**WEBINAR TRANSCRIPT: Exposing the hidden risks of organisational culture**

So hi everybody. Welcome to the BoardPro Governance, made Easy webinar series. Our topic today. Is titled, exposing the Hidden Risk of Organizational Culture with our special guest, John Georgia, Henry of Henry Reed, supported by Lisa Cook and Steve Bowman On our discussion panel, my name's Sean McDonald, and I'll be a moderator for the next 45 odd minutes.

Firstly, hey, thanks for attending today. We really appreciate the effort you've made to be here. During the session, if you have any questions, please use the q and a button at the bottom of your screen. We'll be answering. These during the session and try to get through as many of these as we have time for.

And finally, if you stay through till the end, which we hope you will do, and as is customary for our webinars, we have a special treat for you by answering a really short one minute survey. At the end of the webinar, you'll go into the draw to win a beautiful gift hamper worth over $400. Now let me turn the technology on just for a minute.

Are you seeing my screen, Steven? Not yet. Let me do that.

Got it. Okay. So for those that don't know much about Board Pro, we are a board software provider sometimes called a board portal. That serve around 20,000 users around the globe. We enable organizations to prepare for and run their board meetings more efficiently and effectively with clever software, with less time and deliver more impact and value for the organization.

And as much as we are a board software provider. Part of our wider mission is to make the fundamentals of governance free and easy to implement for all organizations, especially those with resource constraints And how we do this, how we do this, I should say, is through these webinars along with the many guides, templates, and white papers on our website.

Now you'll find many of these free guides, governance templates business templates, and white papers in the resource section on our website, which is board pro.com/resource hyphen center. Let me now introduce our expert panel for today, starting with Georgia. Henry Georgia is the founder and director of our C E O I should say, of Henry Reed, a specialist culture and leadership advisory business that supports boards, CEOs, executives, and business owners to optimize the organization's effect effectiveness through their people.

And drive positive change from meaningful and measurable impact. Georgia draws on her 30 years experience supporting organizations to navigate the complexity of co culture, impact leadership and employee behaviors, compliance issues, resistance to change m and a, integrations and changing social expectations.

Welcome, Georgia. Thank you. I'm so pleased to be here. Great to have you with us. Thank you. Stephen Bowman is managing Director of Conscious Governance, brings a great depth of experience with board reviews strategic planning. Stephen has a wealth of executive and governance experience and has written over 14 books on governance and strategy.

Good morning to you, Stephen, and good morning everyone around the world. Lisa Cook is the founder and managing director of Get On Board Australia, supporting aspiring new and existing board members and boards to thrive. Lisa has 13 years of experience serving on boards from around the from the range of organizations in the private, public, and not-for-profit sectors in Adelaide, Sydney, and across Australia, including Shooting Australia inclusive sports south Australia.

West Beach Community, Bendigo Bank, and Australian College of Professionals. Welcome Lisa Jorra and excellent. So let me now hand over to the lovely Georgia Henry who's going to start off our session, and I believe we are going to have a short poll at the end of this section, Georgia. That'd be great.

I'd be really interested in people sharing what their experiences are and what are risks they identify from culture within their organizations. So in 2020, I did a culture research study because, During the pandemic, I was really interested to start to understand had risk shifted based on culture of organizations and what was really being seen with within organizations.

So for me, cultures culture is defined as our Collective ways of working our behaviors and norms and standards that influence behaviors within an organization. And wherever we have people, we have risk from behavior, but we often see that the identified areas of risk can really vary based on perspective and what's happening within an organization from the role you play in an organization and from the external impacts.

So in 2020, these were the primary identified areas of risk, which were financial risk, first and foremost, employee retention, market share, and competitive advantage equally with reputation followed by customer engagement, sustainability, safety, including psychological safety, quality, and compliance.

So I'd love to run the poll, Sean, and let's start to get, see what people are thinking while I continue to talk through. Through these areas. So what primary area of risk do you see based on the identified issues within your organization Right now? Because culture's not static, it does shift and change.

And so I'd love to see everyone adding in their votes to this so we can have a look at where the shift is. Because culture is a key enabler of organizational effectiveness and success. It also can be the thing that brings you undone. It can create poor behaviors. It can create silos.

It can create either build trust or create mistrust. And all of these have a significant impact on risk. So let me just take a quick screen grab here. How are we going with the results? We quite interesting, actually. Let me just, Grab this.

There we have it. Fantastic.

Not what I expected at all. Okay. What did you expect? What were you thinking you would've seen? Higher financial and higher end safety. Yeah. Look it's interesting. We have then a really high focus on employee engagement and retention. We know at the moment there is a real focus.

On with particularly in Australia at the moment where we have high employment it's difficult. We're looking at how do we retain employees less so impact there on financial and safety. What we found in 2020, what the other questions that I asked was, who owns culture and. The survey was mainly responded to by directors, CEOs HR professionals and executives.

And what we saw was a huge indicator that the, those who sat on boards said the board Owned culture. We saw that CEOs said that they owned culture and we saw that HR directors and HR leaders owned culture and the problem with this was when there is not clarity around the ownership and decision making and accountability for culture, it can really dilute the effectiveness of decision making and things can fall through the cracks.

The other thing that came through from our research is that the identified owner of culture had a different focus on risk. So what we saw at a board level, the focus of the risk focus was more about financial impact and sustainability. From a c e O perspective, it was on financial and reputation.

And then from the HR director and leader, it was about employee retention. And Where we allocate the accountability for ownership of culture can actually have a big impact on the elements of risk or the focus, the level of priority that's given to culture and the level of understanding of culture impact.

And that's really where the focus is. So we saw from the survey results that there's a great deal on focus at the moment around employee retention or employee engagement. But all of these elements of risk, including as you mentioned, Sean, Safety and psychological safety. The area of focus does change based on who owns the identified owner of risk of, and how that they are able to mitigate that.

So I'm just interested in Steven, Lisa some of your. Your examples, where have you seen, what identified areas of culture risk have you seen at a board level and was there response to things happening within the business or external factors at the time? Or was that more of a static, this is how we view culture within the organization.

Okay. It's certainly getting talked a lot more about a, around the board tables but also with a little bit of quizzical looks from the directors about, we're not quite sure what it is that we should be looking at. Yep. And we understand that it's probably more than just walking around and listening to people.

But there's also gotta be more to it than what the HR department is telling us as well too. And they tend not to look at boards that I'm aware of. Tend not to look at it in terms of of risk management either. And I think that's quite a clever way of looking at something because then it enables you to focus on if we're gonna get our culture where it needs to be, And at the same time, we are using that to help really manage our top three or four key risks.

That's gotta be a winning combination. And my big takeout from just this conversation alone is to invite boards and directors to marry up both risk, which should be, strategic risks in the top three or four, five key risks. And also how we look at culture and how we actually monitor and measure culture.

And I think most directors still are left with. And how do we do that? So I'm really looking forward to some of this conversation, Georgia. Fantastic. Thanks Steven. Lisa? Yeah. One thing that we're seeing a lot of right now is a lot of employee turnover. Yep. And in a board recently that I've been involved with, we're seeing really high engagement scores from the employee surveys, but we're seeing an uptick in turnover.

Yeah. And like Steve said how do we see it as a, there's a risk. We want to manage that, but as a board, how do you look at those two things and try and understand a little bit more about what exactly is going on here? Absolutely. And I think that's really valid. And I think there's there's a very big difference between employee engagement and employee retention, so that turnover figure and quite often what we get that's elevated to a board to look at.

Is is data rather than which might be an engagement school. And engagement surveys certainly have their place, but they also don't always hit all of the influencing factors of culture. Engagement to me engagement survey. While it looks at some of the indicators of culture, it can often miss some of the important elements.

So what we see when we start to look at culture risk, what we see when we observe the observable factors are things like the culture artifacts. Are there values on the wall? Are there safety signs? What are the overt behaviors, the language that's being used, what policies or code of conduct?

Yeah, work practices. All of those are things that are really easily observable. But what's hidden and often can impact engagement, but definitely impacts. Retention are emotions bias and assumptions that are demonstrated. Covert behaviors unwritten ground rules legacy issues. And these generally we see them coming through culture impact, either as systemic issues or outbreak issues.

So they're either embedded and they're long term and they're hard to shift or they're based on outbreak events, things that are happening. So with the difference between the engagement. And the turnover you really need to understand people might be quite happy at work. They might, so they're engaged in the type of role they do.

They might like the environment, but there's something this different or a misalignment around either their values and beliefs. Their goals and aspirations and what's being provided at the organization level. So an employee engagement score or information alone will not give the board the information that they need to understand turnover.

And quite often what we have a look at the data that's provided to a board. Sean, if you can flick to the next slide we have a lot of different data sources of information that gets. Filtered as it comes up to the information that's received by a board. And quite often when we look at business metrics or things like complaints and details.

Things like engagement scores. Not all of the raw data or the richness of data is provided to a board. It's filtered, it is sanitized. It might be prioritized. And so the risk for a board is that they're not actually receiving the in. The information they need about culture to understand the risks of culture, even though they bear all the risks of the culture or the opportunities that exist within their organization.

So it's really important as a board to be able to look at the business metrics, the data that's being provided. See where that's shifted and changed, and then seek further information and insights, and there's a number of ways that a board can do that. Georgia, Steve it's reminding what you're saying.

It's almost like when you look at your profit and loss statement, you look at the, you look at the variations, you look at the reasons for the variance, and those reasons for variants are the first indicators of shifts in business fundamentals. Absolutely. Two things I've learned today. Thank you. One of the questions Yes, we have a couple of questions here.

Perfect. First one from Helen. Is it right that one person owned culture is it not the result of a collective effort and responsibility? Absolutely it's, it is a collective effort. It's about collective behaviors, it's about leaders being able to lead culture and influence culture. It's about employees reinforcing and supporting it, but the ownership and accountability for culture needs to sit at a board level.

When a board is looking at how do we govern the organization, how do we set our expectations for the type of organizational culture we need to be able to deliver on strategy. To align to our risk appetite. So some examples are I was talking to a general manager of human resources the other day who said that the, an issue that they have at the moment is that there is a whole lot of strategic ch change being delivered by the board, but the behaviors within the business, Are actually too conservative and not risky, not risk takers enough to be able to deliver on the strategy.

So coming from a board level, understanding if we are shifting directional strategy or defining our risk appetite, what behaviors does that need to translate and capabilities within the organization. So they need to guide that. Through the ceo, then to the organization to shift behaviors. So Georgia, I doubt that boards themselves are working through that process for their own behaviors and actions as a board.

I, I agree. Lisa and I see this quite often when I'm in Henry Reeds engaged to work with an organization. Unfortunately they're in crisis and it's often, it's a crisis at a board level or a real disconnect between board behaviors. Defined values of the organization and the beha, the demonstration of an alignment between the cultural indicators and what a, a board or an organization is set as values or purpose and how that's actually playing out.

And generally Henry Reed starts working with boards at a board level to really examine that and help educate. Directors on the risks and opportunities of culture, because as Steve said, if you look at a p and l, you might see that there's a, an indicator there, a shift or change that indicates things.

Nothing happens in an organization without people. And your culture is your driver of collective behaviors and what's acceptable, what's not acceptable, what people are going to Celebrate what they're going to pull up, the standards that they maintain. And so all of the indicators, which might be that some of those areas of risk, financial safety, quality, customer complaints, all of those business metrics and data in, there's shifts in those, they're indicators that there's probably an issue with ways of working that's underpinned by culture.

And it's around educating boards that culture is A strategic lever to be able to improve your organizational effectiveness and outcomes. The, it's interesting that you raised the issue of risk appetites too, because I see more and more boards are starting to really look at risk appetites, but the vast majority of them don't know why they're doing it and how to actually use them.

Yes. And I think I was just reflecting on, we, I was working with a board on Monday night, just this week, and. I helped them develop up their risk appetite statement that said very clearly that we have a high risk for innovative ways of dealing with X, Y, and Z. We have no appetite, so we have a high appetite for this.

We have no appetite for anything that puts at risk the health and the safety and that sort of thing. And and the commentary there was around was from the board that were very conservative saying, So does that mean we need to change our behavior as a board? Because in the end, a risk appetite statement tells the staff what they should be bothering the board with.

Yeah. Or not bothering the board with. So I think that's a really good way of actually framing this whole notion of both how culture impacts on risk, appetite in, in impacts on your top three or four key risks. I think that conversation by itself would be fantastic for the board to have. It's really it really is.

And it's it's a great conversation. Started to have a look at, okay, we, we have lots of boards who spend lots of time developing strategy and strategic plans. Without a lot of consideration around the risk appetite for execution, as well as the level of capability and the behaviors. And does that align back to the parameters we've set in the, in our frameworks?

For strategy, governance, and risk to be able to deliver and execute on that. And so it's great conversations for boards to be having because as people and looking at behaviors and how we are able to influence collective behaviors, which is culture these are the conversations around risk and opportunities that need to be had.

So this is a model that I developed and that underpins Henry Reed's look ways of looking at culture audits and culture design. And we call it a culture and organizational effectiveness model because it really starts to show the relationship between these essential elements. So in the center, We have identity, which is as an organization, what is our purpose?

What is our vision? What do we believe? What are our values and values based behaviors? This sets the tone for who we are, why we do what we do, and what's most important to us. That needs to be embedded in those frameworks for governance, strategy, and risk. And Steve, you'd be amazed how many when we do a culture audit how misaligned risk appetite statements or even risk registers are to identifying the risks to delivery of strategy or the ways of doing work.

There's, it's really not given a great deal of focus in such an important area. So we have identity. It's embedded in the frameworks for governance, strategy and risk. It then has to be upheld by leaders. Leaders have a huge influence, and I put board and leadership in this overall leadership bucket.

It's how are leaders of the organization leading themselves, leading others, and leading the organization? And are those aligned? Leadership when it's misaligned, when it's not demonstrating the, and upholding and role modeling the values-based behaviors or risk appetite or all of those elements that define behaviors, then it c very quickly fractures an organization it very quickly.

Will create silos. It creates confusion. It creates either engagement or disengagement from employees, and that impacts your experience level, which is your next level Employee experience directly flows through to customer experience, directly flows onto stakeholder experience. So when boards understand that all of these things are actually have a direct relationship on each other, it impacts that final outside layer, which is each culture impact.

And that is the creation of competitive advantage, which is, your employee retention. It's our ability to hire and retain. It's also our our reputation in the marketplace. It's our ability to achieve financial and non-financial results. And it's the ability to mitigate and manage risk.

What Georgia? Yeah. Steve, I would, I'm just looking at it now in a bit more in depth for the framework. This would be a really good framework to help boards shape KPIs for their senior executive for their either the CEO and then for the CEO to use this to help shape KPIs for their senior execs.

So one or two that use, KPIs that use this to actually have help. Culture cascade through the organization. Yeah. My, my experience and insight with culture is it's gotta start somewhere. And if the CEO knows what they want, they'll get it. If they don't know what they want, they'll get that.

Exactly. Just providing clarity. And I think this would be actually quite quite a useful way for the board to help set at least one or two culture KPIs that have such a big impact if they get it right. Absolutely. Sorry, I just, there was a lady that's been waiting very patiently with her question.

Yep. Perfect. Mary Lees has asked how effective. Our employee engagement surveys, those dreaded surveys, attaining culture, I feel people may not be brave to really be open and honest. Great question. And a lot of time they're not. And I've even when we've done culture audits from organizations, we've even heard about leaders who are incentivized by the employee engagement score.

So you can imagine the pressure that's being put by some leaders. To their teams to actually give them a good score in that engagement survey. So for me, an engagement survey is a bit of a happy test at a point in time. There are of course some very well-structured ones, but quite often they miss the point, they miss the nuances of culture and they don't provide an opportunity if they're being conducted internally rather than having someone like Henry Reid.

An external provider come in who can provide a safe, unbiased, independent space for people to, to share information in a way where they feel that they're not going to be have any negative repercussions. We get a lot greater value for assessing culture with that independent view.

But look there's, I think engagement surveys can work quite well in organizations that are functioning well and have quite a healthy culture in organizations where there's any type of toxicity. There's pressure from leaders or inappropriate leadership behaviors. Mistrust, misalignment of values that employee engagement surveys will not sh share or demonstrate the right picture.

And quite often they're not getting to a lot of those indicators around emotions and misalignment of values and the stories that are happening within an organization. So you. You can get either false positives or false negatives through an engagement survey. Yeah, a difficult one to do, but I would always say that getting that external view to provide psychological safety a safe forum for people to share is going to be really important.

David David Cunningham asks, what are the best survey tools I've come across? Culture Amp and Tiny Pulse. Any ideas, suggestions? So a tool is just a tool. It's gonna give you, it's gonna give you data. It's what you do with the data that's more important than the tool. Some of those are quite again they're more around engagement rather than culture.

And it's Similar to other data points, they can give you a score or a numerical, a quantitative result. It's really, the value is in the qualitative data that you can get from looking at exit interviews, from seeing the richness of comments that are provided through survey tools. It's around speaking to people conducting focus groups to really dig into some of that qualitative data, which is where you're gonna get the richness.

Beck asks, how important do you consider the mission clarity of the organization to culture? Hugely important. Whether you call admission or purpose or an aspiration for the organization, there's a lot of different terminology, but if you can very clearly articulate Why you exist as an organization and why that's important.

That is the central part of what you come back to for your decision making is those essential elements of culture, your purpose or mission your values and values based behaviors and beliefs. What do we believe at our core are the essential things for us? To do as an organization. Are we having social impact?

Are we here to be innovative and look at technology solutions for a reason? If you can clearly articulate purpose and mission, it is a central point of alignment for all your stakeholders, not only your employees, but it helps align people with why you are, why you're there. Now. This is really Georgia.

Can I just make comments on that too? There's only two types of vision statements. There's those that work and those that don't. So it doesn't matter whether it's short or long, it actually doesn't matter that people remember the exact wording of it. Now, the question that the board should be focused on is how do we know that ours is working?

And the only answer that makes res any sense of that is that we use it shamelessly in everything that we do. We actually use it in everything. And the reason it becomes so important is because every single person in the organization will live it slightly differently. Which is true diversity, but what they're all able to do is to understand the two of the three key elements within that vision statement and then how they live it then becomes a bit more, how they do it, but the fact that it needs to be lived.

And you tie that in with the value kind. Yeah. Side of thing. All of a sudden you've you're starting to already create. A culture where they have a ground point where they can, a touchpoint, where they can look to see where things are. And what I found is that boards don't actually get the power of their vision because they don't know how to use it.

So that would be where I would start. So I start with purpose. Why are we here? That's right. That's at our core, our vision. What is our aspiration for the future? Where are we headed? Our values are how we gonna do it? How do we show up every day? What's most important to us? And what do we fundamentally believe that is going to help drive that?

All of these things should be driving your decision, making, your behaviors and actions the way we interact with people. What work do we accept? What work do we say no to? How do we engage with people? These are the things that are core. And when you've got those core agree, Steve, you share it and reshare it and communicate and overcommunicate these things.

And you embed them. And that is how it becomes sustainable. Cause we've all heard stories of culture that's aligned to a leader. Oh, we've got a fantastic culture at this organization. The leader leaves, the culture falls apart, or similarly, we've got a really toxic leader. The leader leaves the culture shifts.

But it's around making it sustainable and not reliant on leadership, and that is taking those core elements of culture and embedding them. In the way we, our organization's structured in our policies, in our reward and recognition programs, in our remuneration, in every touchpoint of the employee lifecycle.

Are our actions, the ways we are doing things, the way we recruit, the way we onboard, the way we exit staff, are they aligned to our values and behaviors? That reinforces culture and that takes culture beyond the influence of one or two people. And embeds, embeds it and makes it really powerful.

And if a board is not aware of that, and not aware of the opportunity of that, then they're missing a huge opportunity in leaving themselves open to risk. Probably one of the best, one of the best definitions of culture that, that I've used for many years, and others may find this useful because it simplifies it.

Yeah. Without losing complexity. And that is, if you look at it in terms of four elements, one of them is what is the mindset? What is my mindset as a leader that I need to be overt about? Then what are the behaviors that support that mindset? Now, what are the symbols I can put in place to actually support both the behaviors and the mindsets?

And then lastly, what are the policies and procedures I can put in place to support all those? Now, senior executive, your turn. Here's my mindset. Do you agree with that? Here's the behaviors. Okay, so we need to self-monitor. Here are the symbols that collectively we can put in place and here are the policies and processes.

And that cascades through That has just really helped me in many organizations get my head around at least where do we start? Yeah, absolutely. And it's really important an org organization has culture, whether it's created by design or by default. And so if you create your culture by design, if you look at this is why we exist, where we're headed, what we wanna achieve, how do we actually.

Engage people, align them, bring them on the journey with us, encourage them to innovate and give discretionary effort. If we're not actually looking at how we are engaging the incredible talent with our, in our organization. You would then be losing people. You actually disengage. You aren't optimizing the the opportunities and the brilliant talent that you have within your organization.

And it's. Labor employment costs are such a huge cost within the organization. And if we are not proactively thinking about have we got people who believe in what we believe, are they aligned? Are they able to deliver? Are we providing them with the right boundaries? Are we providing them with the right opportunities?

The right workplace and structure then it's a really, it's, you're not gonna get the return on investment by in investing in the culture of your organization. Georgia, we have three short questions, which I think looking at the time require three short answers. Okay. So the first was from Vic, who had the question before, which, and she said, fantastic reply, how do you, fre how frequently do you find that financial results, importance, pushes mission and culture backwards or ignored, at least temporarily.

It certainly has an impact, but I would be saying to boards, if you aren't considering your, the culture, those foundations of your identity in every decision particularly when there are financial or risk indicators then you are likely to make a bad decision or go down the wrong path. So if it's not true to what you need to be doing, but it's often very correct Vic, it's often ignored.

Correct. And that's a dangerous spot to be cause it takes you away from your core purpose and your core reason for being. Next question. How do you define good culture and how do you build good culture? Okay, great question. Defining good culture is a very individual thing for organizations.

Culture should be unique. It is your point of difference. It should not be compared. I get often asked with doing culture audits, do we benchmark against other organizations? No, because it's your culture. A good culture is a culture that supports the objectives of the strategic objectives, the and drives you towards the vision.

In a way that meets your works within your risk appetite your quality standards, any of the other parameters that you work between A good culture supports that a bad culture does not. And that's really it. It is unique and it needs to be actually supporting the achievement of your objectives.

Okay. A question from Marie Stank. By using a company such as Henry Reid, how can you engage people to respond to such a survey? Communication a lot of communication, a lot of understanding why they're doing it. And encouragement. So we do a survey. We also provide an opportunity for interviews and focus groups so we can get the richness of stories and we generally find Because where it's anonymous, it's independent, and no direct information goes back to the organization.

It gets compiled. And we do the validations through focus groups. People actually are really engaged and wanting to have a voice. So it comes up to the, initially how it's being communicated to employees around the reason why this is being done and the value of them sharing their voice and the creation of a safe space.

Great. We have a question from Jeremy, but Jeremy, if you don't mind, we'll leave that till the end if we have time. So Georgia back over to you. Back over to me. Okay. Look this slide just shows that culture really a again, I guess a different view to the model that we created and helping boards understand that the culture is influenced and runs through all of these areas.

It starts with the setting of the vision and strategy and the identity and brand. So when we talk about culture being focused on identity, it's the internal identity and the brand is the external representation. As I've already said, it touches every touchpoint of the employee lifecycle, and that drives your customer experience.

So for me, if a board is keeping in mind, culture and customer. As two key parameters. You can't really go wrong. The other parts are indicators. The other parts are how we're going to achieve these things. And if you flick through to the last slide, Sean, it's really about again, Tying back to what we said at the very start is that culture's measurable.

One of the things that I find when we organizations come to us, they come to us when they're experiencing issues in that outside of the model, the culture impact, high employee turnover, high risks complaints, bullying, failed integration from mergers and acquisitions. But they talk about culture.

In terms of culture, activity. Oh, we do beers and barbecues. We have a great culture. Everyone likes each other. It's not about the culture activity, it's actually about the culture impact. And when you understand the impact of culture is measurable as is your strategic lever for driving outcomes and for mitigating risk, then you can very quickly come to the point of understanding that culture is measurable.

There are measurable indicators of how well we're doing. So from a board level, what I would be saying if you are. Struggling to see why we should invest in culture is to ask some questions. The first one, what would be demonstrated by all employees? If we had the ideal culture for our employees, what would they be doing?

What would they be saying? How would they be working? And if you had created that, what would that enable you to achieve? Imagine that everyone was working towards, in, in the ideal culture, they were behaving the way you wanted to. What would that enable you to achieve? Who would, what would, or what would benefit from that?

And how we, me, how would we measure that impact you very quickly take culture from something that's seemingly intangible to something that's really measurable. And able to be focused on, at a board level as a strategic lever to deliver outcomes. Let's have the question from Jeremy then, shall we?

He asks, how do you change the culture in an organization due to having senior executives due to long-standing members of the board? And the lack of knowledge and training is not accepted, but the membership is supporting them also, B o d micromanagers, the corporate cooperative, which not sup is not supposed to be.

How we deal with that, it's a bit of a long question, I'm afraid. That's right. So if I'm understanding the question, how do you actually create culture change when there's some longstanding Yeah. People that aren't wanting to change. Correct. It's a challenge, and that's generally why we start working with boards who identify that there's something wrong.

Most boards know that there's a reason why they get an indication that culture's not right or that things aren't right and they're not getting results. There needs to be someone who is on the board or brave enough to raise the issues around. Either risks or results and that this is an issue that relates back to culture and behaviors within the business.

And that to actually shift to get a different outcome, we need to do something differently, and that is about people and how we work together as people. So it can take some courageous conversations. At Henry Reed, we always start working on culture at a board level, because quite often there needs to be strong direction through a C E O.

Through to, to, to executive teams and then through the business. And that needs to start at the top. So it's a tough one to shift if the board is unwilling to make change or if people aren't willing to have those courageous conversations. But I would be saying, use the data that you have to share where there are risks and opportunities for change.

If I can just give a practical suggestion too. One of the greatest changes of culture at the board level is the governance committee. And the governance committee should have at least two independent people on there who are really good at high performance management and they will help drive this through cuz they won't put up with the rubbish that the board has otherwise been putting up with in the past.

And so having a good governance committee in place with a couple of independent people who are used to high performance management. Can start to make changes relatively quickly within sort of 12 months. And also hold to account bad behaviors and bad culture that's happening around the board. But it won't happen if they're trying to, self-reflect when they've got no self-reflection skills.

Okay. So we are almost at the end of our session. Please everybody, feel free to connect our presenters today on LinkedIn. As you'll see them there, I'm sure they'll look forward to your connection. And if you'd like to be put in touch with Steven, Georgia or Lisa please indicate your interest on the survey form when you pop out of the webinar.

Now we have coming up a couple of really interesting topics in our governance Made easy webinar series. The first one coming up on June 8th is how to take the friction out of board meetings, followed by guiding board meetings to maximize productivity. A little bit further on some of the topics here.

Really interesting. One that I'm looking forward to is number 54, how to Avoid Death by Hubris at the Board Table. And also we're gonna have a very hands-on session on August 3rd about how to use ai in relation to governance. So that'll be a really hands-on session. These are all up on our website, by the way, if you'd like to have a look.

So now as you leave the webinar, don't forget to fill in our one minute survey so you can go into the draw to win our $400 hamper. We'll announce the winner tomorrow and say thanks again for your attendance, everybody. Thanks also to. Georgia Henry, Steve Bowman and Lisa Cook for your valued comment today.

I hope you all enjoyed the session and we look forward to seeing you all at our next webinar on June 8th titled, as I said before, how to take the Friction Out of Board Meetings. So that particular session will be led by Julie McLennan, supported by Mike Burke and Steven Speller. We will try and circle back on these unanswered questions directly over the next 24 hours to you.

Thanks everybody. Have a great day. Look forward to seeing you at our next webinar.