Book Review

Giving Voice to Values in the Boardroom

Martin Brink*

Clark, Cynthia E. *Giving Voice to Values in the Boardroom.* **Routledge, 2021, 136 p., ISBN 9780367179397.**

Values matter, particularly at the highest level of organisations. Values not only drive behaviour but also determine the culture at the top of the organisational pyramid. A book about values in the boardroom therefore merits attention.

It has long been my firm conviction that culture at the top of an organisation (the top of the pyramid) determines that of the entire organisation in dealing with conflicts. As a mediator confronted with a problem within an organisation, I determine the cause of the problem by first looking at one or more levels higher up in the organisation. Put in simple terms, the problem would not have occurred or endured and would probably have been prevented or solved if the layer higher up in the organisation had been spotted, recognised and addressed earlier on. When values like honesty, respect, responsibility, fairness and compassion are held in high esteem at the highest level of an organisation, these will permeate downstream into the entire organisation, if only because upon escalation a situation will ultimately be met by a test according to those values. Yet life is not always so simple when one is not an outside mediator but a member of the corporate family. Within organisations, cherished values may conflict with other compelling options (e.g. profit, market share, promotion) or a fear (e.g. of being fired, marginalised or otherwise retaliated against). We all know of cases in our direct environment of employees who, with the best of intentions, addressed certain behaviours or situations, only to be ill rewarded for their forthrightness.

Culture in itself is an abstract yet all important aspect of and in organisations. Edgar Schein, in his very instructive book *The Corporate Culture Survival Guide* (Jossey-Bass, 2009), identifies three levels of culture: (i) visible organisational structures and processes (e.g., façade, dress code and communication), (ii) strategies, goals and philosophies and (iii) unconscious, taken-for-granted beliefs, perceptions, thoughts and feelings. The last level is the ultimate determining source of values and action but the hardest to identify. It exists invisibly. Although it may be helpful to look at higher layers in the organisation to ask why certain problems were not recognised or addressed before things escalated, it remains important to realise that the real culture of an organisation will mostly be hidden in unconscious behaviourism. As defined by Fons Trompenaars and Charles Hampden-Turner in their *Riding the Waves of Culture* (John Murray Press, 2004), 'culture is the way in which a group of people solves problems and reconciles dilemmas.' The way in which a group of people solves problems and reconciles dilemmas originated from the example set by the founder of the organisation, and everyone who joined the organisation after him or her adjusted to that behaviour, which became implicit, natural and faded from conscious awareness, even if it was explicitly defined or expressed at all.

The value of the book by Cynthia Clark is that it draws attention to the danger that without paying attention to the way problems are solved and dilemmas are being reconciled, one can become entrapped in compromising one's values on behalf of profit, market share, promotion or in order to avoid losing one's position, being marginalised or otherwise being retaliated against.

It highlights the importance of values and also the challenges that being faithful to one's values may pose in case of conflict between values, or, in the event of what she neatly phrases as 'a choice between what is right and what is essentially a well-crafted rationalization of a

* Martin Brink (Van Benthem & Keulen BV, advocaten en notariaat at Utrecht, The Netherlands), is Editor in Chief of this Journal.

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wrong'. Moral values are personal. Deeply held beliefs about good and bad behaviour, desirable and undesirable actions, right versus wrong, may differ among board members. Elsewhere in this issue of *CMJ*, Anna Doyle looks at the reality of differing paradigms that often exist – without necessarily being expressed or recognised – between board members in regard to strategy and roles. It is not very different when it comes to values.

Given the importance of the culture at the top of the organisation, the relevance of *Giving Voice to Values in the Boardroom* cannot be overstated. The book is a practical addition to the existing literature in the field, such as Amy Anderson's *The Fearless Organization, Creating Psychological Safety in the Workplace for Learning, Innovation and Growth* (John Wiley & Sons, 2019).

Cynthia Clark seeks remedies more particularly for board members who are confronted with moral choices on a host of key issues in the boardroom. Those remedies are proposed within a Giving Voice to Values framework ('GVV framework'), which, after a brief discussion of various perceptions of corporate governance, are applied to a host of key issues in the boardroom: monitoring and strategy roles, director selection and the nominating committee, CEO succession, CEO compensation and digital innovation in the boardroom. The discussion begins with a generic definition of corporate governance and moves on to stakes and stakeholders and duties of the board. This generic definition captures much of what is generally understood to be corporate governance:

> the distribution of rights and responsibilities among various corporate participants including board members, executives, shareholders and other stakeholders; it spells out the rules and procedures for making decisions on corporate affairs.

It does not, however, connect back to the values espoused by an organisation. An important distinction made is that between values and ethics. Unlike values, ethics are rules based and externally imposed. The GVV framework aims to empower board members to speak from a self-motivated, aspirational position rather than from an obligatory stance imposed from the outside.

The GVV framework is intended to timely bring to the attention of board members that they may be confronted with difficult choices stemming from one's own values and the position of others on the board in the face of decision-making on important issues. Such a conscious reflection ahead of actual dilemmas may help build up 'a moral muscle memory' so that when issues inevitably arise, one is better prepared. Cynthia Clark introduces the GVV framework with a short self-test, which can be compared to what I was taught long ago to prepare for interviewing candidates when hiring new staff: STAR. This acronym stood for situation, task, answer and result. Inquiring about STAR was meant to test the way a candidate handled a difficult situation in his or her past, what his or her task was in the relevant situation,

what the answer had been to manage the problem and what the result of their intervention had been. In the framework proposed by Cynthia Clark, the recommendation is to apply a self-test in the form of 'a tale of two stories': i.e. to ask oneself what the experience was when one's values conflicted with what one was expected to do in regard to a nontrivial board decision and when one did speak up and acted to resolve the conflict in a way that was consistent with one's values. That is one story; the other is asking oneself what the experience was when one's values conflicted with what one was expected to do in regard to a nontrivial board decision yet did *not* speak up to resolve the conflict in a way that was consistent with one's values. This test of the tale of two stories may help to create a list of enablers and disablers that affect the ability to voice one's values.

Cynthia Clark identifies a number of rationalisations for not speaking up. 'Everyone does it' is but one; another is to convince oneself that the issue at hand is not material; and yet another is to consider the issue outside of the locus of one's responsibility or that one has to be loyal. The book contains much that is recognisable in terms of mediation skills, namely that much can be achieved by asking a well-constructed question offering a new way of thinking about a situation, providing additional analysis or finding another way to accomplish a task that is more ethically acceptable. Giving voice is not only about speaking up, nor are voice and exit exclusive alternatives. Both giving voice and loyalty can coexist. Giving voice – as Cynthia Clark explains – involves taking the needs, desires and emotional investments of others into consideration – and, in effect, finding ways to talk about values successfully. By anticipating or listening to others' concerns – just as in mediation – one will be better able to find a mutually acceptable way to address a situation. So, in fact, voice may be soft or loud and is by no means always an overt protest.

The book discusses case studies on the important value issues mentioned earlier: monitoring and strategy roles, director selection and the nominating committee, CEO succession, CEO compensation and digital innovation in the boardroom. It makes clear that a useful way of thinking of 'voice' is the discretionary communication of work-related ideas, suggestions, concerns or opinions in more generic or objective terms. This will provide a broader context. As an itinerary for an approach to the challenges that may be invited from the viewpoint of values – e.g. in terms of loyalty, interests of the organisation, sincerity or other – Cynthia Clark recommends preparing and training oneself (acquiring the moral muscle memory, as she puts it) by crafting an action plan and a script for each of those cases. She suggests that one envisage oneself in the centre of the situation and in the shoes of the protagonist: what you should say, to whom, when and how, and, furthermore, to think about how others on the board may see the situation, whether different or similar. In trying to answer these questions, she offers three questions as direction: (i) what are the main arguments you (or they) are trying to counter? That is, what are the reasons and rationalisa-

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tions you (they) need to address? (ii) What is at stake for the key parties, including those who disagree with you? How can you find allies among those who may agree with you? Does anyone agree with you (inside and/or outside the board)? (iii) What is your/their most powerful and persuasive response to the reasons and rationalisations needing to be addressed? To whom should the argument be made? When and in what context?

Inevitably, there is an element of politics involved in the recommendations to quietly seek allies among those who may render support, but reality will make it hard to avoid such a component even if there is a trusted culture of psychological safety. A smart recommendation is to find an ally in academic research, best practices, codes of conduct and the like. This may objectivate an issue and render authority to it irrespective of individuals. Otherwise, the recommendations largely recall Henry Kissinger's negotiating strategy and tactics as analysed by James Sebenius, Nicholas Burns and Robert Mnookin in *Kissinger, The Negotiator, Lessons from Dealmaking at the Highest Level* (Harper, New York, 2018, p. xxx): moves 'away from the table' taken to enhance the odds of a better outcome. For example, such moves can entail actions to include or exclude parties from the process, to build or break coalitions, and to enhance or worsen the consequences of impasse.

A formula I find helpful to evaluate projects or happenings and to separate a situation from individuals is www/www/www, which stands for 'what went well/what went wrong/what we want'. This helps to make it possible to discuss a situation without addressing a particular person. In this context there is a wonderful insight from Joe Maddon, the manager who took the Chicago Cubs baseball team to its first championship victory after 100 years, when he first addressed the club's staff after just being appointed: 'What you have to understand', Madden told the assembled members of the organisation, but especially the players,

> is that we need to start trusting each other. And then we have to start bouncing ideas off one another without any pushback. In other words, once you've trusted me and I've trusted you, we can exchange ideas openly without this concern [of] who is right. That's natural. That's human nature. You've got to get beyond the 'who's right' moment.

(Tom Verducci, *The Cubs Way, The Zen of Building the Best Team in Baseball*, Crown Archetype, New York, 2017, p. 214). Since it is not always sunshine and roses everywhere all the time, *Giving Voice to Values in the Boardroom* is a welcome and helpful book.

Cyntia Clark's book will be of much value to (prospective) board members, but also to others. Anyone may be confronted with situations that threaten to compromise one's values, even beyond the boardroom decisions discussed in the book. Building up a moral muscle memory for such events may better prepare one to deal with such situations. Politics are real but may thus be brought into play for the good cause of holding on to one's values in the interest of the organisation. The book will also help one to understand the dynamics that can be involved in decision-making on a board.

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