when circumstances change.

That is where exceptional leadership and indispensable leadership diverge.

I have spent years watching organizations celebrate managers who make difficult work look easy. Their accomplishments are often genuine, and their dedication can be extraordinary. But there is a difference between a leader who makes an operation successful and one who makes that success sustainable.

The former may become indispensable. The latter understands why becoming indispensable should never be the objective.

Nvidia possesses extraordinary engineering talent, advanced technology, experienced executives, and manufacturing relationships that extend far beyond Huang’s personal achievements. Its future does not begin from nothing simply because its founder has departed.

The company may continue to prosper. If it does, that success will reinforce the significance of what Huang helped build while demonstrating that its capabilities were never exclusively his.

But the responsibility for preparing such a transition belonged to more than the founder. It belonged to the directors who oversaw the institution, benefited from its growth, and were entrusted with protecting its long-term interests.

For thirty-three years, Nvidia demonstrated how successful a company could become under one exceptional executive. Its results made the arrangement difficult to question, and its extraordinary growth gave everyone a reason to believe that what worked yesterday would continue working tomorrow.

The success was real.

So was the responsibility to prepare for what came next.

The question was never whether Jensen Huang could run Nvidia.

It was whether Nvidia could run without Jensen Huang.

And suddenly, success is no longer an answer.