

# Spotting a Toxic Board Culture and How to Address It

A toxic board culture can hinder decision-making, damage relationships, and ultimately harm the company's success. For board members, recognizing signs of toxicity early and knowing how to address them is critical to maintaining effective governance. Here's how to identify and address a problematic board culture.

## Signs of a Toxic Board Culture

### 1. Lack of Open Communication

Boards thrive on transparency and dialogue. When members avoid sharing dissenting opinions or when a dominant voice silences others, it's a red flag.

#### Example:

Board discussions are dominated by one or two members, while others remain silent, leading to a lack of diverse perspectives.

#### How to Address It:

Encourage open communication by fostering a respectful environment where every member feels comfortable sharing their views. Implement practices like round-robin discussions to ensure all voices are heard.

### 2. Excessive Micromanagement

Boards are meant to govern, not manage daily operations. Toxic cultures often see directors overstepping boundaries, undermining the management team.

#### Example:

Board members demand involvement in routine operational decisions, creating confusion and friction with the CEO.

#### How to Address It:

Clearly define roles and responsibilities in the board charter and remind members of the distinction between governance and management.

### 3. Cliques and Power Struggles

Subgroups within the board can create divisions, leading to conflicts that derail meetings and decision-making.

**Example:**

Certain directors align themselves into factions, consistently opposing other members' suggestions regardless of merit.

**How to Address It:**

Promote a culture of collaboration by focusing discussions on data and evidence rather than personal opinions. Facilitate team-building activities to improve trust and rapport among members.

**4. Lack of Accountability**

In a toxic board culture, underperformance or misconduct may go unchecked, setting a dangerous precedent.

**Example:**

A board member repeatedly misses meetings or fails to fulfill assigned tasks, but no action is taken.

**How to Address It:**

Establish clear expectations for attendance, participation, and performance. Hold regular evaluations to provide constructive feedback and address issues directly.

**5. Resistance to Change**

Boards stuck in their ways may resist adopting new ideas or adapting to evolving challenges, jeopardizing the organization's competitiveness.

**Example:**

Proposals for digital transformation are dismissed because "that's not how we've always done it."

**How to Address It:**

Bring in external expertise or training to educate the board on current trends and innovations relevant to the organization.

**Steps to Cultivate a Healthy Board Culture****1. Conduct Regular Assessments**

Evaluate the board's dynamics, processes, and overall effectiveness through self-assessments or external reviews.

**Example:**

Use anonymous surveys to gather honest feedback from directors about the board's culture and areas for improvement.

## **2. Establish Strong Leadership**

The board chair plays a pivotal role in setting the tone for meetings and interactions. An effective chair ensures discussions remain productive and inclusive.

### **Example:**

The chair actively intervenes when discussions veer off course or when tensions arise between members.

## **3. Set Clear Norms and Values**

Define the board's expectations for behavior, collaboration, and decision-making in a formal code of conduct.

### **Example:**

Adopt a "one voice" policy where disagreements are resolved during meetings, and decisions are publicly supported by all members.

## **4. Facilitate Training and Development**

Ongoing education can help board members understand their roles, improve collaboration, and address cultural challenges.

### **Example:**

Conduct workshops on conflict resolution or governance best practices to equip the board with tools for handling disputes.

## **5. Address Issues Promptly**

When signs of toxicity emerge, address them immediately to prevent escalation.

### **Example:**

If a director exhibits disruptive behavior, the board chair or governance committee should have a candid, private conversation to address the issue.

## **Why a Healthy Board Culture Matters**

A thriving board culture fosters trust, collaboration, and effective governance. It empowers directors to make better decisions and helps the organization achieve its strategic goals. Addressing cultural challenges proactively ensures the board remains focused on its mission.

For more insights into navigating board dynamics, join our **1:1 coaching sessions** or attend our **Board-readiness Mastermind events**. Visit [TheBoardDirector.com](https://TheBoardDirector.com) to access resources and tools to enhance your boardroom effectiveness.