These naturally reflect my own personal style. Some were learned the hard way, some by observing other people learn the hard way.

Rules of Chairmanship

1. People will take everything you say seriously, even if you mean it as a joke.
2. You are not the boss of the faculty; you're more like the coach. Take the time to learn what each faculty member does and cares about, and meet with each person at least once a year to discuss their goals and plans. Don't be surprised if some people put you in a quasi-parental role.
3. You are the boss of the staff. Take this responsibility seriously. Don't let the faculty abuse them, or vice versa.
4. Find out what things you are not supposed to say or do. (Example: it is illegal to encourage people to retire. You are never allowed to initiate such a conversation.) The HR director can help you with most of this.
5. Don't have obvious favorites among the faculty. When it comes to handing out goodies, have a system and a justification.
6. Figure out what the dean, provost, and president have as goals. Always present your requests for resources as an investment to help them attain those goals.
7. Never lose your temper with a faculty member or student. Don't let someone else's bad behavior make you be unprofessional. Treat everyone with courtesy and respect.
8. Communicate and consult with all your constituents, particularly the faculty, particularly before making major decisions. Listen to what they say. It's likely the collective faculty are smarter than you are. But if you're sure you're right, that's what they hired you for, to make the tough decisions.
9. Find out what it takes to make each faculty member happy and productive, and try to provide it.
10. Define success for each person in a way that makes sense for them. Your department can be great without each individual being great at each activity.
11. Be a good role model.
12. Learn to delegate. But keep in mind, the buck stops with you.
13. Prioritize. The alternative is insanity or death from overwork. Or, neglecting the important things because you are too bogged down with trivia.
14. Have a strategic plan. If you don't know where you're going, you tend to go in circles. Consider your department's role in the college and university, and the university's role in the broader community. What would make these constituencies support more resources for your department? Who do you need to persuade? What are their goals? Your faculty should help with the plan and buy into it. After you have a strategy, develop tactics: short-term actions to move you towards your goals. Every week, spend some time advancing your long-term goals.
15. Network with other department chairs. Find out what they do well and ask how they do it. Treat them to lunch and get them to brag about what they do. Listen and learn.
16. If you are going to do a good job in a department of any significant size you will most likely need to give up one of teaching and research. Figure out which one and be ready. Never forget how hard both really are to do well.
Rewards work a lot better than punishments.
Never make a threat you aren't willing to follow through on.
Never promise anything you can't or don't intend to deliver.
Tell the truth, even if it's painful in the short term. But you don't have to tell everyone everything you know or plan.
Being friendly and persuasive works better than yelling, screaming, and jumping up and down. If you are almost always friendly and persuasive, people will pay attention when you are more forceful. If you are always yelling, no one will pay attention after a while and they will hide when they see you coming.
You are not running a welfare office or a social service agency. In the same vein, if people are going to be paid according to need, then the neediest people are the staff.
Keeping the previous rule in mind, be a human being when people have personal problems they need to deal with.
Get to know the important people in the university for getting the usual work done, such as the registrar, the people who make do the schedules and room assignments, the graduate school staff. Thank them when they help you. Don't yell at them when the rules make them do something you don't like. They are accustomed to being abused and if you are nice to them they will bend over backwards to help you when you have a problem.
Get to know your external constituents, such as employers who hire your students.
Think of students as future rich alumni and treat them accordingly.
If someone makes an accusation against another person, get all the facts and find out all the procedures before you react. Most times it is much better to have a committee of some kind handle such situations than to do it yourself.
Don't be afraid to ask questions and consult with people if you are not sure about something.
Train your replacement.
It helps to be an optimist.
If asked to do something you think is utterly wrong, quit. You have a tenured position to fall back on. (Don't agree to be chair without one! And you should be a full professor as well.) But before you quit, make sure you've explored all the options and done your best to point out the problem to your administration.
Remember the saying (from Isaac Asimov's Foundation series): "Violence is the last refuge of the incompetent." If you get into an open battle you've messed up on your tactics. Ideally you should have won before the potential opponent realizes there might be something to fight about.
Be a magnanimous victor and a gracious loser. Never badmouth other people or organizations; that's a way to make gratuitous enemies. If you are in a position where you need to speak up about someone who is doing a bad job, and your input can have an effect, then you should do it.
Having people underestimate you initially can be a good thing. Lots of people mistake niceness for wimpiness, for example.
Look for allies. Don't be afraid to swap favors. Yes, you are now a politician.
Choose your battles. Don't fight over something unless it's important enough to justify the energy and loss of goodwill the fight will take, and you have a reasonable chance of success.