



Take on Board

Transcript – Michelle Gibbings

Helga Svendsen 0:00

Today on the Take On Board Podcast, I'm speaking with Michelle Gibbings, about the relationship between the board and CEO, between the CEO and their direct reports and organisational culture and leadership. You might remember I spoke to Michelle last year about one of her previous books on influence. I'll make sure I'll put a link to that episode in the show notes. And I'm sure we'll talk about it further. But Michelle has just released a further book called *Bad Boss*, which unsurprisingly, talks about relationships and culture. So we'll talk a bit about that today. First, let me tell you about Michelle. So Michelle is on the board of Arts Law, and she's previously been on the boards of three 3MBS and Red Stitch. Michelle is a workplace expert, internationally recognised. She is the author of three books, and is welcome on stages globally to help inspire leaders, teams and organizations to create successful workplaces. Her mantra is simple, help people thrive and progress is accelerated. Welcome to Take On Board Podcast again, Michelle.

Michelle Gibbings 1:03

Thank you. So I good to be with you. I was laughing with the intro because I thought 'Welcome on global stages'. Well, I haven't actually left my home since March because of COVID.

Helga Svendsen 1:13

Well, global stages, and now via zoom, and in fact, it's interesting. It's almost inverted commas easier to be on global stages, because you just need to hook into a zoom or whatever your favorite video platform is event all over the place. So um, you know, global stages via zoom.

Michelle Gibbings 1:32

Absolutely. We're living in a very interesting world at the moment. Absolutely.

Helga Svendsen 1:38

So Michelle, what we're going to talk about boards, relationships, boards, culture, organisational dynamics, all of those things in a moment. But as always, I just always like to dig a little deeper about my guests before we get into that. So can you tell me about your upbringing and some of the lessons that you learned there and you know, what the leading influences were on you.

Michelle Gibbings 2:00

I always think I was really fortunate in terms of I grew up in an environment where we were encouraged to learn. My mum was a teacher, my father was an academic. And so there was this imbued, this love of learning, you know, every Christmas, every birthday, Easter, you get a gift for you always get books. And I, if I look back then through my corporate career at any end, in the work that I do now, everything has been underpinned by learning. And I often say to people, if you can fall in love with learning, everything in life becomes so much easier, because you're willing to adapt and change. Because when you think about it, the adaptation requires you to learn something. And when you're fearful of change, it's usually that you're fearful of learning because you're worried about not being able to do something, you're not being worried about being able to cope with something or be able to have the right skill. So if you can love learning, that's going to make all the difference. So I'm so appreciative of my parents, because that's what they in sort of instilled made with this love of learning and also a recognition, just do your best. I was never the smartest kid in the class. Now used to say I'm not the smartest kid, but I was the hardest working. And Mum and Dad would always say, just try your hardest, as long as you've done your best. And you've tried your hardest. That's all we can expect of you. And so I think that's another important thing to really hold on to is, what is your measurement of success? And who are you measuring yourself against? Because I think it's so easy in today's world, to measure yourself against all these people who have all these massive profiles and Instagram and this and that. And often they're things that don't really matter. So what's your measurement of success? What's the mark that you're leaving? And how does that? What does that mean for you? How does it connect with who you are and who you want to be and how you show up in the world? And that's the most important thing because then you're being authentically you and living true to your values.

Helga Svendsen 3:52

Beautiful lessons there already, because I think they take things for directors to think about as well. How are we learning how we are thinking in the boardroom, how are we measuring our own success and the success of our organisation. So, already some beautiful lessons, therefore as Michelle, so thank you to your parents for helping to create you, and then for you to share them with. Michelle, one of the key relationships boards is the relationship they have with their CEO. And likewise for that CEO in leading the organization. And we know that good culture is key to any organization and the success of that organization. From your learning and research. What should boards be on the lookout for in relation to healthy relationships and healthy culture?

Michelle Gibbings 4:42

I think the critical thing is looking at how decisions are made in the organisation. And by that, I mean, yes, it's, you know, it's really unclear and important to have good decision making processes and to be clear who's making the decision. But how are people consulted? How are they involved in the decision and how does the CEO listen to other people's ideas, you know, who were their kind of

confidence, but also how do they access information? How do they discern from that information, what they're listening to and what they're not listening to. Now, often say to clients, you know, the day you think you're the smartest person in the room is the day that you need to find another room because you've stopped learning. And so if you've got a CEO who thinks they're the smartest person in the room, and isn't learning that will filter through to the organisation and filter through to their direct reports into the people that they report to. Everyone talks about culture as the way that we do things around here, but I go well, the key part of that is how you making decisions, who's got the seat at the table? who's listening to who, and how is power used in that organisation?

Helga Svendsen 5:46

How does that show up at your board, you know, the relationships and learn or being a Learning Board and how is power used hasn't show up in your boardroom?

Michelle Gibbings 5:55

I think it's also different because I'm on a not for profit board. It's a much smaller board. So you've got different levels of hierarchy. And so your people are much more accessible when you're working on a small board. And so it's easier to see what's going on, it's easy to see the cultural dynamics at play. Now, as a board, we have sessions where the whole organisation turns up, because we'll be doing planning. And that's really important because we're getting people on the ground who are actually saying and explaining to us what's really going on, was when you've got a really big organisation, and you've got so many layers in the organisation, it's very easy for things to be hidden. And I think that's the hardest thing is directors is going How do I really know what's going on? How do I make sure that I'm not getting a sanitized or a filtered view of what's going on? How do I make sure that the CEO is actually really telling us what's going on? And so I think part of that is making sure that you're seeing other people from across the organization and you're spending time with them. So it's not just the message coming from the CEO but you're also hearing from other people who no head of sales hit a distribution head of PNC, head of marketing or whoever it is, that's going to be giving you that different perspective. And I also think there's a really critical part that the board plays in one, the review of the CEO, and what the metrics are used to review the CEO and also culture audits. So you're actually getting feedback and data from across the organization as to what's really working and what's not working.

Helga Svendsen 7:23

So there's some really practical things in there about who shows up in the boardroom, and who you're hearing from in the boardroom. And then you've touched on two things that I think are really important for boards to be across around the culture audit, and of course, their key relationship with the CEO. Let's take cultural orders first, what's your advice to boards? What should they be looking for in a company or organisation?

Michelle Gibbings 7:42

So in a culture order, what you want to see is it's like the sentiment across the organisation. So it needs to be across the organisation. You're not picking just an area. It's across the organisation, where you are looking at things like assessments around leadership assessments on how decisions are made assessments around policy. See and process and procedures, that sense of the level of trust, you know, we hear a lot these days around psychological safety. So how safe do people feel to be able to stick their hand up and say, Hey, this is what I'm feeling? This is what I'm seeing, I think that there's something that's not right. You know, what are those avenues and channels? And they also, you know, what's the feedback mechanisms in the organisation so that employees are getting feedback on their performance? And then to what extent does the organisation have the right mechanisms and processes and frameworks in place to actually look after people's mental health and well being and occupational health and safety. So for me, that culture audit actually goes across a number of different sort of functions and disciplines to really understand what's going on. But I would also argue that that also needs to happen at the board. So you need to actually really understand what's the culture of the board? What are the behaviors of the board, and how does that impact you know, if I go back to my days in corporate, you know, I'd have situations where I would be invited to present at a board meeting, and I could be sitting outside the board meeting for three hours. You know, I was scheduled for 10 o'clock and at 1 o'clock in the afternoon, I am still sitting outside waiting to go in. Now, the message that things like that saying is, well, your time is not important where the board, we can make you wait. And you can go well, you know, they've got big decisions. Yes, I have. But how do you treat people with respect and all the data shows that the most important thing for all employees is to be treated with respect. So as a board, how are you treating the people that come to your board to present with respect, because if you're not that's going to filter through the organisation and that then leaves a mark where people go, Well, this is how the board behaves. So why would I behave any differently?

Helga Svendsen 9:48

So happens when it's not going well, when you're being left out the front for three hours when the board's leaving you at the front for three hours, or your CEO is leaving you out the front three hours or your manager or whoever, whichever layer it, who is watching onto the board? If they are inverted commas at the top of the tree, who is watching over them?

Michelle Gibbings 10:06

Well, isn't that interesting because, you know, when I started writing bad boss, the whole thing was, you know, everybody reports to somebody. And ultimately, your board directors report to the chairman or chairperson, chairwoman. And they're accountable to shareholders. You know, it's still a different dynamic because often there's a lag between things happening and you know, shareholders actually getting enough sort of numbers to really take action. And that's why the role of the chairperson is so important. You know, I've been on boards where very, very, very strong

chairperson really strong in terms of the dynamic the connections, and also hearing people, but holding people to account then the chairlift and this other chairperson came in. Lovely person, really lovely person, useful as a chair, not quite so and so it was fascinating to watch how quickly the dynamic thing shifted, and a couple of people who had directors who could occasionally play politics that enabled them and gave them more room. Now I know for me, I then got to a point where when I actually don't want to be on this board anymore, and so when it came to time to stand, I said, Thank you, but I'm not available. Hmm. And that was because for me, I looked at that board and I thought, I can't change the chair, they're in here for another couple of years. I can see where this is going. And I don't want to be a part of it. And so I you know, I talked about that in the book, because when you think about levels within the organisation, the other people who go, or what do I do if the relationships not working? And so obviously, in the book, I talked through a whole series of strategies, but the last thing in the last chapter is, vote yourself off the island. If you've done everything, you've assessed the situation, you've looked at the relationships, you've looked at what you can do, you've used a whole heap of different strategies. You've looked at progress and you've worked out actually I'm not making the progress That I need to make, then you take charge and you go, actually, these are my choices, I can either I often use the expression suck up sunshine. The challenge we know as directors, if you're staying there, and it's not effective, that impacts your brand and reputation because you will be tarnished by association. And so it's really important to actually go, if I'm not comfortable with this, I need to take a stand. I need to work in the boundaries confines of how I can work, I need to work with a chair, I need to work with the other directors and work with the CEO and their direct reports. But if I'm not comfortable that things are shifting culturally, then I need to go here, I'm leaving and here are the reasons why I'm leaving.

Helga Svendsen 12:43

Thinking about a boardroom where the chair might need some work, or even an organization where the CEO does. Taking a step back before people step off the board. What are some of the strategies that board members can use to integrate To be more constructive, and as the name of the chair or the CEO of that organisation?

Michelle Gibbings 13:04

That's with them. They really need to look at their own behavior, their own interactions and really understand what's the dynamic that's at play? What am I contributing to that dynamic? And do I need to shift something. Far easier to change yourself than changing somebody else? So start with you. And work out okay. Am I not showing up in the right way? Am I not asking enough questions? Am I not listening enough? Have I not read the board papers in enough depth that therefore when I ask a question, it's not landing in the right way? Do I not understand enough about the business and the business's processes and organizational objectives? Are my relationships still forming bigger because often when you're new in a board role, it will take a while for relationships to form and dynamics to fall. So start with you. And then look at the people who are sitting around the table and understand them and the relationships that you're building with them. In some respects, yeah, it's like the coalition's that you're forming because you are you building relationships, you're

understanding their agenda, you're understanding what they need, you're understanding their thought processes and how they view the world. Because that's going to help you when they put forward an idea or a question or they're objecting to something or agreeing to something, you better able to go, Ah, that makes sense. They're saying things like this, and I can see why they're doing that, that that enables you to be able to go well, actually, if we looked at it from this perspective, it might mean this. And then if you're really struggling with how things apply, it is that relationship between you and the chair, to sit down and go, okay. I really want this relationship to work. I'd love feedback. What else do you need from me? How do you think ongoing as a director, what else do you want to see in me? How else do you want me to contribute? So I would start from that lens rather than going in and going, Hey, I don't think this relationships working very well. And here's a list of things I'd like you to do differently. So get feedback from them. And then as you're building the relationship, and all of this depends In the strength of the relationship, you know, often chairs won't see things, you know, they can be really busy. They can be, you know, juggling multiple boards. And you may have the relationship with them where you can say, this is what I'm sensing is going on. Are you open to me sort of talking this through with you around here are some of the things that I think had going on that may not be quite landing the way they could land, or they may be able to land better. And, you know, good leaders really value having someone who can help open their eyes. I mean, if I go back to my days, when I was in corporate, I had a lady in my team and she was fantastic because she'd be the one occasion she just go, hey, Michelle, do you realise when you did these, this is how it went down? And because, you know, I think I'm doing something and it's lined up really well, because it's got good intent. I feel like I've articulated it really clearly. And everyone's going yeah, yeah, yeah. But actually, they're walking right going, no, no, no.

And so having someone go, I think it hasn't landed. So then I've been able to go right. Okay. I need to Assess, why has it not landed? What else do I need to do and then have conversations with people still keeping the confidence that the person who has shared with me because that's important to actually make sure I'm not throwing them under the bus. But making sure that I'm then articulating more clearly or actually listening more deeply, because what are the reasons why it hasn't landed? And what else do people need to feel comfortable?

And it really just shows the value? Doesn't it have board evaluations or 360 reviews in organisations and those sorts of things? Because it does give a bit of a framework for some of those discussions to happen rather than somebody having to stand up and say, okay, we need to have a conversation, which can be incredibly difficult.

Yeah. And it's also recognising, you know, different people come to boards with different experiences. And so one of the boards that I've been on, there's lots of lawyers around on the earth, and there's some people from the judiciary and stuff like that, and, you know, they've never worked in an environment where there's performance management, because they don't have that in the judiciary, whereas coming out of corporate, you know, my whole life has been performance managed? Because that's what you do you have performance review cycles, because your bonuses,

so very different. And so when you're talking about some of these concepts, it's totally new to them. And so that's the thing, look at the people who are sitting around the board table, understand their backgrounds. And so therefore, you can bring a lot of value to the table as a director, when you're sharing some of these ideas and concepts and talking about 360s. There may be people around the table who go, I've never even I've never even had that done. What is that? So helping them understand the value that it can bring. And so when we've done board evaluations, it's been really helpful to get an external person. So it's independent, they come in, they interview all the directors, they interview the chair that used to be the CEO, some of the key direct reports in the organization. And that thing given us we have real tangible data of things that we can work with and do differently. And I think the most important thing with all of that is, it's not about finding fault. You're doing this because you want to get better. And so the only way you ever get better is when you've got real data to work with. And you know, it's a bit like when you ask someone for feedback, and they give you feedback, and you go, that's not what I want to do here. And you got, you've got to take the feedback and hear it, it might hurt. But the whole point of doing this is going thank you for the feedback. Now I actually no, it doesn't make that the feedback doesn't make it fact that it's a person's perspective. And so you now need to understand what do I want to do with that

Helga Svendsen 18:32

Comes back to the theme that you talked about earlier about a learning environment, you take the information and you learn from it and morph and adapt and so on.

Michelle Gibbings 18:42

And when you look at directors, they're in such a privileged position in terms of the access to information, the access to data, and I think that's the other thing when I go back to that comment before about respect, there are a lot of people who when they come and present to the board, it's a really big deal for them. A very big deal and they will have spent a lot of time preparing, they have spent days stressing out about the fact that they're presenting to the board. So when you then diminish their experience by either not treating them with respect, not giving them the time that they deserve not listening to them. They walk away feeling unvalued they feel less than who they are. And that has an enormous impact on how they see the organization and its culture.

Helga Svendsen 19:30

So then, you know, there's the board's relationship with the chair, the board's relationship with each other, and, of course, the board's relationship with the CEO. What happens when things aren't going quite so well there? I'm guessing there's a you know, there's a reflection time as well. But what happens in that relationship? What's your advice for boards there?

Michelle Gibbings 19:48

Is that interesting because that can end in tears can't it, when it doesn't work out and in tears and on the front page of the Fin Review, neither of which is a good outcome, that relationship between the scenes and the chair was critical. And I think the other thing is well is, it's not about being friends, because the challenges when it's a friendship is you potentially overstep or ignore things that need to be dealt with. It is a professional governance relationship, where there are very clear guidelines as to how that relationship should work and what it's there for. And so, you know, I've seen organizations where they'll almost see the chair, the CEO, and the CEO's cohort will see the chair as a blocker. I, you know, we've got to get this through the boards, almost as though the board's going to block what they want to do. And so it's, it's like a, an irritant, you know, this is something we have to do rather than guy actually, when we take this to the board. This is going to be really useful because it's another set of eyes that are looking at this that are going to help us see this from another perspective and challenge how we thought about these animals. processes that were using, you know, I can give my own example. And this is, you know, different sort of level of hierarchy. But you know, as a very nice, you know, huge project. And we had a project control board, which was chaired by the CEO, and, you know, we're multi million dollar decisions being made. And our view was we just needed to get this stuff through the PCB. It wasn't that we wanted them to change it, or to give advice we just needed to get it through. And you know, you think about the language that we were using, the language was about getting them to approve it, the language wasn't about, hey, let's take it to the PCB, because they'll make it better. Yeah, our viewers were the experts. And we have all the knowledge and so I think that's the challenge in that dynamic is to go Okay, so you take it to another level of governance. So what's the value that they can add? How can you shift that lane, so you're seeing it as a value add rather than a hurdle, and therefore I'm doing this because I have to, not because I want to and I think when you see it there's a relationship with the chair and really add value. And the chair also respects the CEO and the domain of the CEO, then you've got a very healthy relationship. And I've seen it in a different context between in one role that I was in with the chief risk officer and the chair of the principal board risk committee, so they had a direct relationship with each other. And I had a great relationship because the chair of the of the risk committee would challenge but it was challenged with respect, I respect your domain, and I respect your expertise. And also the CIO respected this person's expertise. And so there was this lovely dynamic between the two of them because they were both making each other's work better because of that relationship. And that's where it's really healthy, and a very functioning relationship in a in a complex environment. And also in a complex governance process.

Helga Svendsen 22:50

It's exactly the way a good whether it's a board or any other group that diversity of views and being comfortable enough to bring that diversity of views to make things better to value add You know, they're all being better than the sum of its parts is key to that sort of thing. And in fact, you know, sometimes I think boards or again, any group of decision makers will walk out and are great. We're all in agreement about that. Whereas that might sometimes be a red flag that it gives money to furious agreement.

Michelle Gibbings 23:16

Absolutely. I'm gonna forget the guy's name who said this. But he used to say, if we are all in agreement, we need to go away and come back tomorrow and relook at that decision, because we've actually agreed to easily use and that's not a good sign. And I think there's that there's that challenge between often set of people consensus isn't necessarily a good thing. Because when you put everybody around the table, agreeing, what are you missing? And I remember a board that I used to sit in and I was not there as a director. I was there as an observer because of my role in this organization. And there was one particular director and there were lots of other people in the organization who used to find her annoying Ah, she always asked too many questions. Let's think no way. She is good. She's done her homework, she's read all the papers. She remembers stuff from a year ago. Like she had a very clear, very sharp mind. And the questions that she was asking with very, very good questions to really make sure people had thought through. Why should we be doing this? What are the implications? What are the consequences? What are the costs? What are the benefits, and I always had the utmost respect for her.

Helga Svendsen 24:28

So many good lessons in this conversation, Michelle, so from our conversation around all of these things, what are the key points you want people to take away from the conversation we've had today?

Michelle Gibbings 24:40

At the end of the day, if it wants to own their part, and so it's very easy to go it's their fault or their fault when something's not working. And I, you know, often use this phrase, on your part, change your future. Because when you own your part, you're taking control of what it is that you can control in terms of what comes next. And, you know, I look at all the work that I do and you'd have this to Helga in terms of the work that you do with clients. More often than not, it's not the work that's hard. People don't come to me and go, Oh, Michelle helped me with my project plan. It's the relationships not working, or there's a dynamic that yeah, that person's just driving me nuts, is the relational element. And that's the part that people find hard. But it's also the part that brings us the most joy and happiness when it does work. So it's really worth investing the energy and that was what the book was all about. And so when I wrote it, and I had to thank my brother in law, we were playing with titles here. Eventually, he originally wanted to call it Bastard Bosses. And then the publisher said, maybe a bit too harsh. But yet the whole concept of the book is bad bosses are not bad people. And right at the front, I do the confession because I was once a bad boss. And it was not because I was a bad person, at that point in my career, I didn't know any better. And I've seen good people in really bad situations and those bad situations have brought out bad behavior, and then of who they want to be, and they know that they're not being their best, but I can't see a way out. And so the book is very much about everybody in that relationship, be it, you know, whether you're the director port, or the employee, or the boss or the boss's boss or the board, what role Are you playing in owning the relationships, owning the dynamic, so you're creating the culture where everybody

can be who they need to be. And then you've got that environment with a healthy, happy, thriving environment. And you know, I don't see happiness is that kind of like, you know, all sort of singing off and going into lala land and it's the sunshine. It's a happy, productive environment. And that doesn't mean that things aren't hard. And that doesn't mean that you don't have the tough conversations. In fact, it means you have those tough conversations and you deal with the stuff that is hard, that is messy. It's the very definition of creating that psychologically safe work environment.

Helga Svendsen 27:00

Now I think I'm gonna know the answer to this question, but I'm going to ask it anyway. Is there a resource you would like to share with your take on board community that they might find help?

Michelle Gibbings 27:08

Ah, well, absolutely. So, the book gets released in September. But if people go to the website, which is the theboss.com.au, there's a pre order campaign. So if you buy before the 27th of August, there's a whole heap of extra stuff that you get. So there's different packages, if you buy one book, if you buy three or more, if you buy 10 or more 10 or more is actually incredible value. If I was anyone, I just be going for the 10 or more because yes, you get free mentoring session, you get free this, you get free that and if you actually tell you up the cost of buying 10 books, it's actually cheaper than doing a one mentoring session with me. So I just go and buy 10 books to get a mentoring session with me. It's all designed to create additional content that people could use to actually make this valuable resource. And there's also online resources that go with the book. So when you buy the book, you get access to online resources as well.

Helga Svendsen 28:00

How fabulous, we will make sure there is a link to that in the show notes as well so people can easily find it. Michelle, thank you so much for being with us today and take on board and sharing your wisdom, not just with us here in the podcast, but also in the book that will be a fabulous resource for people in navigating some of these tricky relationships. So yeah, thank you for being here today.

Michelle Gibbings 28:23

Thank you for inviting me you. I love talking to you. You do this very well.

Helga Svendsen 28:27

Fabulous, thanks, Michelle.