Webinar Transcript

Managing conflict in the boardroom

Hi everybody. Welcome to our webinar today titled Managing Conflict in the Boardroom. It's going to be a great session.

We are here today with Fiona McKenzie, Lynda Carroll and Miranda Flury. My name is Sean McDonald and I shall be your moderator for the next forty odd minutes. Firstly though, thank you for being here for our live event. We always appreciate the effort you make to be here for our webinars live.

During the session, if you have any questions, please try and use the Q and A button on your toolbar. It just enables us to keep a track of them all as we're going through the webinar. And we'll be answering these questions during the webinar as we go through the session. And finally, if you stay through till the end, which of course we hope you will do, and as is very customary for our webinars, we have a special treat for you.

By answering a one minute survey at the end of the webinar, you'll go into the draw to win one of our beautiful gift hampers worth over four hundred dollars Now, for those not too familiar with BoardPro, we are a board software provider sometimes called a board portal and we serve just over thirty five thousand users around the globe and we're represented these days in about thirty four different countries, would you believe?

And we enable organisations to prepare for and run their board meetings more efficiently and effectively with clever software and deliver far greater time and deliver more impact and value for the organisation.

And as much as we are a board software provider or a board portal, part of our wider mission here at BoardPRO is to make the fundamentals of governance free and easy to implement for all organisations, but especially those organisations with resource constraints.

And one of the many ways we do this is by providing free access to hundreds of governance templates, guides and resources which you'll find funnily enough in the resources section of our website.

And these webinars that we host every Thursday are also a great way of accessing key governance knowledge without the time commitment and costs associated with in person events.

So for the next forty odd minutes, just relax, listen, add to the conversation by asking as many questions as you would like. A full recording of the webinar along with the slide deck and the transcript will be sent to you. That will be tomorrow now.

So without further ado, let me have my team introduce themselves from left to right starting with you, Miranda.

Thanks, Sean. My name is Miranda Fleury, and I own Hawkeye Strategies, which is a governance consulting firm. We work with boards and executives all over the world. And of course, I have the pleasure of dealing with conflict in the boardroom quite a bit.

But we work on a number of different pieces from things like strategic planning, the CEO evaluation, CEO compensation, CEO recruitment. So I have the pleasure of seeing conflict in a variety of different areas. And I will hand it over to you, Linda.

Linda, over to you.

Thank you very much, Miranda, and kia ora everyone. My name's Linda Carroll. I'm the CEO of Align Group. We have been around since nineteen ninety seven, and we assist organizations to align strategy, culture, governance, and performance, and everything that flows around that.

I have the pleasure of being a chartered fellow of the Institute of Directors in New Zealand, and I am also an accredited foresight practitioner for the Institute for the Future out of Sao Paulo, California.

Thank you. Hand over to Fiona.

Thank you, Linda. Good morning, everybody. I'm dialing in from the Gadigal lands of the Eora people, which is the sort of inner part of Sydney, Australia. So I acknowledge First Nations people from our Te Aroa and all around the world. Thanks for joining us today.

I am a conflict and negotiation specialist. I've got a background in management consulting. But for the last actually more than a decade, I've been helping leaders and teams use negotiation and positive conflict to drive alignment. Really important skills. We're in negotiating all the time. Almost interaction has some form of negotiation and I it's a fundamental human skill and I really love helping people get better at it.

As far as conflict goes, I know it sounds weird. We were talking about it before this webinar started. I actually really love conflict. I don't love it in the heat of the moment, of course, but I love what happens as a result of conflict.

Once we face it and we get through it, there are good things waiting on the other side.

The bulk of my work involves training government and industry in negotiation skills. I speak at conferences about conflict, and I coach leaders and work with boards and leadership teams on I help them facilitate collaborative agreements.

So that's me.

Should we get into it, Sean?

Indeed.

Excellent. So you can see on the slide there conflict on boards, as I've just said in my introduction. And maybe it's a controversial opinion. But in general, I think conflict is really good. It's always better when we have the hard conversations and we nut out disagreements so that we can expose differences rather than let them fester. But obviously, ragey, shouty, toxic conflict is disruptive for boards and it's not healthy and it's not safe.

So where do we draw the line? Where is conflict good and where is it bad and where is it necessary?

Well, conflict is good because it's essential for good governance. Good conflict surfaces risk. It tests assumptions and it leads to better decisions.

But it's bad when it's harmful, when it turns personal, when voices are drowned out, when healthy challenge becomes toxic.

It's also conflict is also necessary. The goal isn't to have more conflict. It's the right kind of conflict expressed in the right way at the right time. So let's look a bit more closely at the first two, the good and the bad. When is conflict good and when is it bad? So you can see there on the slide we've got a bit of a column.

First of all, we need less conflict when we're speaking over each other.

That's signalling a loss of listening. The risk is escalation or defensiveness, poor information flows. We need less conflict when it becomes personal. That is an absolute no no on the board when it's attacks, eye rolling, sarcasm, status games and the risk there is that psychological safety collapses.

We need less conflict where there's pressure on others to give in that comment just just move on just agree already we want to go home. The risk there is that you're going to end up with compliance not commitment to what you're actually deciding.

We need less conflict when it's about winning not understanding that positional arguing where people just dig their heels in and they're closed off actually to what everyone else is saying. And the risk is that you get a really entrenched camp of camps of people, who aren't listening anymore and decisions are stalled.

And we also need less conflict when it's relitigating old grievances when there's historical baggage that people have that's masquerading as governance, that there's a high risk there that there's been a there'll be an erosion of trust and a whole lot of time wasting.

In the other column there and this is what I love talking about when we need more conflict. We need more conflict when we aren't speaking up. So this is for you chairs. Silence does not mean agreement.

Got to remember that. A lack of dissent can indicate a lack of psychological safety. People are afraid to speak up.

And the risk is groupthink, blind spots, rubber stamping.

We need more conflict when we're avoiding tension. That you know let's not get into that today. That's a warning sign when people are saying things like that. And avoidance actually only delays the real conversation. Those issues don't go away when you don't talk about them. They're normally festering below the surface and when they do explode out they've snowballed and there's a higher intensity there.

We need more conflict in situations when assumptions need testing. This is really important in situations, discussions around strategy and risk and performance. They all rely on assumption testing. So you need to test them vigorously with some healthy conflict. Because if you don't, you're going to be making decisions on unexamined beliefs. So a healthy challenge really improves decision making.

We need more conflict when we're aligned too quickly. I know that sounds a little bit odd. Everybody wants a quick agreement on a board.

But sometimes a fast consensus means that dissent has been suppressed. It's important to poke at that if you've got agreement too quickly. You don't want false harmony. You don't want missed risks. You don't want poor oversight.

And finally we need more conflict when the stakes are high. Things like the CEO performance, major transactions, crisis responses. When the stakes are high you don't want politeness overriding rigor.

So as sort of a summary of the columns, boards need more conflict when the work requires deeper thinking and boards need less conflict when the people are getting in the way of the work.

Miranda and Linda, thoughts on that, where you might have seen the need for more or less conflict?

Oh, well, if I jump in there, maybe. I think the thing that I find really interesting about how you frame this up is that even by framing it up using that term conflict, you can almost feel people's toes and fingers starting to curl because that conflict word even on its own creates challenges for people. And so I love the fact that you're owning it and saying actually conflict's good. And then the way that you describe it around really what you're saying is robust debate and constructive challenge is how we get the best decisions.

And so that is what good conflict is about. And of course, the reason why we always talk about needing more diversity on boards is so that we have people who have completely different views so they can have that robust debate. So love the way you frame that, Fiona.

Yeah. Thanks, Linda. I think I do own the word. Sometimes I've been encouraged to say frictional tension, but it just doesn't doesn't get your attention to the same.

And we want constructive or healthy positive conflict, whatever you want to call it. Yeah, over to you, Miranda.

Thank you for that. And yeah, oftentimes I end up having to use the term healthy debate instead of using the word conflict. But I'm happy to use more conflict anytime right now.

That's fantastic. And I agree, I actually really like your summary about having more conflict when it requires deeper thinking. I think that's a really important component. And when I'm even facilitating board strategy sessions, if I don't see enough conflict, I will actually design exercises to create conflict.

So that I force people to sit on different perspectives and have a conversation. And I always say, you don't need to change your opinion by the time we're done this exercise. But it helps you either empathize with a different point of view, or it's actually possible it opens up your mind to a different set of questions in a different way of looking at things. So I see conflict is quite positive.

But I have, and we'll get into examples of some negative conflict. I've seen that before too. So I'm looking forward to that section and giving you examples there, Fiona.

Yeah. Excellent. Thank you. I do think yeah. I I think that that that task that you explained is really helpful where you actually make somebody express the other person's opinions.

And and it opens it gives light bulbs that you don't expect. So that's great. I think as a sort of a that with that with those two columns really, the difference between good and bad conflict boils down to how you think about dissent.

If you're embracing dissent, that's good conflict. It's where you're working hard to understand differences of opinion, airing those difficult conversations. But if you're suppressing it, that's bad conflict. When you're avoiding the real conversation, when you're staying silent because it's easier or when someone's being aggressive.

So let's look at types of conflict. So there's, you know, there's a lot of different ways to categorize concepts. My preferred way to talk about conflict is this model. So broadly three types of conflict, task, relationship and values.

Task conflicts are matters of the head. It's about what we're doing and how we're doing it. So on boards that might be what the board should focus on, how to interpret information, how decisions are made, how committees should run, where the directors are drifting into operational detail.

The relationship conflicts are the matters of the heart. So these are the who conflicts and these ones can be really, really personal about jealousy or past grievances. And it is important to note we often experience any type of conflict as relational, whether it is or not. And sometimes if you

fix the structure or fix the task conflict, those relational tensions will actually dissolve. So if you're thinking about a conflict now and you go, mine is definitely relationship, it may not be. It may be values or task conflict that could be fixed and the relationship tension would settle.

On boards, relationship conflicts are things like directors who undermine each other or a chair who plays favorites. Some of those things that we went through on the list of bad conflicts and dominating or talking over each other.

And the third one, the values conflicts, these are the matters of the soul. They're the why conflicts. Why are we doing this? What do we really care about?

What's being prioritised? What's ethical? That's a big one. We'll touch on that shortly. What are our deeply held beliefs?

And this is the tension between competing core values. So on a board, it might be disagreements on ESG priorities, tensions between short term and long term priorities. Miranda and Linda, any thoughts on that model?

No. I'm I'm looking forward to getting into the details of it. So I'll save my comments for our next section.

Yeah. Great.

Yeah. I really like it.

Sorry. Go ahead, Linda.

No. Was just gonna say, I really like it and I think that you can immediately think of examples that fall into each of those that you've experienced, whether it's decisions being made in the car park rather than the boardroom, whether it's information being withheld because it's actually power, things like that are just everyday occurrences, aren't they, unfortunately?

Yes, indeed. Indeed.

Now we have some great questions come in Fiona. You like to take those now? Yes.

First one, how does a COSEC bring the situation back to fostering positive conflict when the conflict is negative and the matter is divisive on the board?

We are going to get into some of that actually. So this model that we're looking at, so task relationship and values, we're going to look at examples of that and then specifically some tips in the governance context. So if we haven't answered that a bit later, maybe you could ask that question again, if that's okay.

Right. This one from Sarah.

Would you encourage people to have pre prepared questions that help draw these things to the surface and engineer the conflict?

Oh, yes, absolutely. With any sort of negotiation or difficult conversation, they are won and lost in the preparation. And so always come up with leading questions, things that you want to ask to take things out. So if you've done that in advance, you're gonna be much better prepared to have that difficult conversation.

Can I add in there, Fiona? The other thing that I always find really helpful is to try to work out how the other person might be feeling. Yeah. So that then it's possible to actually have a well, to demonstrate empathy for why they might be feeling that way as well as asking the curious questions as you say.

Yeah. I like that, Linda. One of my models that I use sometimes in training is stop, step, shift. So stop. What I'm doing, get myself under control, actually step into their lane, into their shoes. What will what is it like for them? What have I contributed to this before you shift to some solution?

So that that Nice. Stepping into their shoes is really important. Because if you see what's important to the other party, you're more likely to look for a solution, not get defensive.

And the only other piece I would add, I love this conversation. The only other piece I would add for Sarah's sake is I love the idea of generating questions to help encourage more conflict. And I would encourage you to have a conversation with your board chair in advance to say, I think we need to talk about this topic in a little bit more detail. Here's the approach I'd like to use.

What are your thoughts on that? Because the last thing you wanna do is blindside your chair in a board meeting by starting to create healthy conflict is wonderful. But also if your chair doesn't know it's coming, it doesn't feel good. Going back to Linda's point about how that feels, but B, you might not actually have room on the agenda to have that kind of conversation.

And they might be able to accommodate it in the agenda better if they know it's coming.

You know, as chair, I always ring every board member before the Board meeting to find out if there are any red flags, anything I need to know after they've read the papers. And so hopefully if you do that as a matter of course, things will come up and you can be really well prepared like Miranda said.

Yeah.

There's a great question in the chat here from John. It's a little bit long, but I'll read it out because it's a great question. John says, I'm here because our board is riddled with conflict and issues. Our board is actually a committee as our parent organization, is an incorporated society here in New Zealand.

We have many issues but fundamentally we have significantly outgrown the elected from the membership volunteer committee model.

As such, we get drawn into trivialities, personal interests and pet projects and obsessions that aren't value driven. There's no focus on the overall strategic direction of the business. I'd love to get some fresh insights into strategies for this and to hear from those that have walked this path before.

Would like to grab that one?

Andrea, is that one for you perhaps?

Oh, look, I I really feel like it's a case of having a really well experienced chair to lead you through this. And and if we remember what is the core purpose of a board, it's to actually lead the development and oversight of strategy. And if you don't have that happening and you aren't clear on the guardrails to that for the board, then and the chair can't lead through that then it's going to be very difficult. And and I myself have been in situations where at a committee level on an incorporated voluntary society you you end up getting into into these things and it can take up so much of your time. So I really am sorry you're having to go through that John.

And sometimes with really entrenched conflict like that and where values aren't shared, you may really need to get an external person in to help you work walk through that. So governance facilitator or something to untangle what's going on. Because if there's that much entrenched conflict, it's unlikely that the people inside of that will have the ability to help everybody through it.

And I think to add to that, so first off, that sounds crazy frustrating, and also is more common than you think.

So you're not alone, which is a nice thing, although it doesn't feel good still. And I think the reality is on something like that, it starts You can say it starts from a number of different places. But number one is looking at your skills matrix for the board, the recruiting process for the board itself, how you're getting specific directors on. That doesn't give you a fix in the moment. That's more of a longer term piece.

And then part of that is setting expectations, and which as Linda was talking about, comes from the board chair. But what is a director's role and responsibility? What are our appropriate board norms? How do we conduct ourselves?

What are the areas that we play in? What are the areas we don't play in? So what's the CEO delegation of authority? What should we be talking about?

And I get, I'm sure, John, you've probably heard things like this in the past. But what I would say is there's nuances to it. And actually doing that type of work, as Fiona said, with a third party tends to be quite helpful. Because then it's the third party guiding it, as opposed to some of the people who are creating the conflict, who could actually be the chair trying to design it.

Are, John, there are ways to solve it, but it's not a quick fix. And it comes from a combination of who's sitting on the board, the types of systems and processes that you have that are feeding into it, and the dynamics that are allowed or not allowed.

Thanks.

We should push on, Sean, if that's okay with you. Just watching the time.

So we've talked about the fact that there are good and bad conflicts and ways to categorize it. I could talk about healthy conflict all day long, but I suspect a lot of you, like John, are here because you're experiencing unhealthy conflict. So let's get into some tips for managing that.

We are going to talk some governance specific tips shortly but just firstly three general tips for unhealthy conflict. The very first thing is to manage your own emotions. If there's conflict going on, you need to make sure that you're taking your emotional temperature at all times. You need to be noticing what's going on. What's the temp tension in your body? You know, are you calm, sweaty or what whatever it is that your stress reaction is?

And if you notice then you might be able to stop yourself from getting defensive and start becoming inquiring about what's going on.

You also really need to pause before you react. You wanna slow your pace, take a breath, lower your voice. Calm is contagious. I love that expression.

But there's also a physiological reason for pausing before you react. It only takes a few minutes for your brain's alarm system, that limbic system, the the where the amygdala is housed. Only takes a few seconds for that to engage. And sometimes under pressure, you'll make the wrong choice.

So if you take a pause, that gives you the opportunity to decide if your next comment is about clarification or exploring or escalating what's going on.

Then going to the balcony. This is a program on a Harvard program on negotiation term. It means literally take a break if you can. So go out to the balcony, but also figuratively actually think about what an independent person might think about the situation. So take an emotional and strategic vantage point. Imagine you're outside the room looking in and, try and gain some perspective.

Once your own emotions are under control, focus on de escalating the other person's emotions. So this is about listening to understand, not just to hear.

There's a study that I was looking at recently. Doctors interrupt patients on average within eleven seconds. Like as a race, humans are terrible about interrupting. And what it means is we're not really listening to what the other person is saying. So be prepared to change your mind. You can you don't have to agree. You can acknowledge though I can hear that this is important to you, something like that.

Mirroring is another The best interactions happen when we're in sync in tone and language and posture, and that recognition of being in sync actually reduces defensiveness. Steve Voss, who wrote Never Split the Difference, a book about negotiation, He says sometimes you just need to use the last three words of what someone says and put it back to them in a question. Oh, the last three words. So there's me mirroring myself and people feel heard. So helping to de escalate the other party involves helping them to feel heard and understood.

And look, questions are a really effective way to manage emotions. They switch the brain for the asker and the answer from being reactive to being reflective. It's like a cognitive interrupt that activates that prefrontal cortex where your executive thinking happens. It gives everyone a moment to cool down and reduces that emotional charge.

The third one there, practical techniques in the moment reframing from positions to interests. These are negotiation words. Positions are what you're asking for, you know, time, scope, whatever. Interests are why you want them.

So it's the what and the why. And if somebody really digs their heels in, it's often on a position what they're asking for, but there could be a different way that that position can be met once you understand their interests. So you wanna use questions like, what's the underlying concern that you're trying to protect here? Or this seems to really matter to you.

Why is that? And those sorts of questions help you move on from disagreement.

Use curiosity as a disruptor. It sort of interrupts that combat mode, that defensive mode that people can get into. Questions soften defensiveness and reopen the thinking. So what would make this workable for you?

And most importantly, test assumptions explicitly and invite quieter voices in.

The last one there, name the dynamic, not the person. This is about separating identities from ideas.

And, really this is the heart of de escalation. Disagree you disagree with the other person's position or their opinion. You don't disagree with their intentions or their capability.

Miranda and Linda, thoughts on those general tips before we get into some governance specific ones?

My I'll say on the practical techniques in the moment, my favorite one is curiosity. And I feel like it's such an underrated piece. But if you listen to any TED talk, a lot of people talk about curiosity.

And I think the act of being curious instead of remotely on the back of your heels thinking, you know what, I don't like where this person's coming from. If you can get yourself into a mindset where you're genuinely curious about the perspective, then you start, what ends up happening is if you're on your heels, you have a lot of assumptions and biases that are coming to play.

And if you get curious to say, okay, what are you assuming to be true when you say this? Help me understand that perspective a bit more. Tell me more. These are all things that help you be a bit more curious. So I do really love that one.

Yeah, I agree. I wrote a post recently about intellectual humility, which is that form of curiosity. It's a superpower. Yeah, Linda.

I really like that that listening actively. It's what I was saying before about being empathetic, and the planning beforehand of actually saying, well, that person, they're obviously getting more and more worked up about this issue. And so I really need to pop that balloon before it gets to anger stage. And I can only really do that by being empathetic and labeling what they're feeling and asking for more information as Miranda and you both said around curious inquiry.

And so being able to say, look, I can see it's really important to you and it's upsetting for you. So I really like to understand, you know, what is behind that? And that approach mean somebody can't actually snap back at you if you are saying that sort of thing. They can't continue in that anger moment.

Think that's great. I think those two words that you've used, Linda, curiosity and empathy, they're really great summary words for dealing with unhealthy conflict. So we've looked at some general tips for unhealthy conflict. Let's get into some tips tailored for the governance environment. I think it's an important distinction because roles and power and process really matter on boards.

We're going to look at these in the three types of conflict that we set out earlier, task relationship and values.

So we'll start with task conflict. In theory, the easiest, not always, but they're they're generally easier to solve. And these are disagreements about the work itself. So the priorities, the strategy, the process, decision pathways, they are often healthy conflicts, but they can become circular and rushed and dominated by a few voices.

Examples on boards are things like around timing and sequencing disagreement over whether a major initiative should be accelerated or delayed or phased, Sometimes around resource allocation, competing views on where to invest capital or talent.

Risk appetite is a big one for task conflict on boards. Some directors want to take bold growth steps and others want to minimise exposure.

Process disagreements is the one we often think about first in terms of task conflicts. Directors are arguing about whether a decision should go to a committee first or be resolved in the room. And quality of information is another one. The board challenges whether management's data is complete or sufficiently transparent. In terms of tips, just three to look at here. And these are relevant really to anyone on a board chairs and board members.

You want to clarify decisions and surface interests. So boards will often argue kind of past each other because they're solving different problems. Their interpretation of the problem is different. Chairs need to reset and reframe and ask what decision are we actually making here and focus on that intent.

And board members can also and this is really effective. They can use the chair like as a stabilizer requesting an intervention without escalating actually what's going on in the room. So the questions like, excuse me, chair, should we pause and clarify the process for this discussion? And that helps everybody move away from position, with the position that someone might have taken to the process and clarify the process.

The second one there, slow the pace and separate facts from assumptions. This is particularly important for chairs.

In my experience, when task conflicts heat up, people start arguing from instinct rather than evidence.

And chairs can pause a discussion, ask for the data that's behind the claim or request a short summary of what's known and what's assumed. You're really trying to scratch away what the assumption is that's causing the conflict.

You can ask respective respectfully for clarity without judging one anyone. What's the principle behind what you're proposing? Or I'm noticing we're debating process, not substance. What's behind that? So that real clear separating facts from assumptions is a really important thing for boards where there's task conflict.

And the third one there, structure the debate so that all voices contribute. Chairs should be setting norms for board processes that help avoid unhealthy task conflict. So clear agendas, time allocations, decision rules. And if the task conflict is teetering on unhealthy, it'll become more productive when quieter directors are invited in. So that's the role of a chair to try and spread the load. And there are approaches like time boxing or structured rounds where each director needs to articulate risks and benefits.

Those things prevent dominance and they also prevent groupthink. And unhealthy conflict often comes from dominance whereas good conflict comes from diversity. And that came up earlier. Linda and Miranda, any thoughts on that?

I have a fun story, Linda, if you don't mind if I jump in. Go. Okay. So I was thinking about this.

I was like, okay, where with my clients have I seen the different types of conflict? And I have a great example of task conflict. I was working with a board doing a CEO evaluation process. And when I first got the phone call, I was actually told that the board chair and CEO were legitimately yelling at each other.

So this has gone from minor conflict to actually quite a big problem.

And it was just like, okay, everybody just needs to deescalate themselves. We need to take a breath. And we need to start from beginning, try and understand what's the perspective, what's the issue. And honestly, was as simple as building out a proper CEO evaluation process that engaged the CEO and building it. That the board felt was fair, transparent, and following good governance practices. And at the end of the day, what was interesting is that they were quasi arguing for the same thing. They just couldn't see how to get to the process because it was so dysfunctional.

But I kid you not, when I first started, they were screaming at each other. By the time they were done, they they were happy. They were making jokes left, right, and center. And that improved their overall boy relationship and other areas as well.

Yeah. That's an example where people think it's a relationship conflict, but actually it's a task conflict. So you deal with the task and the relationship conflict goes away. Perfect example, Miranda. Thank you. What about you, Linda?

I really believe that roles and responsibilities play a big part in conflict where people don't really understand their role or they don't understand how committees operate. And that just provides such a lot of ingredients to the conflict. And if you don't actually understand how people are at the table and understand the whole person and the value that they bring, then we do, as you said somewhere else, think Fiona, we do add a whole lot of assumptions in. And when you have assumptions, a lack of clarity over roles, you end up having such terrible opportunity for conflict.

Yeah.

Yes, absolutely. Thank you. I agree, Linda.

Sean has moved us on relationship conflict. So these are the interpersonal ones. They're about tone, ego, dominance, lack of trust, perceived disrespect.

Examples on boards are things like dominant personality, where one director is constantly talking over others and they're creating resentment and often withdrawal. That perceived disrespect that I mentioned where a director feels dismissed or belittled by what another director is doing or saying.

Sometimes there's historical baggage on a board who directors bring unresolved tension from previous committees or previous decisions, they're bringing it into the room because they haven't had the grown up conversation and resolved it.

Sometimes there are status battles, directors are competing for influence or airtime with the CEO or with the chair.

Sometimes there are defensive reactions. This is one that I've seen a lot where the director is in then interpreting a challenge as a personal criticism and, you know, their emotions get out of control. And those pesky side conversations and alliances where you've got informal factions, they really undermine trust in the room.

So the tips here again about regulating your own emotional triggers. You want to watch when you're becoming defensive or irritated or competitive.

There's a term called effect labeling where it's an emotional regulation technique where you actually name what you're feeling and it takes the heat or the power out of it. So I'm feeling demissed dismissed by them means that you're more likely to keep that emotional reaction at bay and deescalate any tension.

You wanna acknowledge your emotion and redirect to the issue. A simple comment like I can hear that this matters to you will really lower defensiveness and chairs can redirect. Let's bring this back to the decision we're trying to make.

That's protecting dignity because it's not a personal attack, but they're restoring focus.

And when conflict becomes personal, directors should be trying to reset the tone and the focus. Let's get back to the issue. It's not about individuals.

And the third tip there, name the dynamic early and reset the tone. Chairs have a unique license to interrupt unproductive behaviour. A calm neutral observation about the tone in the room can prevent a personal conflict from becoming entrenched. And that's about protecting psychological safety. And that's really important that everybody on the board is aware of that. You should be supporting people, directors who are raising uncomfortable questions and exploring that.

Any juicy examples from the panel on relationship conflicts or thoughts on the tips?

No. I find that it's actually the relationship conflicts that most often bring me into the equation. So, it's when boards find themselves in what they consider dysfunctional situations and when you actually go in and you dig deep, find it is more often than not the relationship issues. And that's where, and I was mentioning this before we came on Fiona and Miranda, that the trust equation is really helpful because if you can use that equation to actually do a little bit of a dig into where people are sitting and how the induction process went, how much people know about each other, then you actually get to understand why things might not be working. And I had one example, and I'm not going to go into heaps of detail because we've got hardly any time, but what it turned out was that the board of a newly merged company decided that this one person wasn't a team player because they never stayed after the board meetings for a drink and to go out for dinner.

They had that person had never disclosed that he had a very unwell mother and he actually was currently living with the mother to look after her. Nobody knew, but they had made that decision. So every time that director opened their mouth, they sat back and folded their arms and, you know, rolled their eyes. So it's about actually knowing the whole people, whole person for this particular one.

Yeah, absolutely. So that's an example of positions and interests. My position is I'm not coming for a drink. My interest is I'm getting home to my sick mother.

Yeah. Miranda?

I'll save my comments, Fiona, so you can get through your last slide.

Great. Thank you. Thanks, Sean, for putting that up. So values conflict is the last one. So these are about purpose, identity, ethics, worldview, and examples on boards are things like the mission versus commercial priorities where directors are disagreeing on whether to prioritize a financial return over social impact or vice versa.

Or they've got conflicting interpretations of the core mission of the business, of the enterprise. Short term versus long term orientation where some directors are really pushing for immediate results and others are prioritising sustainability or future positioning.

Ethical thresholds. This is disagreement about what constitutes acceptable risk, transparency, stakeholder impact. Ethics can be very tricky conflicts to navigate.

And a few tips for values conflicts. Really want to be surfacing the values that are driving the disagreement. So sometimes value conflicts masquerade as task conflicts and directors can be asking what principle is most important to you here. You're really drawing out the priorities that are driving the disagreement. Chairs can summarise competing values and make them more able to be discussed.

You want to be looking for the shared purpose or the higher order goals. So purpose is the most powerful neutral ground. If you can anchor back to the board's role, our job is to test this thinking, not to win the argument. Then you can focus the group's discussion on the organisation's mission or long term interests.

You're more likely to move the conflict from unhealthy to healthy. And executives can help here too by articulating how proposals align with purpose, not just performance. And the last one there distinguish what must be aligned from what can coexist. This is a really important point.

Board members don't need identical values but they do need clarity on which values are not negotiable for good governance. So some difference can be tolerated but others require explicit agreement. So being clear on that distinction will prevent unnecessary conflict.

Miranda and Linda?

Miranda, you wanted to share something.

I actually think we're at the end of our session. So it might actually be a Sean request right now.

Yeah, thanks for that team. We have got to the end and we normally like to try and keep to our forty five minutes for everyone's calendars.

Please feel free to connect with our presenters today. There were so many questions, so many great questions that came through.

We'll try and find a way of answering those over the next couple of three days.

Yeah, try and hook up with Miranda, Fiona or Linda. I'm sure they'll look forward to your connection on LinkedIn.

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You'll receive an email from me tomorrow now, which will include a video of today's webinar along with the presentation slides and the transcript. So just as you leave the webinar, don't forget to complete our one minute survey to go on the draw for our beautiful gift hamper. I'll announce the winner for that tomorrow as well.

So thank you again for your attendance everybody. I hope you enjoyed the session today. Thanks so much Fiona for your commentary there. Miranda and Linda for your attention there and your conversation. I look forward to seeing you all everybody at our next webinar. Have a great day.

Thank you. Thanks for joining. Just remember the goal isn't more or less conflict. It's the right kind of conflict. Go well.