Improving Board Effectiveness Through Learning:

An Examination of Learning Interventions for the Performance of Boards

A thesis presented in partial fulfilment of the requirements for the degree of

Master of Education

at Massey University, Palmerston North, New Zealand

Peter Horace Allen

2022

Abstract

Organisations face a plethora of internal and external challenges, and these challenges are, by definition, learning challenges. As fiduciaries of organisational purpose, boards have the ultimate responsibility for their organisations; therefore, the challenges are board learning challenges. Board learning for individual members and as a collective group has largely been ignored in the governance literature, and this research seeks to contribute insight into board learning processes occurring in the boardroom and the elements that contribute to board effectiveness. It is in the interests of society that boards learn to make sound decisions because board decisions affect all members of society. However, more education does not automatically result in effective learning. This research aims to understand instances of governance and learning and how the findings bear upon theory and develop propositions that link governance and learning concepts. The research employed a mixed-methods research design and semi-structured interviews with 26 directors or trustees from small and medium-sized for-profit and not-for-profit organisations. The results show that learning was integral to governance and axiomatic to the fiduciary's duty. Unambiguous links were manifest between board learning and board effectiveness. The research revealed knowledge of the learning characteristics that are most likely to affect board effectiveness and developed six propositions that include specific board learning practices applicable to board meetings and explicit realms of learning responsibility that are also either hindrances or enablers of learning. Hindrances to learning included the inability to acknowledge that learning was required. A safe zone for robust discussion was an important enabler of learning.

Keywords:

Corporate governance, board learning, board effectiveness, hubris, safe zone, fiduciary, learning hindrances, learning enablers, organisational performance

Contents

List of Figures

List of Tables

Preface

The desire for this study was seeded in 1987 when my inept decision-making as a director led to a business failure early in my business life. The result was financial devastation and unwelcomed effects on my family. The silver lining was the burning desire it birthed to help others not make the same mistakes.

Fast forward to the present; in working with boards for two decades now to become more effective decision-makers, I have discovered that they become more effective when they adopt continuous explicit learning and development. Through this work, I have forged some ways for groups of people to learn and develop sound decision-making. I want to test their robustness academically, develop them further, and share the results in this study.

Many times during the research process, I was surprised at the depth of emotion and frustration demonstrated in the governance literature (in a tight academic style, of course) and by the research participants (vocally) about some of the hindrances to learning and developing governance.   I understand why this is the case when decision-making by fiduciaries who are duty-bound to act in our best interests do not or cannot. This research is for the many directors and trustees who struggle to govern well, taking on roles for which they often have little training, for those who are courageous enough to face the challenges to learning faced by boards, and for the constituencies, families/whānau, iwi, communities, organisations, and businesses they seek to act on behalf of.

Acknowledgements

First and foremost, I want to thank my wife Alex for her unwavering support during the last three years while I was writing this thesis to complete a Master of Education degree. Not only that, but she has supported me since late 2014 as I worked part-time to complete the papers for the degree. She has weathered the 'storm' of me burning the candle at both ends for years, while we together ran a business and supported our family through a multitude of changes. Between 2014 and 2022 we have seen two of our children married, moved house twice, experienced the death of my parents, and moved towns. Through these changes and the study, Alex has been a steady and constant encourager, soundboard, counsellor and companion.

I am also very grateful to our four children and their spouses, who over the years have taught me much about collective decision-making, what to do and especially what *not* to do when the lines between business and family are blurred and the views around the table are strongly held.

I want to acknowledge the tremendous support I have received from my Massey University supervisors Roseanna Bourke and Wayne Macpherson. I couldn't have wished for a better team. Roseanna, my primary supervisor from the Institute of Education, provided a robust, disciplined view from the world of education. Wayne, from the School of Management, provided a pragmatic view of governance from the world of organisations. Roseanna and Wayne formed an indispensable team for the guidance and support I needed to negotiate both disciplines. They each brought their unique insights and valuable contributions to bear so that the two disciplines melded into one story.

From Massey University, I am also grateful to James Lockhart for his early encouragement to embark on a Master of Education that encompassed governance, and for the robust debates we have enjoyed. I acknowledge the many business colleagues who have been a support and encouragement along the way, and with whom I have wrestled about governance, especially Peter Crow.

Finally, I would like to express my appreciation to all the interviewees of this study. Without you this study would not have been possible.

Copyright

Copyright in the text of this thesis rests with the author and is governed by the Copyright Act 1994. Permission is given for a copy to be downloaded by an individual for the purposes of research and private study only. The thesis may not be reproduced elsewhere without the permission of the author. The author's moral right to be identified as the author is asserted.

Chapter 1

Introduction

1.1 Background

Organisations face many challenging problems: the volatility of markets, dramatic political changes, global warming and its impacts, environmental challenges, globalisation, uncertainty, business succession, the complexity of staying in business profitably, technology, and more. Arguably, these challenges, and any others, could be confronted and solved by better corporate governance (Knell, 2006, in Hunt, 2014, p. 2).   The Global Business Complexity Index 2019 envisions this when it reports that "complexity… is a factor which must be managed, …good companies can thrive anywhere" (TMF_Group, 2019, p. 3).

Solving challenges and learning are inexorably linked at a fundamental level, and arguably, solving challenges is a form of learning (Chan, Clarke, & Cao, 2018; Chin et al., 2019; Ratnasari, Suciati, & Maridi, 2019). It follows, therefore, that the challenges faced by organisations are learning challenges. If it could be shown that organisational performance could be affected by better board learning, then the challenges may be able to be more effectively met. This study examines this theme by considering how board learning could be linked to board effectiveness and organisational performance, and what board learning practices could lead to better learning by boards.

It is in the interests of society that members of boards individually and collectively learn to make good decisions. However, as Illeris suggests: "more education does not automatically result in more and better learning" (2018, p. 98). Therefore, understanding and researching effective ways for boards *to learn* is the aim of this study.   Traditional approaches to corporate governance are considered to have constrained board learning and made many unable to learn from failure (Morais & Kakabadse, 2013). This study seeks to enable this learning. Surprisingly, corporate governance and board studies have "largely ignored the learning processes occurring in the boardroom and the elements that contribute to their effectiveness" (Morais & Kakabadse, 2013, p. 80). There is a dearth of studies. This may be because of researchers' difficulty in getting into boardrooms to conduct research (Crow, 2016). Most research has been conducted using publicly available data, which does not reveal boards' learning practices.

This study asserts that without an awareness of what constitutes genuine governance, organisational purposes may not be fulfilled, as governors seek to govern without the true understanding of the role and how to do so.   As a consequence, this study seeks to contribute to the discussion about what constitutes governance and foreground the role of the fiduciary, which is the legal and ethical foundation of the governing role. This will enable the learning obligation of the fiduciary to be brought to the surface and discussed.

Governance literature (Garrard, 2018) points to an epidemic of hubris in leadership. Hubris is described as being opposed to learning, so its existence would be a problem in boardrooms seeking to learn and develop themselves. This study examines the literature on hubris, and the data gathered from research with directors and trustees to explore any links between hubris and board learning.

Hunt, Lockhart and Dooley (2016) suggest more research could be conducted to determine the relationship of learning to governance. Hunt (2014) could find no literature linking learning to governance at the time of her research, but that literature is beginning to emerge (Morais & Kakabadse, 2013). This study responds to calls for more research on the relationship between board learning practices, effective boards, and corporate performance.

There appears to be a hunt for the holy grail of board effectiveness (Crow, 2016), and ultimately, corporate performance. Much of the literature on boards is concerned with finding the ideal structure, processes, activities, attitudes, and behaviours of directors and boards (Crow, 2016; Hunt, 2014). This study, however, is concerned with how boards develop their effectiveness. In other words, how boards can move from where they are now to become more effective. The study is about the learning processes to get there.

In summary, organisations face many internal and external challenges, and these challenges are fundamentally organisational learning challenges because failure to learn how to meet the challenges may mean the demise of the organisation. Having the ultimate responsibility for their organisations, boards have the responsibility to meet the challenges. Therefore the challenges are board learning challenges. Board learning has largely been ignored in the governance literature, and this study seeks to provide insight into board learning processes and consider how board learning could be linked to board effectiveness and organisational performance.

1.2 Research Context and Anticipated Outputs

The research context for this study is the boards of small and medium-sized organisations in New Zealand, both for-profit and not-for-profit. The New Zealand setting is discussed fully in Section 2.2. The anticipated outputs of this study are models for boards to learn how to learn and develop their governance, which could lead to improved board effectiveness and organisational performance. To attain the anticipated outputs, this study aims to find: any links between learning and governance in the literature, any links between board learning and board effectiveness, and the characteristics of board effectiveness. With these findings, the study aims to highlight any actionable knowledge (Kelly & Cordeiro, 2020) for developing governance effectiveness.

1.3 The Research Objective and Research Questions

The objective of this study is to find any links between board learning and board effectiveness. Given there are various conceptualisations of governance (Crow, 2016; Hunt, 2014) and of learning (Illeris, 2018), understanding board learning requires an exploration of each of the concepts in the context of the other (Morais & Kakabadse, 2013). By collecting and analysing data on learning experienced by boards, any relationship between that learning and board effectiveness can be described, and the learning interventions that would benefit board performance can be surmised.

The main research questions draw in these distinct links:

1. Is there a link between board learning and board effectiveness? If so, what are the learning characteristics that are most likely to affect board effectiveness?

In order to answer these questions, the following subsidiary questions are examined:

2. What are the cultural and legal settings for governance in New Zealand, and how is governance conceptualised?

By understanding these settings, and the nuances they bring to governance in New Zealand, the place for learning and the applicability of the study to analogous situations will be more easily seen. Governance has been conceptualised in numerous ways in the academic literature and in practice. The link to and imperative for learning will be seen in all conceptualisations, and especially within this study's understanding and conceptualisation of governance. By understanding when governance starts, along with the inadequacies of the current literature that minimises the need for learning, the indispensable need for learning is seen. Understanding when governance starts opens the door to actionable knowledge.

3. How has learning been conceptualised?

Similarly, learning has been conceptualised in numerous ways, and by understanding these conceptualisations, the conceptualisation of board learning comes into view. Because boards are organisational collectivities, understanding the learning characteristics that are most likely to affect board effectiveness requires an understanding of those characteristics and what hinders and enables board learning. This study aims to identify ways to increase board effectiveness, and so understanding the term board effectiveness is a prerequisite to understanding those ways. Learning is found to be implicit in board effectiveness.

4. What is organisational performance?

Because the outcome of board effectiveness is organisational performance, understanding organisational performance helps to understand the board's job.

1.4 The Significance of the Study

It is in the interests of society that the boards of organisations maintain sound decision-making through maintaining their effectiveness. So the significance of the study will lie in the following areas: broadening the scholarly understanding of when governance starts, exploring and elucidating the links between learning and governance, and suggesting models to describe the characteristics of board learning which facilitate the findings' application to analogous situations. If the study achieves these points, when boards apply the findings to analogous situations the anticipated result is that those boards will become more effective.

1.5 Thesis Outline

This study contains six chapters. Chapter 1, Introduction, provides the background and reason for the study, the research context and anticipated outcomes, an overview of the research objective and research questions, and the study's significance. Chapter 2, Literature Review, first explains the New Zealand setting for the study, then focuses on the governance literature and the learning literature separately, but in the context of the other. Within the governance section is a critique of the literature on when governance starts. The second chapter then shifts to consider the links between the two fields of literature, governance and learning, and examines board functions and mechanisms, and organisational performance, leading to an examination of the characteristics of board learning, and crucially, revealing what effective board learning requires. The chapter concludes with a description of board effectiveness.

Chapter 3, Methodology, explains the research methodology and then discusses the context and choice of methodology, a mixed methods research design. The design incorporates three research method: semi-structured interviews, examination of board documents, and a repertory grid involving some quantitative data collection. The associated data collection processes, questionnaire design, participant selection, document analysis, interviews, and data analysis are then examined.

Chapter 4, Results, discusses the findings starting with the demographics of the participants and the results from the repertory grid. The chapter then shows the results and themes concerning: learning practices, barriers to learning, and enablers of learning found in the data, along with the board effectiveness references, organisational performance, and faith-based nuances found in the data.

Chapter 5, Discussion, uses the definition of board effectiveness as a framework to discuss the findings relative to the literature in sections. A series of propositions emerge, linking governance and learning concepts, which could facilitate the finding's application to analogous situations.

Chapter 6, Conclusion, summarises the basis of the study, the research questions and methodology, and the study's findings, and succinctly answers the research questions. The study's contributions to theoretical understandings and practical wisdom are explained, along with limitations of the research

and opportunities for further research. The chapter concludes with implications for the practice of governance and closing remarks.

Chapter 2

Literature Review

2.1 Introduction

This chapter explores both theoretical and practitioner research on the two key threads of this study: (i) governance and (ii) adult learning. The New Zealand setting for governance is explored, followed by the literature on boards and governance. Research and theoretical positions of learning are discussed as they relate to boards. The intersection of those threads, *board learning*, will then be elucidated from the literature.

2.2 The New Zealand Setting

This study argues that governance in New Zealand exists in the context of particular cultural and legal settings in the Anglosphere-subset of a global setting. Four settings are discussed below in Table 2.1.
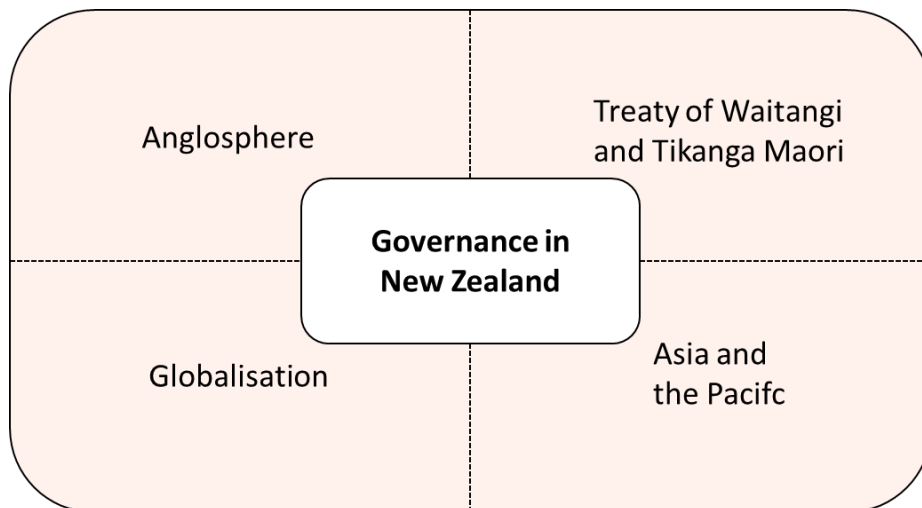
Figure 2.1 Governance in New Zealand within four cultural and legal settings.

2.2.1 New Zealand is part of the Anglosphere

The New Zealand governance landscape is set within a global scene that encompasses many different forms of governance that have been developed within the particular legal and cultural frameworks of each country (Crow, 2016). New Zealand's governance setting is as part of the Anglosphere, the group of English-speaking countries that share historical, cultural, and legal roots to varying extents (UK, USA, Australia, Canada, New Zealand) (Crow, 2016). Governance in New Zealand and the Anglosphere is affected by the governance systems used elsewhere, for example the trend towards stakeholder governance (Institute_of_Directors_in_New_Zealand & Minter_Ellison_Rudd_Watts, 2021). New Zealand governance laws have their roots in English common law and best practice governance codes.

Governance frameworks tend to vary within the different entities. The entities included in this study are business entities, charitable entities, limited unlisted companies (two of which are charitable),

charitable trusts, a Council-Controlled Organisation, incorporated societies, and a vet club. New Zealand entity types are framed within a multiplicity of legislation. While there has historically been variance across legislation regarding the responsibilities of those governing these entities, the Trusts Act 2019 had the effect of clarifying and homogenising governance legislation in New Zealand. This study, however, focuses not on the differences between the legal forms, but on the governance principles that are common to all the legal forms. While governance principles remain the same across the entities, the systems and methods that are the outworking of those principles are sometimes subtly different, and at other times radically different. Enterprise size alone dictates significant differences; public companies are obliged to adopt certain governance practices via legislation, listing rules, and best practice codes, to which non-public companies are not required to conform but can nevertheless choose.

New Zealand companies legislation (Companies_Act, 1993) allows an individual to be both shareholder and director, called the 'special case of one' or 'unification' (Hunt, 2014; Lockhart, 2014). Lockhart (2014) argues that the special case is of one is not governance, and Murphy (2006) argues that governing in New Zealand is influenced by the nature and size of its organisations. New Zealand legislation (Companies_Act, 1993) requires company directors to act in the best interest of the company, not the shareholders. However, in a company where an individual is both director and shareholder, the lines are blurred, and the director could inadvertently or deliberately act in the best interest of themselves. This leads to the question of whether such a company is governance or not. This question is considered later in this Chapter (Section 2.3.7).

A context of interest within this study is the governance in Faith-Based Organisations (FBO's), representing 19% of the charities in New Zealand (Charities Commission, 2019). While the governance legislation does not differentiate between faith-based and not-faith-based, it is expected that governance practices may be nuanced in FBO's.

2.2.2 The Treaty of Waitangi

Framing a bicultural and legal setting of governance in New Zealand, the Treaty of Waitangi is a foundational document in New Zealand, signed in 1840 by representatives of the British Crown and representatives of most but not all Māori tribes. As a constitutional document, it guides the relationship between the New Zealand Government and Māori as the indigenous people of New Zealand (The Ministry of Justice, 2016). The three guiding principles of the Treaty of Waitangi, partnership, participation, and protection, underpin the relationship and frame all New Zealand legislation. Specific legislation guides the establishment and running of Māori entities that necessitate governing.

Tikanga Māori describes Māori traditional customs, values, practices, and protocols and is deeply embedded in a social context (Moorfield, 2019). Boards being a social construct (Crow, 2016), the

Treaty of Waitangi and Tikanga principles shape the governance of many Māori entities, many if not all governmental entities, and many other organisations that seek to be culturally accountable.

2.2.3 The Cultures of the South Pacific and Asia

An international cultural and legal setting is that governance in New Zealand exists in the context of the South Pacific and Asia cultures. Pacific and Asian cultural ties and history reach deeply into New Zealand society and show signs of integration rather than separation (Berry, 2008).

Pacific and Eastern cultures are conceptualised as more collectivist, along an individualist–collectivist continuum (McLaughlin & Braun, 1998; Meissel & Rubie-Davies, 2016). The continuum is relevant to this study because New Zealand boards are collectivities of people who may come from different cultures. In a revision of Hofstede's (1980) collectivism-individualism spectrum, Minkov's (2017, p. 387) study of 56 countries and their scores on a collectivism-individualism spectrum shows New Zealand's positive score of 68, where positive scores represent individualism, and negative scores represent collectivism. See Table 2.1.

Table 2.1 Scores on the individualism-collectivism dimension (Minkov et al., 2017, p. 396)

	Country	Score		Country	Score		Country	Score		Country	Score
1	Netherlands	182	15	Czech R.	70	29	Hong Kong	-5	43	Vietnam	-78
2	Denmark	140	16	New Zealand	68	30	Chile	-8	44	Colombia	-81
3	Sweden	133	17	Spain	58	31`	Poland	-15	45	Malaysia	-89
4	Norway	112	18	Serbia	58	32	Turkey	-18	46	Venezuela	-95
5	Belgium	110	19	Japan	42	33	Romania	-19	47	India	-101
6	Switzerland	105	20	USA	33	34	Russia	-21	48	South Africa	-105
7	Germany	102	21	Greece	30	35	Puerto Rico	-29	49	Kazakhstan	-106
8	Austria	95	22	Portugal	30	36	Singapore	-29	50	Peru	-117
9	UK	93	23	Ireland	27	37	China	-31	51	Thailand	-121
10	Finland	88	24	South Korea	25	38	Taiwan	-43	52	Philippines	-126
11	France	86	25	Israel	16	39	Dominican R.	-49	53	Egypt	-141
12	Australia	83	26	Ukraine	14	40	Brazil	-56	54	Indonesia	-171
13	Canada	78	27	Italy	5	41	Mexico	-63	55	Kenya	-177
14	Hungary	72	28	Argentina	-5	42	Myanmar	-73	56	Nigeria	-291

Minkov's scores measure individualism versus collectivism, which is the first set of scores published (Minkov et al., 2017). Governance in New Zealand is performed in the context of its cultures (Institute_of_Directors_in_New_Zealand, 2016). In 2013, 25.2% of New Zealand's population was overseas-born (Murray, Nixon, & Yeabsley, 2017), and net migration per year has been significantly higher than the rate of births since 2014 (Statistics NZ, 2018a). Therefore the cultural norms of the immigrants could affect the practices of governance, either because of being integrated into the existing culture, "producing new social structures that incorporate interacting peoples", or remaining separate (Berry, 2008). The governance landscape is likely to be affected by integration or separation as people come into governance positions.

By way of note, the countries typically named as part of the Anglosphere, with which New Zealand governance legislation shares much, has quite diverse Minkov Collectivism-Individualism scores: UK 93,

Australia 83, Canada 78, (all more individualistic than New Zealand); USA 33 (more collective than New Zealand).

Studies show that individualist and collectivist norms affect how best to delegate tasks. Therefore, how boards are motivated to become more effective at delegation and control, two of their main functions (Crow, 2016), may depend on where the group is on the individualist–collectivist continuum (Hagger, Rentzelas, & Chatzisarantis, 2014; Pinillos & Reyes, 2011). Given that boards are groups of people, they are a social and cultural system that is affected by the norms and practices of the individuals sitting at the board table (Crow, 2016).

As a group of individuals, boards are obliged to act corporately (i.e., collectively) (Companies_Act, 1993). While they are legally obliged to do so, it is possible that in the context of a particular decision, individual stress, pressure to perform, survival of the entity, high or low stakes, or any number of factors, the board could make decisions that are from a different place on the individualist-collectivist spectrum than their norm (Crow, 2016). Later in this study (Chapter 5), board self-awareness, which arguably requires learning, and more so as the board's cultural mix changes, will be considered to see if it could help boards understand their decision-making processes in different situations and become more effective.

In another study, Minkov and Kaasa (2021) showed the impact of long-term–short-term thinking orientation for countries. While scores of all countries varied from China 239 (the most long-term thinking) to Honduras -517 (the most short-term thinking), countries in the Anglosphere sat around the middle; Canada 50, Australia 14, USA 8, New Zealand -5, and UK -8. While many Eastern countries are significantly long-term thinking, the Anglosphere countries are relatively short-term thinking (Macpherson, 2013). Short-term and long-term thinking is relevant to governance because directors have an obligation, in New Zealand and some of the other countries of the Anglosphere (but not in the United States of America), to act in the best interests of the company (survive long-term), and not the shareholders, who may want short-term profit (Companies_Act, 1993). Short-term approaches can motivate directors to prioritise short-term gains over long-term gains and thus could conceivably affect the long-term sustainability of organisations (Carey, Dumaine, Useem, & Zemmel, 2018) and accept mission drift (Dobbs, 2020). Board self-awareness will be considered later in this study to see if it could help boards understand the meta-orientations operating in a boardroom and become more effective.

2.2.4 Globalisation

A fourth cultural and legal setting for governed entities in New Zealand is globalisation, which, while being a term with a debated definition and effects, is noted by researchers to be a powerful determiner of setting from which no country is immune (Beerkens, 2003; Mok, 2005). At the highest level, globalisation is the phenomenon that sees economic, social, political, cultural, and technological interdependencies develop between countries (Beerkens, 2003; Berry, 2008; Edwards, Crosling, Petrovic-Lazarovic, & O'Neill, 2003).

The assumption that globalisation always leads to homogeneity has been questioned (Berry, 2008; Murray et al., 2017). In New Zealand, globalisation processes involve homogenisation and local differentiation (Murray et al., 2017). That differentiating is likely to include the people who control organisations and those who govern. Studies have shown that historically, geographic isolation instilled a sense of practical inventiveness that is now called an 'important cultural trait' and 'number eight wire mentality' (Rinnie & Fairweather, 2011, pp. 77, 92). New Zealanders appear to be keen to work it out for themselves (Rinnie & Fairweather, 2011). Despite these findings, in many spheres of life, it appears people are keen to embrace global ideas, global trends, like fashion, spread the world over at the speed it takes to upload a post, and a negative trading day at one stock market can cause other markets the world over to fall.

An important example of globalisation affecting governance in New Zealand concerns the role of women on boards. In 2016, the Institute of Directors published a guide to enable more women to join boards (Institute_of_Directors_in_New_Zealand, 2016). This arose because of the social concern for women's equality globally, including New Zealand, and the gathering interest in seeing more women on boards whose composition had been mainly male (Kirsch, 2018). From the early 1980s, the gender of boards began to be studied in many countries.

In a meta-study of literature on the effect of women on boards, looking at 310 articles published in 135 journals between 1981 and 2016, Kirsch (2018) found the literature did not provide clear answers about the effects of having more gender-balanced boards. The presence of women on boards had a negligible effect on firm financial performance and a positive effect on social and ethical aspects of firm performance. However, there were problems with establishing causality. In another meta-study, the authors found no agreement on the effect of the presence of women (Cabrera-Fernandez, Martinez-Jimenez, & Hernandez-Ortiz, 2016).

It is possible that the research on gender imbalance has been inconclusive to date and has problems with establishing causality because, until recently, the black box of governance activity had not been fully understood (Crow, 2016; Kirsch, 2018), nor diversity in the boardroom understood thoroughly enough. It is possible that governance-improving diversity happens when there is diversity of thought (Crow & Lockhart, 2016) or diversity of generations (Ferrero-Ferrero, Fernández-Izquierdo, & Muñoz-Torres, 2015), diversity of creativity and perspectives (Baker & Anderson, 2010), or diversity of intelligences (Fink & Yolles, 2011) rather than diversity of gender per se.

In summary, the important topical issue of the role of women on boards in New Zealand is an example of the globalisation of ideas on what could make governance better. As agents of globalisation, academics are advancing the cause by producing meta-studies of the literature to further the research (Kirsch, 2018), and practitioner literature promotes this aspect of diversity (Institute_of_Directors_in_New_Zealand, 2016). The idea is being promoted to and adopted by New Zealand boards while the phenomenon of diversity is still in the process of being understood.

The globalisation of ideas on governance points to the importance of robust intentional learning by boards, whose members deliberately and actively take responsibility for their learning, for diversity, for critical reflection of ideas, and to work out next steps in the context of the ever-changing world of ideas.

2.2.5 Summary of Board Contexts in New Zealand

This study applies to organisations where the final legal responsibility for the direction and control of the organisation rests collectively in a group of people (Nicholson & Kiel, 2004). Despite the type of entity, or legislation, listing rules, best practice codes, or size, this study explores how boards can learn to improve their governance and, in some cases, could choose to begin to learn governance and improve. A challenge of this study is to find principles and practices of learning and teaching that foster the development of the governance of any board (assuming they need and have 'governance'), no matter the type, size, or degree of imperfection of their current state of practices.

At a universal level, learning is theoretically not culturally bound but is a fundamental human ability and requirement (Hillier, 2010; Jarvis, 2006). Therefore, this study argues that boards must be learners to continue to exist and be effective, whatever their cultural or legal situations are. In the 2013 population census, Statistics New Zealand recognised 213 distinct ethnicities living in the country, whereas it recognised 196 countries (Statistics NZ, 2014). It is possible that by these high-level statistics, New Zealand could be considered ethnically diverse. While the number of ethnicities in the world is unknown, and the 213 ethnicities may not represent the world's ethnicities, New Zealand's governance landscape may be a microcosm of the world's cultural landscape. If that is true, then in terms of the context of this study, governance-learning practices that apply in New Zealand could apply to analogous situations in other countries, especially given the fundamental human ability to learn (Hillier, 2010; Jarvis, 2006).

This study, about how a group of people acting as a board become effective learners or developers of their governance, argues that boards in New Zealand are: a diverse range of entity types and sizes; have diverse legal foundations and purposes; exist in a diverse range of cultural norms; subject to a world full of ideas and influences; comprised of board members with, or without, diverse thinking, cultures, skill levels, motivations, backgrounds, and experiences. What they think governance is, should be, or could be, is an important starting point for learning. What governance is the subject of the next section.

2.3 Governance

This section focuses specifically on governance. It addresses the etymology of the word 'governance', the legal concepts underpinning governance, how the governance literature defines governance and its theories, when governance happens, when governance starts, the seven practices of governance, what is a board, and what is organisational performance (the thing directors are charged with influencing).

The imperative for learning will be seen by defining this study's understanding and conceptualisation of governance.

2.3.1 Etymology of governance

The word 'governance' originates from the Greek word *kubernetes*, which has a twofold meaning: first to steer, direct, and guide; and second, implicitly, to learn (Crow, 2016; Garratt, 2003). This means that learning is implicit in steering and guiding because, to keep steering, a person must be continuously learning how to adjust their steering to stay on course. The steering of a yacht is a helpful analogy, for example, where the person steering must continuously learn about changes in wind, waves, boat speed, compass direction, current, weather, other vessels, the current seaworthiness of the boat, reefs, and the looming coastline in order to steer successfully and safely to their destination.

A related Latin term, *gubernator*, is used to describe a 'steerer, navigating between *freedom* and *order*, surrounded by large, complex and interactive systems' (Rhodes, 1991, p. 8). Governance legislation in New Zealand requires boards to act with a proper purpose (freedom) and a duty of care (order) (Companies_Act, 1993; Trusts_Act, 2019). The term gubernator encapsulates the performance (freedom) -conformance (order) dilemma in today's boardrooms (Lockhart, 2014), which is solved by board members' learning (Crow, 2016; Garratt, 2003). Despite learning being inherent in the role of governance, there is minimal research clarifying or documenting the learning aspect of governance (Morais & Kakabadse, 2013). In this study, the learning aspect of governance is the main area under investigation.

2.3.2 The fiduciary in the law

A fiduciary is a person who holds a legal and ethical relationship of trust with one or more people (Farlex, 2021). Directors hold a fiduciary relationship with their shareholders and other stakeholders (Institute_of_Directors_in_New_Zealand, 2017). The shareholders and other stakeholders vest confidence, good faith, reliance, and trust in the directors to carry out their work (Laing, 2013). The fiduciary duty is described in the NZ Companies Act as the directors' duty to act in good faith, in the company's best interests, and with reasonable care at all times (Companies_Act, 1993).

Directors, as fiduciaries, are called to steer the organisation for the company's best interests to the exclusion of self-interest. The company's best interests are integrally linked with the organisation's operating environment (Institute_of_Directors_in_New_Zealand, 2017, 2021). Therefore, the fiduciary obligation to steer includes an obligation to keep learning because organisations change continuously. While the learning obligation is not explicitly foregrounded in most governance literature (Morais & Kakabadse, 2013), the Institute of Directors in New Zealand (2021) describes directors' activities to suggest that learning is needed. For example, directors are encouraged to identify stakeholders' needs,

wants, and aspirations, stay attuned to stakeholder needs, seek new opportunities, constantly monitor the external environment, all of which require learning.

2.3.3 How Does the Literature Define Governance?

Governance is defined in numerous ways in the literature, to the extent that no one definition has been universally accepted (Crow, 2016). Despite the variation in definition, however, there appears to be agreement on the fundamental idea that the board provides the link between shareholders (in a company) and managers (Berle & Means, 1932; Crow, 2016). In his seminal work on the link between corporate governance and firm performance, Crow (2016) outlines a history of the use of the term 'corporate governance', and it appears it was not widely used as a term until the 1980s. Perhaps the most widely cited definition (Durisin & Puzone, 2009, in Crow, 2016, p. 25) is the one developed by the Cadbury Committee (1993), that corporate governance is a 'system by which companies are directed and controlled'. The widespread recognition of the Cadbury Committee's definition by academics and practitioners (Institute_of_Directors_in_New_Zealand, 2017, 2021) suggests it will be helpful in this study.

In relation to the Cadbury Committee' definition, learning appears to be innate in 'directed' and 'controlled'. A board seeking to direct and control a company over time must do as the steerer (Rhodes, 1991) does, learn about new conditions and synchronously adjust the steering, or learn about new opportunities and set a new course accordingly. The Cadbury Committee's definition appears to provide a suitable framework for this study that focuses on the learning aspect of governance. In addition, the Cadbury Committee's definition is broad enough to embrace different types of legal structures that are part of this study by comparison to other definitions which are focused on companies alone (Crow, 2016).

While profit-seeking companies generally aim to maximise returns and increase company value (Simons, Davila & Kaplan, 2000, in Crow, 2016, p. 6), charitable organisations generally prioritise social impact and other community goals over profit-seeking (Crow, 2016). In charitable organisations, ownership is often obscure, and a wider group of stakeholders becomes prominent (Crow, 2016), suggesting that governance is less distinct than in profit-seeking companies. Nevertheless, in the context of this study involving a spectrum of profit-seeking companies and charitable organisations (a charitable company, charitable trusts, a charitable incorporated society), the Cadbury Committee's definition of governance provides common ground.

2.3.4 Theories of Governance

As with the definition of governance, there are many theories of governance, although no specific one has gained universal acceptance (Hunt, 2014). The commonly accepted theories are discussed below in

relation to the current study. These main theories of governance (agency, stewardship, stakeholder, and resource dependency) require directors to learn (Morais & Kakabadse, 2013).

Agency Theory

Agency theory has been the dominant theoretical framework of governance. It emerged out of economics theory, is distrust-oriented (assumes individual opportunism), and therefore sets up governance mechanisms to guard against the self-interest of directors (Grundei, 2018). Hallmarks of this theory in practice include: (i) monitoring as the primary role of the board; (ii) independence of directors; and (iii) incentives available for directors and managers (Grundei, 2018).

The agency theory of governance is classed as a shareholder model of governance because it is based on the premise of directors being the agents of shareholders, acting on their behalf (Hunt, 2014). While this is legally true in New Zealand, along with the law that shareholders appoint directors, directors must act in the company's best interests, not the shareholders (Companies_Act, 1993, S.131). Directors cannot act at the behest of shareholders. A key idea in agency theory is that directors, as agents, will nevertheless act to maximise their self-interest. This is known as the agency problem and is theoretically alleviated by control structures such as independent directors and incentives (Hunt, 2014).

Morais and Kakabadse argue that many large company boards in the USA make the same mistakes repeatedly because of their inability to apply systems' thinking (Morais & Kakabadse, 2013), a key learning discipline (Senge, 2006). The agency-theory-inspired closed-loop system of maximising shareholder value constrains systems thinking and restricts board learning, leading to systemic failures; large well-known company scandals like ENRON, and the Global Financial Crisis (Morais & Kakabadse, 2013). Agency-related issues were seen to be a cause of the failure of New Zealand finance companies in the 2006-2009 period (Douglas, Lont, & Scott, 2014). Argyris (1991) notes that with the agency view of governance, those at the top can seek to win, not learn. Morais and Kakabadse (2013) cite greed, corruption, and perceived undue influence of companies on government as likely causes, all of which can thrive under a shareholder (agency) view of governance. It must be recognised that Morais and Kakabadse's comments relate to the USA, where company law requires directors to act in the best interests of shareholders, not the company (Giove & Treuhold, 2013).

It could be argued that the New Zealand Companies Act protects company stakeholders by directors having to act in the best interests of the company rather than the shareholders. However, this study contends that the excesses Morais and Kakabadse describe originating from agency theory could operate in New Zealand to the extent that shareholders and directors are the same people. The Small Business Council of New Zealand suggests that this is indeed the case, that in a large number of New Zealand companies, especially family-owned companies, shareholders and directors are the same people (Small_Business_Council_NZ, 2019).

Because many directors of New Zealand companies are also shareholders (Institute_of_Directors_in_New_Zealand, 2017, 2021), and most New Zealand SMEs would not have independent directors (Small_Business_Council_NZ, 2019), the agency view of governance is arguably predominant in New Zealand. The Institute of Directors of New Zealand suggest that directors who are also owners or managers may not ask the difficult question of themselves (2021). This study contends that a desire to learn and improve their governance should enable a board to become more self-aware of the agency problem (directors wanting to act in their own best interests) and be open to changing how they do things (Morais & Kakabadse, 2013).

Companies in New Zealand are encouraged to bring in independent directors as they grow, to introduce fresh thinking, objectivity and independent judgement (Institute_of_Directors_in_New_Zealand, 2021). This demonstrates the unspoken need to learn about new perspectives and develop the boards' ability to make decisions in the light of the complexities that larger organisations face.

On the distrust–trust spectrum discussed by Grundei (2018), the stakeholder theory stands at the *distrust* end of the spectrum and does not expect players to play for all, but for themselves. This study is concerned with companies and other legal forms without shareholders (not-for-profit trusts and not-for-profit incorporated societies). The agency theory cannot adequately explain the governance of organisations that do not have shareholders. However, stewardship theory offers useful insights for this study.

Stewardship Theory
The stewardship theory of governance emerged from organisational psychology and sociology, is trust-oriented (assumes pro-organisational behaviour), and gives directors the freedom to act, assuming they will act in the company's best interests and its stakeholders (Grundei, 2018). In contrast to agency theory which is shareholder-centric, the stewardship theory is company and stakeholder-centric. Hallmarks of this theory in practice are advice is seen as the primary role of the board, large discretion for management, and fixed remuneration for directors and managers is in place (Crow, 2016; Donaldson & Davis, 1991; Grundei, 2018). Under stewardship theory, directors are trusted and empowered by shareholders, and directors respond as fiduciaries to protect and maximise shareholder wealth (Abdoullah & Valentine, 2009, in Achim & Borlea, 2013, p. 32).

In not-for-profit (NFP) organisations in New Zealand, the stewardship-based theory of governance is likely a more prevalent theory in use than the agency theory (Kluvers & Tippett, 2011), due to the relative importance of a shared uniting purpose in NFPs with social-impact and community purposes compared to businesses prioritising profit-seeking (Crow, 2016). In the NFP sector, stewardship theory better explains the motivation of people in the organisation (Kluvers & Tippett, 2011). Stewardship theory can open the door to the board learning required to understand system needs and includes the fiduciary concept (Morais & Kakabadse, 2013). Yet for NFP boards in particular, the stewardship theory

does not account for the resources that directors may need to bring to the board for the organisation to be successful. Resource dependency theory offers such a possibility.

Resource Dependency Theory

The resource dependency theory incorporates both the above theories and adds that the success of an organisation depends on its directors' ability to organise resources by establishing favourable connections with others. This theory recognises the personal networks that directors can bring to their roles which secure needed resources. In this theory, such connections may not be available to the management to whom they are delegating responsibility for the organisation's operation (Crow, 2016), and supports the reduction of uncertainty (Hillman, Withers, & Collins, 2009).

This study contends that while potentially applicable to any organisation, the resource dependency theory may particularly suit NFPs with volunteer directors (or trustees) with access to resource networks that the organisation cannot otherwise afford to access. Published statistics suggest that this could be the case, as NFPs have more board members on average than for-profit entities in New Zealand (Statistics NZ, 2018b). In relation to this study, organisational resource dependence requires board members' learning about resources they and their organisations need and how to get them (Morais & Kakabadse, 2013). The above theories offer useful insights, and all include the need for learning, nevertheless, they do not take full account of stakeholders. Stakeholder theory offers that understanding.

Stakeholder Theory

Freeman (1984) developed stakeholder theory, a theory that understands organisations to be systems that create value for all their stakeholders (Freeman, 2010). While the agency theory revolves around the shareholders, stakeholder theory includes all stakeholders (Morais & Kakabadse, 2013). While company law in New Zealand does not specify stakeholder interests are to be taken into account as in other countries, the Institute of Directors of New Zealand (2021) acknowledges that the best interests of a company are integrally linked, by a functional relationship with stakeholders, with the external environment. Similarly, Crow (2016) comments that the board is assumed to be distinct from but not independent of the broader organisational ecosystem.

At the time of writing this study, the New Zealand government is considering a change to company law to allow directors to consider all stakeholders in the wake of what appears to be a desire of society for organisations to take the environment into account when making decisions (Llewellyn, 2021). In addition, the Institute of Directors in New Zealand and other organisations internationally have published calls for change to stakeholder-based models of governance (Institute_of_Directors_in_New_Zealand & Minter_Ellison_Rudd_Watts, 2021; Milano, Tomlinson, Whately, & Yigit, 2021) and ESG Environment (Environmental, Social, and Governance decision-making), including The British Academy (2021), and the influential International Organisation for Standardisation

(ISO) (Naden, 2021). Simultaneously, international corporate reporting standards are changing to include ESG reporting (Llewellyn, 2021). These initiatives appear to be significant societal efforts to change the way governance has been modelled in law and in practice, from the agency view to a more stakeholder-focused governance.

On the distrust–trust spectrum, the stakeholder theory stands at the *trust* end of the spectrum and expects players to play for all, not only themselves (Grundei, 2018). The stakeholder theory of governance embraces learning because it facilitates and embodies systems thinking which requires learning (Morais & Kakabadse, 2013).

Some studies have proposed a combination of approaches (Grundei, 2018; Löhde, Campopiano, & Calabrò, 2021). Recent research has shown that in family firms, an adaptive approach could be taken to governance structures to take account of the actual attitudes and behaviours of changing owner/manager relationships (Löhde et al., 2021). This suggests the need for boards and all their stakeholders (including shareholders) to learn about current and likely future conditions and make appropriate changes to governance mechanisms. Similarly, Grundei's (2018) study suggests that sensitivity to the specific situations of each organisation will dictate the type of governance theory that will be in use; moreover, that when conditions, demands, and behaviours change, the governance theory-in-use (Senge, 2006) may need to change, and therefore must be regularly reviewed. Grundei and others (Currall & Inkpen, 2002; 2018) point to the underlying need for governance to evolve to accommodate the evolving nature of trust between stakeholders.

Summary of Governance Theories

The literature points to the use of different theories in different organisations, depending first, on whether they have shareholders, and second, on their appetite for the distrust-orientation of the agency theory or the trust-orientation of the stewardship and stakeholder theories.

In the context of this study, all the theories of governance require directors to be learning. Moreover, the evolving nature of trust between stakeholders suggests that directors need to intentionally and continuously learn about trust and how it is changing so that they can adapt their governance.

2.3.5 Governance terminology used in this study

Given the variety of definitions of governance in the literature (Crow, 2016), and that the terms 'governance' and 'corporate governance' are neither defined nor mentioned in the New Zealand statute (Companies_Act, 1993), it is important to clarify the definitions used in this current study.

First, the modifier 'corporate' in the phrase corporate governance refers to an essential aspect of governance; it is a group of people making decisions together (Hunt et al., 2016). In this study, the use of the word 'governance' without the modifier does not indicate that it is not performed with a group of

people, but that, taking the lead from some of the literature's definitions of governance (Crow, 2016), adding the word 'corporate' to its definition is superfluous because a group of people performs governance.

The use of 'corporate' as a modifier can also be taken to mean company governance (Crow, 2016), as the term 'corporation' is used to describe large companies (Morais & Kakabadse, 2013). For clarity, in this study, both the terms 'governance' and 'corporate governance' are used interchangeably and refer to governance performed in any type of organisation.

In the law the word 'director' usually refers to a person governing a company, while the word 'trustee' refers to a person who is governing a trust. The word 'officer' is also used in New Zealand for people who are governing (The Ministry of Business Innovation and Employment, 2019). In this study when one of these words is used, it refers to all of the terms unless specified otherwise, and the use of 'board member' and 'governor' are used to describe a person who is a director, trustee, or officer. A person who attends board meetings but is not a director, trustee, or officer, is not a board member or governor. A person who is an advisory board member is assumed to be an advisor in this study unless specified otherwise.

For the purposes of this study, a board meeting is assumed to be a meeting of the legal directors, trustees, or officers, along with CEO, General Manager, guests or advisors who have been invited. This assumes that the CEO, General Manager, guests and advisors are not decision-makers but are only contributing opinions, observing or advising (Institute_of_Directors_in_New_Zealand, 2021).

2.3.6 Governance only happens when a board is in session

Crow (2016) asserts that governance only happens in a boardroom when a group acting together as a board is in session. He suggests that rather than being a structure or a sequence of activities, or a policy framework, which are commonly-held misconceptions, governance is a mechanism that is activated by the board, intent on exerting influence on the managers from and beyond the boardroom, including over firm performance.

The boardroom appears to be the periodic nexus of the components of the governance mechanism: individual directors; CEO or manager; endogenous and exogenous factors and environmental context; developing strategy and making strategic decisions; shareholder requirements; monitoring and verification processes; and the long-term purpose of the organisation (Crow, 2016). When the board is in session, the understanding is that their role is to make collective decisions.

From a learning perspective, each of these components requires the directors to gain knowledge and form opinions before the board meeting (Garratt, 2003) so that the periodic nexus of components of the governance mechanism could be re-phrased: prepared individual directors; prepared CEO or manager; information about changes in endogenous and exogenous factors and environmental context;

information needed for developing strategy and making strategic decisions; knowledge of shareholder requirements; board reports that are the outputs of monitoring and verification processes; and the agreed long-term purpose of the organisation.

Each of Crow's (2016) components silently assumes that a director has gained the knowledge and formulated opinions about the components relevant to the meeting before the board meeting. For example, Crow assumes they have read and understood the board papers and reports on the organisation and developed an opinion about strategic matters in readiness for the meeting. In apparent recognition of learning, the mechanism of governance is activated by competent boards, suggesting that the mechanism of governance is activated when boards have learned how to activate the mechanism competently. Pre-meeting awareness of needed learning would be required for this. Pre-meeting learning by directors appears not to be a part of Crow's mechanism of governance but is required to activate the mechanism competently.

Further, individual directors' learning appears to be required not only before a board meeting but at all times in the board meeting cycle, from the start of one board meeting to the start of the next. This is consistent with the New Zealand Companies Act, in which directors never cease to be directors until they are removed from office (Companies_Act, 1993), suggesting learning is a full-time occupation for directors. An example is that a director could receive news through the media, between board meetings, of an event that will affect the company, for example, a Covid-19 pandemic lockdown. If they did not learn what it means for the company, they might not be fulfilling their fiduciary responsibilities to the company, even outside the boardroom.

It can be seen that the requirement to keep learning extends beyond the boardroom sessions, in line with directors' fiduciary obligations and, therefore, legal compliance. In the context of this study about board learning, it will be assumed that learning includes what is done before, during, and after board meetings.

2.3.7 When does governance start?
Understanding when governance starts is important for this study because an indispensable need for board learning emerges from a full understanding. According to governance literature, it is not possible to conclusively say when governance starts (Crow & Lockhart, 2016), and there is ongoing debate when this commences. The literature on governance mainly involves public companies whose demographic structural governance variables (e.g. the number of directors, the gender of board members, and earnings) can be obtained from public records. These large companies require governance because multiple owners are surrendering their capital to the control of others (Berle & Means, 1932), and so researchers of those companies have not been faced with the question of whether, indeed, governance is needed. Private companies do not generally publish data about themselves, and few researchers

have been able to go into boardrooms of private or smaller companies to conduct research (Crow, 2016). Very little governance research has looked at privately-owned and smaller entities (Hunt et al., 2016).

Lockhart's (2014) paper argues that at the very point where the ownership of a company separates from its control, the processes of governance are needed. Through Lockhart's research, a somewhat purist view of governance identified and explored some fundamental tenets of governance. Lockhart's research assumes that the concepts of *ownership* and *control* are structural, legal mechanisms, *ownership* meaning the ownership of shares, and *control* meaning the role of directors.

While the separation of ownership from control triggers the need for governance (Lockhart, 2014), it is possible that some people who have no legal control nevertheless can control, and those who legally have no direct ownership, yet act as owners (Hunt, 2014), as in family businesses. This possibility is envisaged by the law, where a person can be *deemed* to be a director, not by virtue of being elected, but by virtue of acting as one (Companies_Act, 1993). This points to governance's social mechanism (Bentley, 2000; Crow, 2016), especially when money is involved, and family members are shareholders or controllers, or both. The following analysis of the literature attempts to explicate these issues to arrive at a nuanced set of fundamental tenets of governance in the Discussion Chapter.

Lockhart (2014) argues there are two fundamental tenets of governance—first, the separation of ownership from control, and second, collective decision-making (Crow, 2016). Considering the separation of ownership from control, when those who own shares in a company (shareholders) are different from those who control (directors), in a division of labour, the need for governance arises (Crow, 2016; Lockhart, 2014). Consequently, when those who own and those who control are the same people, the literature questions whether governance is needed or exists (Lockhart, 2014). Lockhart (2014) argues that the separation of ownership from control happens when one of three situations arise or will arise within a short time. First, when capital beyond that of the existing owner is introduced to the company, without the desire or requirement to participate in the control of the company. Second, when an existing shareholder-director resigns from control while maintaining a shareholding, typically in a family business succession situation. In these two situations, people are surrendering wealth to others to control, which necessitates monitoring, reporting, and accountability. The third situation is when an independent director is appointed to the board, thereby giving some control of the shareholder's wealth to someone independent of shareholders (Lockhart, 2014).

The second tenet is that governance requires collective decision-making (Crow, 2016). While New Zealand law allows a company to have one person as both shareholder and director, called unification in the literature (Allen, Hunt, Lockhart, & Crow, 2014; Lockhart, 2014), Crow (2016) suggests that this is not governance because the nature and probably the motivations of the person, and the interactions with a manager, if any, fundamentally change. Such unification points to a structural lack of accountability because, as a director, the person is accountable to themselves as a shareholder, and

there is no structural fiduciary relationship. There are no shareholders absent from decision-making (Lockhart, 2014).

The two tenets appear as robust structural mechanisms and could be seen as 'prescriptive structural recommendations' of the governance best practice movement (Lockhart, 2014, p. 155). Lockhart (2014), and others, however, hint at complications, not to legal, structural mechanisms, but to how they are applied in practice (Crow, 2016); researchers contend for the importance of a board's social constructs, including trust and teamwork in the context of a shared sense of purpose (Crow, 2016; Garrard, 2018; Löhde et al., 2021; Tang, Mack, & Chen, 2018); Lockhart (2014) points to the possibility of mediation or negotiation in the decision-making of family board situations; Lockhart (2014) further talks of impediments to effective decision-making in family situations where there are large numbers of people involved in a board. Clearly governance as a social mechanism is an important area for consideration.

A pragmatist paradigm

Pragmatism as a paradigm in qualitative research on organisational processes suggests an emphasis on the production of actionable knowledge while recognising the interconnectedness of knowing, experiencing, and acting (Argyris, 1991; Kelly & Cordeiro, 2020). Applying this paradigm to the two tenets of governance, the pragmatist paradigm recognises the interconnectedness of; the knowledge about the theory of separation of ownership from control, the real-life experience of the separation of ownership from control, and the actions that people have taken and could take regarding the separation of ownership from control. In addition, the pragmatist paradigm provides a way to derive actionable knowledge from its use, and a guide to future use of the tenets of governance. Using a pragmatist paradigm and reaching into the education literature, this section of the study will consider some real-life possibilities to test the existing tenets of governance.

Vygotsky's (1994) socio-cultural theory of learning (discussed in the next section of this chapter) has implications for the boardroom (Illeris, 2018). In the context of this study, the socio-cultural theory suggests that individual board members would influence each other's learning, and how learning takes place (Mighton, 2008). Board members deciding, or making choices, is seen as a form of learning because board members are weighing content, with an incentive to act, while interacting together (Mighton, 2008), the three dimensions of learning and competence development (Illeris, 2018; Morais & Kakabadse, 2013).

Crow (2016) saw governance as a socially dynamic phenomenon, consistent with a socio-cultural view of learning. Some researchers argue 'social capital' is embedded in relationships that affected some large family-owned company boardrooms (Mustakallio, Autio, & Zahra, 2002). Mustakallio et al.'s conceptualisation of governance is at odds with many other researchers (Lockhart, 2014), claiming that the social phenomena they observe are part of governance but fail to meet the more widely accepted

Cadbury Committee's definition (1993). This suggests that social mechanisms could *influence* those who are governing.

Mastakallio et al. (2002) found that a shared family vision (a vision shared with people outside those governing) was positively associated (and statistically significant) with the direction the directors took the company. This finding recognises the real-life possibility that people who are not directors could influence people who are. It appears that this phenomenon could be in line with the stakeholder theory of governance where directors seek the viewpoints of valued stakeholders, and possibly the resource dependency theory of governance, where directors seek the resources, including knowledge, that they believe they need.

Before providing some real-life possibilities to consider, the definitions of keywords (ownership, control, and separation) are used in the context of this discussion. First, in a company situation, ownership means the people or entities that own shares of that company (Companies_Act, 1993). In that case, there can be a clear separation of ownership from control if different people are the directors (Crow, 2016). Second, control is defined using Walton's (1974) conceptualisation as the "capacity to bring about a certain result or make something happen, or alternatively, to preclude something from happening". Walton's behaviourist conceptualisation of control asserts that control is included in the ideas of responsibility and accountability. Responsibility and accountability are fundamental to the legal and ethical conceptualisation of the fiduciary and, therefore, of governance. This conceptualisation of control has been used by governance researchers (Hunt, 2014). Third, separation means an owner is surrendering capital to the control of another (Lockhart, 2014).

Some authors conceptualise governance *as* control (Hunt et al., 2016), but the Cadbury Committee's definition is broader, including both directing and controlling (Crow, 2016). If the concept of control is extrapolated without the balance of the other components of governance, then governance could be taken to be about power, the very thing many authors suggest (Argyris, 1991, p. 100; Evans, 2016, p. 1; Van Puyvelde, Brown, Walker, & Tenuta, 2018, p. 1296). The conceptualisation of governance as control can sidestep the fiduciary concept and lead to a failure to assume the need for humility, especially in collective learning situations (Aziz, 2019; Krumrei-Mancuso, Haggard, LaBouff, & Rowatt, 2019; Li, 2016; Lockhart, McKee, & Donnelly, 2017).

Regarding charitable trusts and incorporated societies, which are part of this study, a discussion on their 'ownership' and control is beyond the scope of this study. However, the separation of 'ownership' from control is deemed to have occurred because the property of such entities is deemed to be owned equitably by the beneficiaries who are the public of New Zealand (Charitable_Trusts_Act, 1957; Incorporated_Societies_Act, 1908).

The study will now consider some real-life possibilities to test the tenets of governance.

Table 2.2 A purist view versus a pragmatist view of some real-life scenarios

Scenario	Description of a real-life scenario	A purist paradigm Is there legal, structural separation of ownership from control (that suggests governance exists)? (Lockhart, 2014)	A pragmatist paradigm (Purist plus) Are there possibilities that could cause a separation of ownership from control (that suggest governance exists)?
A	Two people are in business together and are life partners also.	**No,** as the shareholders and directors are the same people = no governance.	**Yes**, if one coerces the other, to the extent that the other loses their ability to control, = governance might be needed.
B	Three family members are in a farming business together: Mum, Dad, and an adult son.	**No,** as all are shareholders and directors: i.e. they are the same people, = no governance.	**Yes**, if the son's wife influences the son, and rightly so, as the son's shares are part of his and his wife's relationship property, = governance might be needed.
C	Three family members are in a farming business together: Mum, Dad, and an adult daughter.	**No,** as Mum and Dad are the shareholders and the only directors, = no governance.	**Yes**, as the daughter is included in director-level decision-making. She has a measure of control, = governance might be needed.
D	Three people in business together.	**No,** as shareholders and directors are the same. There is unequal ownership: Person A has 75% of the shares, Person B has 15% of the shares, Person C has 10% of the shares, and all are directors, = no governance.	**Yes**, as directors have equal votes. In the boardroom, A has to 'surrender' some control to B and C, and cannot have a dominant say. B and C have to act on behalf of another person, A, to some extent, = governance might be needed.
E	The two shareholders are directors, plus one independent director.	**Yes**, as there is an independent director who has no shareholding, = governance has started.	**No**, if the independent director acts at the behest of one of the director/shareholders, = no governance as there is no separation of ownership from those who control. The

			independent is not fulfilling his/her fiduciary responsibility.
F	The two shareholders are directors, plus one independent director.	**Yes**, as there is an independent director who has no shareholding, = governance has started.	**Yes**, if the independent brings expertise or knowledge that the board needs to be in control. In this case, the independent director, acting as a genuine fiduciary, holds his/her course, the other directors follow suit. Governance has started.
G	Two people are in business together and are life partners also.	**No,** as the shareholders and directors are the same people = no governance.	**No**, but the directors both have a genuine fiduciary mindset and act in the best interests of the company, hold each other to account to an agreed vision and values, and hold the manager to account = governance might be in existence.

In the purist paradigm of Table 2.2 there is clarity around who the legal owners and directors are, and the need of having a director who is not a shareholder for there to be governance. In the pragmatist paradigm, control appears to be a determiner, and using Walton's (1974) conceptualisation of control; someone is precluded from control (scenario A), control is exercised by someone who is not a director (scenarios B and C), and someone is surrendering a degree of control (scenario D), all of which cause a separation of ownership from control. In scenario E, the opposite is happening, where, with a legal separation of ownership from control, someone is surrendering control, causing there to be no separation. Scenario F follows the expected pattern that an independent director brings a measure of control while not having any shareholding, and there is a separation of ownership from control.

Scenarios A to E show that Lockhart's (2014) conceptualisation of control is inadequate to account for control that is not structural (i.e. not a legal role) but is a present social mechanism. Scenario G points to a further issue. Both Lockhart's (2014) structural conceptualisation of control and the conceptualisation of control as a social mechanism exclude the possibility of governance starting in Scenario G. Yet it could feasibly start if both directors have genuine fiduciary mindsets and act in the best interests of the company to the exclusion of personal agendas. Lockhart assumes that fiduciaries are operating if ownership has separated from control (Lockhart, personal communication, 30 June 2016) because directors are assumed to be fiduciaries by law. But directors may or may not be acting as genuine fiduciaries, and someone beginning to act in the role of a fiduciary, with a legal role or not,

could signal the start of governance. This points to the need to include whether a genuine fiduciary exists in an assessment of whether governance has started.

Therefore it appears possible that in cases where governance appears to have started because of a structural separation of ownership from control (Lockhart, 2014), it may not have started (Scenario E), and in cases where, to all intents and purposes, governance is needed and appears to be being performed (Lockhart, 2014), but is not governance because the fiduciaries involved are not fulfilling their roles (Companies_Act, 1993) (Scenarios A, B, C, D). This theoretically points to some possible reasons for the failure of those governing large corporations and banks (Hinks, 2019; McFadyen & Eynon, 2021; US_Government_Accountability_Office, 2013), and in smaller entities.

Whether an expanded conceptualisation of control (to include social mechanisms) should be added to the tenets of governance is discussed in Section 5.2 of the Discussion Chapter, as is the challenge of including the existence of a genuine fiduciary in the tenets of governance.

Conclusion on When Governance Starts
This section has tested the two fundamental tenets of governance, the separation of ownership from control and collective decision-making, that start governance. This study points to the possibility that the conceptualisation of control should include control by social mechanisms, and that a third tenet could be considered; at least one person acting as a fiduciary. This pragmatist refinement to the purist paradigm is discussed further in the Discussion Chapter.

2.3.8 The Seven Practices of Governance
Allen proposed seven governance practices (Hunt, 2014, p. 2; Warren & Allen, 2018, p. 119) (Refer Table 2.3) to describe the actions taken by those governing. The seven practices were influenced by the pragmatist paradigm when working with boards to run training programmes to build capability in each of the seven practices (Hunt, 2014). The seven practices of governance are relevant to this study, because they not only recognise the connection between the practice of governance and learning, but embed learning into governance (Morais & Kakabadse, 2013).

Hunt et al's (2016) research argues that practices two and three should be combined. As a result of Hunt's research Allen partially changed the conceptualisation of the two practices to align with the literature and to make the distinction clear. Hunt et al (2016) noted that the concept of groupthink, was not supported in the literature. Rather, it was found to be not one effect, but a likely combination of known biases and problems in decision-making. Paulus (1998, in Hunt et al., 2016, p. 371) suggests that groupthink has been popular because of its promotion by the corporate world and 'self-promoting management gurus'. Despite having no clear evidence for its existence, the concept of groupthink has worked its way into the governance community and has become accepted as a phenomenon

(Institute_of_Directors_in_New_Zealand, 2021; Morais & Kakabadse, 2013). Using a pragmatist paradigm, practitioners may have accepted a simple conceptualisation of groupthink different from Janis's conceptualisation (Hunt et al., 2016). It is also possible that what practitioners see in boardrooms is not groupthink but a hitherto unnamed effect on decision-making that is nevertheless real (Hunt et al., 2016).

Hunt (2014) also contended that practice five (called maintaining a learning orientation) should be deleted because it was difficult to translate into practice and had little empirical support. After Hunt's research, the content of practice five was significantly added to (Warren & Allen, 2018) to bring it in line with adult learning theory (Barr & Tagg, 1995; Hattie & Donoghue, 2016; Illeris, 2018). Hunt's (2014) research did not conclude that a relationship did not exist between governance and a learning orientation, but rather it was yet to be studied. Further research has shown those links (Morais & Kakabadse, 2013).

Table 2.3 Allen's seven practices of governance (Allen, Lockhart, Kidd, & Van Bysterveldt, 2013)

	Governance practice	Key components	Literature
1.	Acting with a purpose in mind	With the long-term purpose and values of the organisation in view, the directors are responsible for strategic plans, oversee annual plans and associated budgets.	(Crow, 2016)
2.	Planning for effective governance meetings	Meeting calendar, annual governance work plan, agendas, appropriate minutes, pre-meeting board papers	(Tuggle, Schnatterly & Johnson, 2010, in Hunt, 2014; Pitchforth, 2010)
3.	Working with other people effectively	A group of people, in a safe zone for robust discussion, challenging and non-personal debating in order to get consensus, competency matrix, diversity, the chair's role	(Bentley, 2000; Lockhart 2014)
4.	Making sound decisions	Policies, decision-making frameworks, delegation to CEO or manager	(Crow, 2014)
5.	Maintaining a learning orientation	Board continuous improvement, learning part of every board meeting, meeting evaluation, learning facilitator role	(Illeris, 2018; Morais & Kakabadse, 2013)
6.	Knowing what's going on and what to do about it	Monitoring, accurate reports on performance and health, KPI's, trends, progress concerning the strategic plan, verification of reports	(Bruse, 2012, in Hunt, 2014)
7.	Managing risks effectively	Risk identification, prioritisation, and management, risk appetite, mitigating the likelihood and severity of negative future events .	(Beasley, Clune & Hermanson, 2005, in Hunt, 2014)

2.3.9 What is a Board?

In New Zealand legislation, a board is defined as a group of directors acting together, or if the company has one director, that director (S.127, Companies_Act, 1993). Given that unification, the case of a company with one shareholder-director is not considered to be governance due to a lack of separation of ownership from control (Lockhart, 2014), this study assumes a board is a group of two or more people acting corporately, as one (Crow, 2016).

In the late eighteenth century, corporations were defined as 'a collection of many individuals, united into one body, under a special denomination, having perpetual succession under an artificial form, and vested by the policy of the law, with the capacity of acting, in several respects, as an individual' (Kyd, 1794, in Farrar, Russell, & Hampton, 1985, p. 4). The concept of boards as collectives charged with acting corporately necessitates that board members learn how to make such decisions, learn from each other and about the subject of the decision, and learn what the outcome is (Morais & Kakabadse, 2013).

Board members have equal votes, even if some board members are also shareholders with greater shareholdings (Companies_Act, 1993). This contrasts with shareholders, who can vote according to their shareholding percentages (Companies_Act, 1993). A board, as leaders of a company, does governance (Crow, 2016).

Shekshnia (2018) argues a board is not a team like a sports team, united and working together to win, but a group of individuals charged with making corporate decisions, with the goal being unanimity, requiring very robust debate and struggle. Shekshnia likens the board of public companies to a group of different wild animals whose incisive individual skills have been so harnessed and channelled by a chair as to be unanimous through struggle. The struggle of boards to make unanimous decisions appears to align with literature on the benefit of struggle in learning (Kuhlman, 1994).

Early philosophers suggested that 'a leadership role is an awakening -the birth of all learning' (Plato in Korac-Kakabadse, Korac-Kakabadse, & Kouzmin, 2001, p. 208; Plato, 1957). Similarly, this literature suggests that learning is inherent in leadership, of which a board is a type. In the light of the study so far, this means collective learning (Morais & Kakabadse, 2013). Collective learning is discussed later in this chapter.

2.3.10 Summary of Governance

The word 'governance' emerged from Greek and Latin roots, meaning to steer, direct, guide, and implicitly, learn. While governance is not explicitly defined in the law, the legal concept of the fiduciary emerged as the indispensable core of governance. The fiduciary is in a legal and ethical relationship of

trust, where a person is acting in the best interests of another, apart from themselves (Institute_of_Directors_in_New_Zealand, 2021).

The Cadbury Committee's (1993) definition, that governance is a system by which companies are directed and controlled, was seen to provide a suitable framework for this study because of its general acceptance and broad applicability, simplicity, and its inherent implication that learning is required for directing and controlling.

A purist academic paradigm of governance contends that there are two fundamental tenets of governance that indicate when governance starts —first, the separation of those who own from those who control, and second, collective decision-making. However, influence from other people was seen to obfuscate this definition. This study suggested that a third tenet could be possible, and this is discussed further in the Discussion Chapter 5.

In the context of this study, every aspect of governance theory and practice discussed so far involves learning, yet this appears to be unseen by many researchers and practitioners alike (Morais & Kakabadse, 2013). Publication titles including 'The Four Pillars of Governance Best Practice for New Zealand Directors' (Institute_of_Directors_in_New_Zealand, 2021) and 'Nine Steps to Effective Governance' (Sport_New_Zealand, 2019) convey that once a board adopts four pillars, or takes nine steps, it has 'best' or 'effective' governance. Part of the best practice movement (Lockhart, 2014), these titles fail to communicate the necessarily dynamic nature of the practice of governance, which must be able to change and adapt to the needs of organisations, even sacrificing current directors or trustees to do so if it is in the best interests of the organisations.

Researchers have seen that governance, existing within a wider organisational and societal ecosystem (Crow, 2016), is itself a highly dynamic system (Nicholson & Kiel, 2004). Being part of a wider system, governance must dynamically change itself to meet the complex and evolving array of endogenous and exogenous factors (Crow, 2016) that challenge every organisation. Those evolving factors require those governing to be ever-adapting and responding to change (Nicholson & Kiel, 2004). Many board researchers have described and debated governance, but few explicitly address the need for continuous board learning (Morais & Kakabadse, 2013). That is explored in the next section.

2.4 Learning as a Phenomenon

Education in many settings emphasises the acquisition of specific knowledge and skills for career readiness (Beckham, 2020). Some researchers suggest that developing thinking skills is the primary purpose of education (Willingham, 2019) or, more precisely, critical thinking (d'Abrera, 2018). Career readiness, or becoming ready to become a director, appears to have some validity as a purpose for director education in settings such as tertiary institutions. However, the context of education in this study is the board-meeting cycle from the start of one board meeting to the start of the next. In this study's context, individual directors gaining knowledge and learning specific skills related to their role

appear to be important purposes, and they appear to do that learning both before, during, and after board meetings.

Snook's (2014) suggestion of a greater purpose for education hints at a more significant purpose for boards when he proposes the true purpose of education, generally, is the development of autonomous and critical human beings, and to "prepare people for life in all its fullness" (Snook, 2014, p. 1). He argues against a pure skills-based approach to education and favours education that seeks to add value to people and society. Depending on the organisation's purpose, the goal of board education may not be as broad as preparing people for *life*; however, it could be argued that the goal of directors' education is to prepare directors for *the future* in all its fullness.

Furthermore, applying Snook's approach that education should seek to add value to people appears to align with the governance research (Chambers, 2005; Nguyen, Nguyen, Locke, & Reddy, 2017) and practitioner organisations (Institute_of_Directors_in_New_Zealand, 2021) and systems research (Kumar, 2008) when they assert directors must bring value to a board. Adding value to directors by educating them should enable them, in turn, to bring value to their organisations if education is transference (knowing what to do when one does not know what to do) (Hattie & Donoghue, 2016). Moreover, according to the stakeholder theory of governance, society is a stakeholder of many organisations by being a customer, and by providing a licence to operate, society could be called a stakeholder of all organisations (Institute_of_Directors_in_New_Zealand & Minter_Ellison_Rudd_Watts, 2021; Majumdar, 2019; Saeed, Noreen, Azam, & Tahir, 2021). Therefore, bringing value to society may not be an unrealistic expectation of director education (Knudsen, Geisler, & Ege, 2013; Kumar, 2008; Tekleab, Reagan, Do, Levi, & Lichtman, 2020).

The purpose of director education is not necessarily the servant of another purpose, such as government policy, as suggested by an education commentator about publicly-funded education (Strauss, 2015). Such a view of education could enslave it to policy Strauss (2015) suggests, or short-term-ism. In contrast, the legal constructs of companies, incorporated societies, and charitable trusts are typically formed to operate in perpetuity (Charitable_Trusts_Act, 1957; Companies_Act, 1993; Farrar et al., 1985; Incorporated_Societies_Act, 1908).

Nor should the purpose of director education be to myopically promulgate a particular way of educating, because, as Hammond & Wellington (2020, p. 31) suggest, "nothing in education stands still. What we know today may be overtaken by new insight and the need to address different problems tomorrow". Aryris (1991) argues that directors need to develop the ability to learn, and become self-reflective. This study contends that the ability to learn is crucial (Warren & Allen, 2018).

In summary, this study contends that in its context, the purposes of director education and, therefore board learning, are to: enable boards to prepare for the future in all its fullness (Snook, 2014); develop a passion for learning (Buck, Mercer, St. Clair, & Herbers, 2019); develop the ability to learn and be

reflective (Argyris, 1991); and, develop the skills, as fiduciaries, necessary to fulfil the preceding purposes (Companies_Act, 1993).

2.4.1 Theories of Learning

Illeris (2018) suggests three dimensions to learning and competence development: content, incentive, and interaction. The three dimensions are in evidence in a board situation: (i) the content (the knowledge, understanding, and skills that directors are developing), (ii) the incentive (the motivation, emotion, and volition the directors have to learn in order to make the next decision), and (iii) the social interaction (the action, communication, and cooperation they use).

In its simplest form, behaviourism theory of learning is described as gaining knowledge through study, teaching, instruction, or experience (Clark, 2018a). Behaviourism theory suggests that learning happens when there is an observable change in behaviour due to experience and repetition. While repetition may be appropriate in a classroom, directors are not in a classroom. The behaviourist view of learning in this sense does not describe a board meeting setting. However, the idea that people learn from experience and repetition applies to boardrooms if the 'teacher' is seen as the people and events of the boardroom (multiple people interacting for a defined purpose). In governance's repetitive board meeting cycles, directors gain new knowledge about their organisation and its performance before a board meeting. The behaviourism theory of learning offers some insight into how members of boards learn.

The cognitivist theory of learning, on the other hand, focuses on the internal mental processes of the individual while taking a teacher-centric control of the teaching processes (and content if in a classroom) (Clark, 2018b). Elements of cognitivism appear in boardroom learning to the extent that directors go through mental processes to learn. The teacher-centric-ness of cognitivism is moderated because individual members within a board (i.e. boardroom learning) usually do not require an external teacher (who is not a director), although it can be seen that this could be useful.

In the Māori concept of *ako*, teachers are also learners (Pale, 2019). In the board context, this is entirely applicable. In most situations, board learning can be facilitated by all directors or individuals for some aspects of learning (for example, a meeting evaluation done at the end of each meeting) (Barr & Tagg, 1995; Morais & Kakabadse, 2013). It could seem that the *ako* concept is at odds with some researchers who consider that the chair's role as a learning facilitator is a vital component of board learning capability (Morais & Kakabadse, 2013). Those researchers are conceptualising the chair as the teacher. However, it is possible that while the chair remains the chair, the person who can facilitate a particular learning/decision-making situation best may be any board member because of their skill set. Therefore, this study will use the term learning coordinator (Warren & Allen, 2018), rather than chair, to indicate

that while the chair may be the predominant learning coordinator, any one of the board members could fill the role at points in the governing cycle.

The socio-cultural framework, or understanding, of learning, describes the interaction between meaning-making (learning by experience), practice (learning as doing), community (learning as belonging), and identity (learning as becoming) (Wenger, 1998, in Illeris, 2018) applies to boards. Regarding meaning-making (learning by experience), as boards hold meetings, board members will be making sense of existing and new knowledge, experience, relationships, and the self. They will create or reinforce meaning from board meetings' content and process, thus learning by experience. Regarding practice (learning as doing), not in the sense of deliberate repetition of a learning activity to learn content, but in the sense of learning and improving the process of working together as a board through holding regular board meetings. Regarding community (learning as belonging), for board members, a sense of belonging will come through learning, but unlike students who join a class as individuals and may not feel a sense of belonging through learning at the start, directors start with a legally defined 'belonging'. The board is an exclusive group and privileged with certain powers. As the members of the board learn, the legal sense of belonging may be added to by an affinity, or understanding, between board members. That sense of understanding may be positive or negative. Regarding identity (learning as becoming), the characteristics of board members and what they do together as a board will be changing meeting by meeting because board meetings are, in effect, learning activities. This process of changing from one state to another is a learning process.

The socio-cultural theory focuses not only on how adults and peers influence individual learning but also on how cultural beliefs and attitudes affect learning and the learner (Pale, 2019). A board may be made up of people from different cultural backgrounds, beliefs, and attitudes, and be linguistically diverse, which will impact how learning takes place in the boardroom, and on who influences this learning within meetings.

This study is developed within the socio-cultural framework of learning. The study embraces the idea that a multiplicity of learning processes is needed in a board setting for effective learning and recognises both an intimate relationship between learning and instruction and a dialectical approach to the relationship (Engestrom & Sannino, 2012). Effective boardroom processes require a dialectical relationship between board members, and learning in the boardroom is no different because boards are collectives of people (Crow, 2016).

The idea of learning by experience appears suited to boardroom learning because of its emphasis on the concept of reflection (Kuk & Holst, 2018). Reflection on the processes and experience (Kolb in Kuk & Holst, 2018, p. 151) of a board meeting and the directors' work cycle through deliberate assessment (Warren & Allen, 2018) is crucial for board learning. Experiential learning theory suggests that we cannot learn from experience without reflection and that only reflection allows us to distil new

learnings from experience (Kuk & Holst, 2018). This appears to be consistent with boardroom learning practice.

Another stance is that learning is a "reflective activity which enables the learner to draw upon previous experience to understand and evaluate the present, so as to shape future action and formulate new knowledge" (Watkins, Carnell, Lodge, Wagner, & Whalley, 2002, p. 1). This definition is also consistent with the directors' work cycle (Warren & Allen, 2018), which requires the director to draw upon the decisions and experience of the previous board meeting to evaluate the present board reports, to shape (collectively make decisions about) future actions, and add to and formulate new knowledge about the organisation and its operations.

Kolb's learning cycle appears to apply because the cycle of board meetings are cycles of learning. A criticism of Kolb's theory is that learning is separated from instruction. Nevertheless, its cyclical process applies to the cyclical board learning environment. Thus, this study is developed with reference to Kolb's cycle and within the socio-cultural theory to connect learning with instruction (Vygotsky, 1994).

2.4.2 Intentional Learning

The literature context for intentional learning is the intentional leadership of organisations (Amaladas, 2018). The literature on intentional learning originated in 1835 (Dudko & Chernyavskaya, 2018) and is self-directed and purposeful (Lewittes & Morris, 2021). The word purposeful is vital in the board context because 'purposeful' describes one of the critical planks of governance legislation in New Zealand when requiring directors to act for a proper purpose (Companies_Act, 1993).

Intentionality is a characteristic of the cycle of board meetings (Crow, 2016), and it appears this is equivalent to single-loop learning (Argyris, 1991). Argyris (1991) contends that few boards use double-loop learning to examine the learning cycle itself to improve how learning works. Many boards are focused on solving problems and making decisions (single-loop learning) without spending time reflecting on how they solve problems or make decisions (double-loop learning) (Argyris, 1991; Caron, 2012; Kayes, 2008). McNamara (2006) goes one step further to suggest triple-loop learning, where the purpose of the learning is considered, and the learning process itself becomes an outcome of learning intentionally (Amaladas, 2018).

2.4.3 Formal and Informal Learning

The research literature describes formal learning as learning undertaken intentionally during a learning programme (Hunt et al., 2016). The literature also describes three types of informal learning: tacit, incidental, and self-directed (Schugurensky, 2015). Tacit learning refers to the internalisation of values, attitudes, knowledge, and skills where there is no intention to acquire them and no awareness that a learning activity took place. Incidental learning refers to experiences where a person has no intention of learning something from it but realises later that they have learnt something through the experience.

Self-directed learning is both conscious and intentional (Schugurensky, 2015). Schugurensky describes informal learning as still being a black box and that it is used with different meanings. Some tacit, incidental, and self-directed learning aspects may be present in board learning (Morais & Kakabadse, 2013). However, in the nuanced context of board learning, informal learning may be too broad and ill-defined to adequately describe board learning that is not intentional, discussed further in the Discussion Chapter.

2.4.4 Summary of Learning as a Phenomenon

Section 2.4 has considered the literature on learning. The purpose of director education was examined and seen to be to enable boards to continuously develop the learning skills and passion necessary (Argyris, 1991; Buck et al., 2019) to fulfil their fiduciary obligations (Companies_Act, 1993) and prepare for the future in all its fullness (Snook, 2014). Given the context of this study, the literature on learning theories indicates that this study be developed within the socio-cultural framework of learning with reference to the experiential learning cycle (Engestrom & Sannino, 2012; Kolb, 1984; Vygotsky, 1994). Intentionality in learning was found to be applicable to boards (Amaladas, 2018).

2.5 The Link Between Boards, Learning, and Organisational Performance

This study seeks to discover, from the literature, if there is a link between board learning and organisational performance. The research literature shows conflicting results about a link between what boards do and organisational performance, leading some researchers to conclude that governance is an unexplained "black box" (Crow, 2016, p. 46; Morais & Kakabadse, 2013, p. 76). Crow (2016) considered that the link between the board and an organisation's performance could be difficult to find because of the time between some board decisions and a corresponding change in organisational performance, even years. For example, a strategic decision requiring a significant investment may take years before the expected benefits are realised. Nevertheless, in his seminal work inside boardrooms on the link between the board and corporate performance, Crow proved the link between actions the board takes and organisational performance and developed a model of board functions with underlying board mechanisms to describe it (Crow, 2016). Crow presupposed that boards could learn the functions and mechanisms; his research did not extend to explain whether learning enabled directors to perform the functions and activate the mechanisms. This is followed up in the next section.

2.5.1 What is "organisation performance"?

Board research literature revealed that organisation performance has been measured in multiple ways. Measures include financial measures of revenue, profit, percentage return, and non-financial measures of customer satisfaction, market share (Crow, 2016), social responsibility, and carbon footprint (Saeed et al., 2021). It appears the fundamental concern of boards regarding measures is whether the organisation is fulfilling its purposes (Crow, 2016).

The conceptualisation of those purposes is viewed differently by researchers, depending on their view of governance, agency theory (shareholder focus), or stakeholder theory (stakeholder focus) (Morais & Kakabadse, 2013). The possible implication for this study is that the use of the agency theory may require boards to focus their learning on financial measures chiefly to make control alterations (Walton, 1974). In contrast, the use of the stakeholder theory may require boards to chiefly focus their learning on stakeholder measures (that is, to make control alterations), many of which may be non-financial (Morais & Kakabadse, 2013). Research has shown that the ability of the firm to satisfy stakeholders is a major driver of financial measures (Tuan & Lwin, 2013).

2.5.2 The Link Between Crow's Board Functions & Mechanisms and Organisational Performance

Crow's Board Functions

In his research, Crow (2016) found a link between what a board does (board functions and mechanisms) and organisational performance. The six board functions are described as:

BF1. Long-term purpose -select goals that are in line with the long-term purpose of the company.

BF2. Develop strategy -develop a range of strategies with managers.

BF3. Make strategic decisions -make strategic decisions alone.

BF4. Monitor -monitor performance of the manager and the organisation by requiring reports from managers about strategy implementation and firm performance.

BF5. Verify -verify those reports and the performance they represent.

BF6. Control -apply appropriate controls and guidance as part of securing the commitment of the manager to implement the board's decisions).

The functions are variously called, by other researchers, board functions, board activities, roles and responsibilities, corporate governance functions, tasks, the work of the board, behaviours, interactions, and contributions (Crow, 2016; Crow & Lockhart, 2016). Crow and Lockhart (2016) created a figure to describe Crow's board functions.

Figure 2.2 Crow's board functions (Crow & Lockhart, 2016, p. 1031)

The research revealed that exerting influence is material to improved business performance (Crow & Lockhart, 2016). Influence is brought about by the proactive involvement by boards in strategy development and the management of strategy processes; second, boards monitoring their organisations' strategic progress and performance, verifying reports, and applying appropriate controls and guidance to their managers. In line with Crow's research, board monitoring capacity was shown to be associated with better operating performance (Shaukat & Trojanowski, 2018). The red arrows in Crow & Lockhart's diagram demonstrate that these functions happen over time.

Crow's Board Mechanisms

In addition, Crow observed five mechanisms of boards, which underlie the board's functions, and "when activated harmoniously, influenced performance" (Crow, 2016, p. 231):

BM1. Strategic competence -the ability to apply relevant skills, expertise, and knowledge to effectively perform the board's functions.

BM2. Active engagement -intentional participation to perform the board's functions through adequate preparation for meetings, discussion, debate, and decision-making.

BM3. Sense of purpose -the motivation and resolve to contribute to the board's functions.

BM4. Collective efficacy -the cooperation, situational awareness, social exchange, emotional intelligence, and commitment directors show as they work together

BM5. Effective control -the ability to apply the controls and guidance necessary to secure the commitment of the manager to implement the board's decisions.

Other researchers describe the mechanisms as attributes, themes, and mechanisms (Crow, 2016; Crow & Lockhart, 2016).

Crow (2016) describes the relationship between board functions and board mechanisms when he suggests that when a board is performing the functions effectively and intentionally activates the board mechanisms, a sustained increase in influence from the boardroom, along with corporate performance, is possible. Crow found the mechanisms were not independent, but their harmonious activation was required for the boards to exert influence effectively. When any one or more were not activated, influence on performance appeared slight at best (Crow & Lockhart, 2016).

2.5.3 Can Board Learning Enable the Board Functions and Mechanisms?

The literature on learning organisations would suggest that the board functions and mechanisms can be learned, especially by experience as a source of learning and development (Adams, Kayes, & Kolb, 2004; Argyris, 1991; Kolb, 1984; Morais & Kakabadse, 2013; Visser, 2007). To say the board functions and mechanisms cannot be learned would be logically incorrect because learning appears to be antecedent to their existence and native to their operation, as steering is to a yacht's operation.

A list of labels and descriptions of the board *functions* is shown in Table 2.4, along with each function's possible connection to board learning. Learning concepts (Argyris, 1991; Caron, 2012) are applied to the governance functions using a pragmatist paradigm (Kelly & Cordeiro, 2020).

Table 2.4 How learning is related to Crow's (2016) board functions.

How learning is related to Crow's Board Functions

Mapping number	Crow & Lockhart's board functions diagram labels (Crow & Lockhart, 2016, p. 1031)	Description of the board function (Crow & Lockhart, 2016)	Possible Relationship of Board Functions to Board Learning (Argyris, 1991, Caron, 2012): 1. How the board function involves learning (single-loop learning) 2. Metacognition of that learning (double-loop) 3. Learning how to learn (triple-loop learning)
BF1	Long-term purpose	Select goals that are in line with the long-term purpose of the company	1. Learn what goals could align with the purpose and decide on the most appropriate. 2. Learn how to recognise and decide on the most appropriate goals. 3. Why do we need to learn continuously? Develop a board learning plan & select goals, learning outcomes that are in line with the purpose.
BF2	Develop strategy	Develop a range of strategies with managers	1. Learn about the shareholder requirements, environmental factors, endogenous and exogenous factors affecting the organisation. Learn what strategies are possible, weighing evidence. 2. Learn how to recognise changes in the above factors and learn how to recognise good strategies. 3. Ask, strategically, what do the directors need to learn/develop and how.
BF3	Make strategic decisions	Make strategic decisions alone	1. Decision-making is learning. 2. Choose what needs to be learnt and developed.

			3. Choose what and how to learn.
BF4	Monitor	Monitor performance of the manager and the organisation by requiring reports from managers about strategy implementation and firm performance	1. Learn about the performance and progress of the manager & organisation from the reports. Evaluate the performance. 2. Learn how to better evaluate and report on performance and progress. 3. Evaluate board meeting performance in order to learn to do better. Evaluate learning progress against the goals.
BF5	Verify	Verify those reports and the performance they represent	1. Learn about the accuracy of those reports. 2. Learn how to verify performance and progress better. 3. Evaluate the learning plan and goals.
BF6	Control	Apply appropriate controls and guidance as part of securing the commitment of the manager to implement the board's decisions	1. Learn what 'control alterations' (Walton, 1974) need to be made, & delegate to the manager. 2. Board reflects and learns on how to manage and support the manager better. Facilitate the manager's next learning steps, scaffolding the new steps, if needed, to gain commitment. 3. Board implements continuous learning practices into the rest of the organisation.

Using a pragmatist paradigm to describe ways of acting (fourth column), it can be seen from Table 2.4 that learning in three levels (single-loop, double-loop, and triple-loop) can apply directly to the board functions and are examples of actionable knowledge (Kelly & Cordeiro, 2020). It also appears that learning would enable the functions and that the functions could require continuous learning, in a cycle (of board meetings), to stay up to date with changes inside and outside the organisation (Adams et al., 2004; Morais & Kakabadse, 2013).

A description of Crow's (2016) Board *Mechanisms* is shown in Appendix 14, along with each mechanism's possible connection to board learning. Appendix 14 shows some learning concepts (Argyris, 1991; Caron, 2012; Comindwork, 2018; Kolb, 1984; Senge, 2006) and how they are aligned with the governance mechanisms. Crow's (2016) observed themes and social mechanisms that contributed to board effectiveness are mapped onto Senge's five conditions for learning. It can be seen that each of Crow's mechanisms, as conceptualised, require one or more of Senge's five learning conditions, in order to activate that mechanism. In other words, mechanisms are only concepts until activated by learning.

Crow observes that BM1 and BM3 are qualities of individuals, and BM2, BM4, and BM5 are social mechanisms. Crow & Lockhart's assertion (2016) that the mechanisms need to be intentionally activated points to the need for boards to choose to develop their ability to employ the mechanisms by learning. In addition, Wirtz (2011) recognises the need for learning and describes governance

mechanisms as levers that boards can use. This observation hints at the need for both single-loop and double-loop learning, and by inference, triple-loop learning.

Research by Kayes (2008) demonstrates the embeddedness of learning in board mechanisms when he discusses teamwork that is either performance-oriented or learning-oriented. He suggests that each orientation only leads to effectiveness when the task is low knowledge with low complexity or high knowledge with high complexity, respectively (Kayes, 2008). Further, he suggests that when groups focus on performance, they tend to lean on prior learned behaviour rather than learn new behaviour (Kayes, 2008). This suggests that board activity would need to focus on learning when dealing with tasks requiring high knowledge and high complexity in a boardroom context. However, boards may tend to revert to a performance orientation when relying on prior learned strategies amid time pressure to make decisions. Kayes hints at the tendency for groups to try to perform at the expense of learning and then fail because they have not deliberately switched into learning mode. Kayes suggests that many groups may prefer to perform than learn because having to learn means they must admit there is something they do not know (Kayes, 2008). This study points to the embeddedness of learning in board mechanisms and the need for boards to make learning an explicit desirable activity that enables performance rather than an alternative to performance.

When a board is performing a board function, for example BF2, the development of strategy, learning is happening (see Appendix 15 and Table 2.4). Kolb's learning cycle, inside the BF2 function, operates as the directors jointly develop strategies with management, listening to suggested ideas, reacting to them, modifying them, and proposing refinements. This activity is being performed, first, in the context of available board mechanisms. A board member intentionally activates the sense of purpose 'lever' (BM3), for example, to encourage the board that the currently proposed strategy is (or is not) in line with the agreed purpose of the organisation. Second, this simultaneously activates Senge's learning condition called 'shared vision' (LC4), and the board learns that the current strategy could be a suitable option and that this process that they jointly agreed to, and are in right now, is working. Thus, the board is influencing the management to pursue the strategy.

Governance is cyclical in nature, and learning is associated with every part of the cycle (see Appendix 15) (Kolb, 1984; Morais & Kakabadse, 2013). Boards operate in a meeting cycle, and board members must first learn *before* a meeting. For example, board members must learn about the organisation, its performance and health, its reports' accuracy, progress, challenges and opportunities, and any other endogenous and exogenous factors that could affect it, conceptualising how the next meeting could be better, and learning how they can learn better. Second, board members must learn *during* a meeting, for example, decision-making. Third, board members must learn *after* a meeting, for example, reflective observation single-loop and double-loop learning. It appears that at all stages of the meeting cycle, learning is required. These board activities align with the cycle of experiential learning (Adams et al., 2004; Caron, 2012; Felicia, 2011; Illeris, 2018; Kolb, 1984). Organisational performance is dynamic

(see Appendix 15) and happening within the same four contexts (shareholder requirements, environmental, endogenous factors, exogenous factors) that the board must consider when meeting.

It can be seen that the entire system is dynamic (Crow, 2016), constantly changing, and requires boards that are continuously learning about every aspect of the system (Morais & Kakabadse, 2013), about how to change and develop itself (Caron, 2012), and about how to learn, in order to sustain itself, even to the extent of replacing themselves if that is in the best interests of the organisation. This Literature Review Chapter has looked at the academic research and practitioner literature on governance and the academic research on learning. Drawing on this literature and the laws on governance, this study suggests that boards are likely always learning. In summary, it appears that learning enables Crow's board functions and mechanisms. Therefore there appears to be a link between board learning and organisational performance.

2.5.4 Introduction to the Characteristics of Board Learning

This chapter section and the next will look at the research literature and practitioner literature that could reveal the characteristics of board learning. Morais & Kakabadse (2013), pioneers in board learning research, suggested that boards were suitable for studying as learning units. While there appears to be much literature on learning organisations, researchers have paid very little attention to learning by boards (Morais & Kakabadse, 2013). Morais & Kakabadse (2013) suggest that boards have all the characteristics for learning to occur, first, by acknowledging that in line with the socio-cultural theory of learning, the board is a learning collective, in which they come to a shared understanding. Argyris suggests that collectivities become organisational when they make collective decisions, delegate authority for actions in the name of the collectivity, and can say who is or is not a member of the collectivity (1999, in Morais & Kakabadse, 2013). On that basis, Morais and Kakabadse (2013) argue that boards are organisational collectivities of learning and could be studied as units of learning. Moreover, they argue that boards are perhaps the most important unit of learning within organisations because of their ability to direct and control organisations.

The Board Learning Capability Model

In their study (2013), Morais & Kakabadse developed the Board Learning Capability (BLC) model, suited to public companies, which reconceptualises boardroom decision-making processes as learning processes. In the model, the chairperson "assumes a critical role in managing the flow of individual, social, and cultural capital and the learning challenges so as to arrive at shared understanding/decisions and improved board social capital" (Morais & Kakabadse, 2013, p. 87). The BLC model becomes a board learning capability measure to complement 'good governance' indices that otherwise rely on unproven structural and composition proxies as measures of board capability (Crow, 2016). The BLC model is untested as it relies on access to live boards, which is difficult (Morais & Kakabadse, 2013).

Whereas the BLC model focuses on decision-making processes in boardrooms and provides welcome insights, the focus of this study is broader, as it seeks to gain an understanding of learning that is happening in the cycle of board meetings, and the intentional learning that directors embrace because they want to develop their governance.

Decision-Making is Learning
Governance researchers argue that boards are episodic decision-making groups (Forbes & Milliken, 1999, in Van Puyvelde et al., 2018, p. 1296), and decision-making is a form of learning (Morais & Kakabadse, 2013). Deciding, or making choices, appears to be a form of learning because board members weigh content, with an incentive to act while interacting together, which are the three dimensions of learning and competence development (Illeris, 2018). One organisational researcher comments that if decision-making is learning, all boards learn all the time (da Silva, 2011). Furthermore, when boards become effective learners, they can become effective decision-makers, argue Morais & Kakabadse (2013). It appears, therefore, that learning is antecedent to effectiveness in decision-making.

Kumar and Ramsey's Learning Within and Across Systems
Based on Bronfenbrenner's work (in MacBlain, 2021, p. 82), Kumar and Ramsey (2008) apply a systems' view of learning to organisations to aid in understanding the level at which learning is taking place where individuals are part of a group, organisation and society, each influencing and impacting on each other. In the context of this study, 'individual' could mean individual directors, and 'group' would be the board. The benefits of such a systems view of boards and their organisations is that embedded elements are demonstrated to be components of the whole and that learning in one element could affect, in theory, the other elements of an individual's social system. The systems view will be discussed further in Discussion Chapter 5.

2.5.5 What Does Effective Board Learning Require?
The literature has much to say on what effective learning requires, and starting with Senge's research in organisational settings, this study applies the research specifically to a board setting. Senge's five learning disciplines (Morais & Kakabadse, 2013; Senge, 2006) and their application to boards using a pragmatist paradigm (Kelly & Cordeiro, 2020) are shown in Appendix 16. Illeris (2018), using a different conceptualisation, has summarised the requirements for learning into three dimensions. He suggests that learning comprises two simultaneous processes: an acquisition process that has two elements, the content (dimension 1) and the incentive (dimension 2), and an interaction process (dimension 3).

Effective Board Learning Requires Content
The first learning dimension, 'content' is described as what is learned knowledge, skills, understanding, behaviour, and feelings (Illeris, 2018). Being a decision-making system, board meeting 'content' would include the board papers needed by directors to formulate opinions, the basis for starting a decision-

making process (Garratt, 2003; Sidani & Reese, 2018). Morais and Kakabadse have asserted that excellent board papers significantly affect board learning (2013). It can be seen that board learning requires board papers to adequately prepare directors for board meetings, including content on learning how to learn.

Bruner's scaffolding of learning (1996, in Illeris, 2018, p. 92) suggests that planned content can be developed into a structure that is gradually completed with understanding; this is a useful strategy in an organisational setting (Joesbury, 2015).

Effective Board Learning Requires Incentive

The second learning dimension, 'incentive', described as the 'why' of learning, is an individual's mental energy, motivation, engagement, interest, and volition (Illeris, 2018). From the board literature, Morais and Kakabadse (2013) suggest that passion, excitement and hope should be the driving dynamics in a boardroom requiring self-awareness. While the education literature shows that 'incentive' is an essential requirement for effective learning (Illeris, 2018), the minimal board learning literature suggests that it may not be dissimilar for board settings; an intentional focus on learning increases the effectiveness of board learning (Adams et al., 2004; Lewittes & Morris, 2021; Morais & Kakabadse, 2013), and intentionality appears to be part of 'incentive'.

Further, when an individual has intentionality, the literature suggests creative tension exists because there is a difference between their desired future and today's reality that they want to eliminate (Senge, 2006). Senge's 'Personal Mastery' includes being able to hold creative tension (manage the gap between vision and reality). This creative tension, birthed in intentionality, appears to be required for effective board learning. Without the creative tension between today and the future, it appears there would be little need for learning.

From the literature on Faith-Based Organisations (FBO's), the decisions FBO directors make, and therefore the learning that happens (because decision-making is a form of learning (Morais & Kakabadse, 2013)), is made in the context of and as a consequence of their faith (Dann, 2018; Yip, Twohill, Ernst, & Munusamy, 2010). Faith is seen, therefore, as a part of Illeris' (2018) 'incentive' that influences an individual's mental energy, motivation, engagement, interest, and volition.

A culture of learning and continuous improvement, as part of 'incentive', may also be an enabler of environmental adaption for organisations (Tran Ha, Shah, Schwartz, & Jones, 2019). Korac-Kakabadse et al. (2001) have suggested that culture is a tool with which directors can influence the organisation. Organisational culture has been defined in various ways (Argyris, 1991; Fard, Rostamy, & Taghiloo, 2009) as an organisation's values, beliefs, practices, rituals, and customs (Marguardt, 2002, in Fard et al., 2009, p. 49). A *learning* culture has been defined as how an organisation habitually learns and works to integrate learning processes into all organisational functions (Fard et al., 2009) to keep adapting. Fard et al. (2009) assert that the learning culture should constantly evolve along an infinite continuum

to remain adaptive enough to survive. The learning culture also appears to apply to boards when Morais & Kakabadse (2013) contend that an atmosphere must be created for intentional learning in the boardroom and that the chairperson should lead that creation.

Fard et al.'s (2009) empirical study of organisational cultures against Senge's (2006) conditions for learning found that an organisation culture (characterised by high environmental adaption and high internal integration of learning) had the highest degree of influence on learning and development in the organisation. Thus, a learning culture could allow a board to adapt the organisation more effectively to environmental changes.

Nevertheless, the same conditions that make organisational adapting so important can also trigger fear or unwillingness to learn, making boards default to familiar patterns, outdated principles, or whatever worked successfully in the past (called the adaptability paradox) (Brassey et al., 2021; Skowronek & Orren, 2020). Experience could be a bias, according to Rhodes (1991). When a board most needs to change, it can stifle its own learning and not change adequately. It can be seen that a board in this position could require a robust dialogical means to test for and dismantle any self-imposed boundaries or biases (Skowronek & Orren, 2020) that create the adaptability paradox (Brassey et al., 2021).

Therefore, it appears that while effective board learning appears to require a learning culture and continuous improvement, it may concurrently require a means to allow for dialogue at a board meeting that would challenge personally-held boundaries and biases. A safe zone, in the next section, may be an answer.

Effective Board Learning Requires Interaction

The third learning dimension, 'interaction' is described as the interaction between learners and their social and physical environments, including local, institutional, national, and global contexts, environment, cooperation, communication, and actions (Illeris, 2018). Morais and Kakabadse (2013) contend that a shared understanding ('unification'[1]) is the goal of boards when coming to a decision (learning). They assert that such unification requires dialogue, more than debate, which can become a power play, to win. Similarly, other researchers note the ongoing relationship negotiations that occur over time in boardrooms (Vadeboncoeur, Vellos, & Goessling, 2011). In summary, effective learning appears to require effective dialogue.

The chair's role within a meeting is a collective-learning enabler and is pivotal for effective learning (Crow, 2016; Morais & Kakabadse, 2013). Moreover, Morais and Kakabadse contend that the chair's interactive and highly dynamic capability to harmonise the power and synergy of members is a "sacred

---

[1] 'Unification' used in this context refers to a group of people coming to a consensus. This is different to the 'unification' referred to above in Sections 2.1 and 2.3, in relation to company law that allows one person to be the only shareholder and director of a company.

quality" of board learning effectiveness (2013, p. 84). Other researchers also point to the presence of a skilled facilitator as being of high importance (Storer, Noonan, Heath, & Murray-Prior, 2011).

The Māori principle of Ako suggests there is a synergy and interplay between learning and teaching, and where teachers and learners take both roles during the facilitation of learning (Pale, 2019). This is a helpful description of a boardroom in which no one person takes a teacher role, and a shared understanding is arrived at through dialogue.   The joint responsibility for facilitating learning is echoed in the use of board committees. The literature suggests the use of board committees to perform some of the critical background functions of boards, for example identifying potential board members, the output from which provides the material from which the board can learn and make decisions (Kolev, Wangrow, Barker, & Schepker, 2019).

Morais and Kakabadse suggest that boardroom processes play a part in ensuring effective learning takes place and contend that effective boardroom processes, under the guidance of the chair or learning facilitator "transform a director's individual knowledge, skills, expertise, social networks (human, social, cultural capital) into effective role performance" (Morais & Kakabadse, 2013, p. 79). Similarly, an agreed safe zone environment (Lockhart, 2014), where the board members feel safe enough to engage in lively non-personal dialogue, appears to also be necessary for effective learning, especially in family businesses. This is discussed in a later section of this chapter.

For boards, 'interaction' includes assessment and evaluation of learning and performance (Millesen & Carman, 2019). Also, double-loop learning or reflecting on their performance to develop their abilities as a group, and triple-loop learning, reflecting on why they are learning and the learning context, has been shown to increase learning effectiveness (Amaladas, 2018; Caron, 2012). Furthermore, Arthur (1998) has shown that substantial skill loss occurs with non-practice or non-use, especially so for cognitive tasks like problem-solving and decision-making. Boards, then, that do not practice double-loop learning may be prone to the deterioration of the skill of double-loop learning over time. Such continuous practice appears to be effective for learning. A related component of assessment and evaluation of learning and performance is board members learning from the past (Burgess, 2019), and an 'After Action Review' be useful for building individual and corporate accountability (US_Army, 1993).

A safe zone for robust discussion and the minimisation of learning challenges

In relation to 'interaction', much research literature exists on cognitive biases in decision-making, and there appear to be many biases that could affect the boardroom (Acciarini, Brunetta, & Boccardelli, 2021; Crow, 2016; Hunt, 2014; Kahneman, Lovallo, & Sibony, 2019). Hilbert (2012) identifies five classes of biases (decision-making, belief, behavioural, social, and memory errors). Researchers suggest that reducing such biases requires disciplined, methodical approaches to decision-making (Kahneman et al., 2019) and behavioural disciplines (Morais & Kakabadse, 2013).

Lockhart (2014) suggests a behavioural discipline, an agreed safe zone, where relationships (particularly family) can be put aside instead of being brought to the board table, inferring that board members feel safe enough to engage in lively non-personal dialogue. Similarly, Singer and Edmondson (2008) suggest that creating a psychologically safe climate and promoting inquiry enables boards to address many challenges and individual cognitive biases (Acciarini et al., 2021) that could prevent a person from engaging in dialogue or allow over-talking and bullying at the other end of the spectrum. It appears an activated safe zone may be a means to allow personally-held boundaries, be it fear, unwillingness to learn, or defaults to previously successful experiences (Brassey et al., 2021; Rhodes, 1991; Skowronek & Orren, 2020), to be tested and dismantled if necessary, along with biases (Acciarini et al., 2021). Further, behavioural disciplines appear to be a requirement of Crow's (2016) 'collective efficacy' referred to in Section 2.5.2.

Morais and Kakabadse speak of the "dynamic flow of give-and-take synergies" and "power influxes," which are harmonised by a skilled chairperson (2013, pp. 83-84) until the board members achieve unification (a collaboratively shared understanding and agreement). Further, they speak of a "turmoil of emotions" when the board is faced with decision-making paradoxes and information asymmetry (Morais & Kakabadse, 2013, p. 78). It can be seen that a board so-described appears to exhibit power from some or all members, robust give-and-take discussion, and intense emotions, with engagement by board members. The literature suggests that learning and developing such dynamic behaviour is possible (Linden, Bitencourt, & Muller Neto, 2019; Morais & Kakabadse, 2013; Nicholson & Kiel, 2004; Perez-freije & Enkel, 2007). A possible first step, agreeing on a set of values or behaviours for collaborative behaviour, is suggested in the literature (Richard, 2005). The literature shows support for several possible values and behaviours that could comprise the agreed collaborative behaviour, and these are shown in Table 2.5.

Table 2.5 Values/behaviours for collaborative decision-making in the literature

Values/behaviours	References
Ask critical questions	(Morais & Kakabadse, 2013)
Question the board culture	(Morais & Kakabadse, 2013)
No defensive boardroom behaviour. We are open to scrutiny.	(Morais & Kakabadse, 2013)
Openness	(Morais & Kakabadse, 2013)
Balance formal responsibilities with personal relationships	(Morais & Kakabadse, 2013)
Passion, excitement, and hope	(Morais & Kakabadse, 2013)
Self-awareness	(Morais & Kakabadse, 2013)

Democratic dialogue, without rigidity, defiance, or getting one's own way	(Morais & Kakabadse, 2013)
No imbalance between espoused values and lived values	(Morais & Kakabadse, 2013)
	(Morais & Kakabadse, 2013)
Alignment with the organisational purpose	(Morais & Kakabadse, 2013)
Consensus	(Morais & Kakabadse, 2013)
Facilitated	(Morais & Kakabadse, 2013; Wood & Gray, 1991)
Adaptable mindset (creative, curious, creative, explorative), not a fixed mindset (fixed, expert, reactive, certainty, protective)	(Brassey et al., 2021)
	(Argyris, 1991)
Authenticity	(Bentley, 2000)
Humility	(Aziz, 2019; Krumrei-Mancuso et al., 2019; Li, 2016; Lockhart et al., 2017)
Situational awareness	(Crow, 2016)
Trust (therefore patience, tolerance, and openness) and trustworthiness	(Kaplan, 1991, in Korac-Kakabadse et al., 2001; Mitchell, Ripley, Adams, & Raju, 2019; Wasonga & Murphy, 2007)
Honesty & integrity	(Russell, 2001)
Respect for the individual	(Russell, 2001)
Courage	(Larsen, 2005)
Active listening	(Wasonga & Murphy, 2007)
Seek first to understand	(Covey, 1989)
Non-personal debate	(Lockhart, 2014)
Robust debate and struggle	(Kuhlman, 1994; Lockhart, 2014; Shekshnia, 2018)
Everyone contributes	(Asyali, Saatcioglu, & Cerit, 2006; Crow, 2016)
We are always learning	(Fischer, 2000)
We make time to analyse failures and mistakes	(Singer & Edmondson, 2008)
We take responsibility	(Majumdar, 2019; Shaikh, Drira, & Hassine, 2019)
Evaluation of the safe zone	(Kolb, 1984)

In summary, a safe zone with an agreed set of values and behaviours appears necessary for enabling

boards to test and dismantle personally-held boundaries and biases when required (Acciarini et al.,

2021). The dynamic flow of give-and-take synergies that will enable them to achieve unification (consensus) (Morais & Kakabadse, 2013) is more likely with a safe zone. In so doing, boards may then be able to maintain a learning culture required for adaptation and survival.

The board learning challenges identified by Morais & Kakabadse (2013) from a meta-analysis of organisational learning literature appear to be part of Illeris' (2018) interaction dimension of learning and impede board learning effectiveness. To some extent, they are the opposite of the requirements for effective learning (Morais & Kakabadse, 2013), and are categorised as: counter-productive group dynamics, including seeking to win not to learn dynamics (Argyris, 1991); learning disabilities (Yeung et al., 1999, in Morais & Kakabadse, 2013, p. 83); the opposites of Senge's (2006) five disciplines for effective learning called learning barriers; unawareness of impending corporate collapse, including one-person rule and combined role of chairperson and CEO; and, allowing groupthink to foster (Garratt, 2003).

Of particular interest to this study is whether there is board literature about three seemingly closely connected learning barriers that could apply to smaller organisations; win-lose dynamics, the exercise of power, and hubris. First, concerning win-lose dynamics, several researchers have identified that the tendency to seek to win rather than to learn impedes learning, evident in boardrooms where one person seeks to be dominant (Argyris, 1991; Morais & Kakabadse, 2013; Senge, 2006).

Sheard, Kakabadse & Kakabadse (2013, p. 18) researched directors' "visceral behaviours" suggesting the behaviours are instinctive rather than rational and based on deep feeling and base emotional reactions rather than thought. While the underlying reasons why directors behaved in this way was not part of their research, they assert that visceral behaviour is an abuse of power. Some researchers suggest why visceral behaviour happens, including egocentrism and pride (Vredenburgh & Brender, 1998). Korac-Kakabadse et al. go further and assert that there is a difference between the exercise of power and the exercise of leadership, and the difference is a moral one (Korac-Kakabadse et al., 2001).

The Hubris Syndrome

Hubris has been seen by many governance researchers (Claxton, Owen, & Sadler-Smith, 2015; Haynes, Campbell, & Hitt, 2010; Lockhart, 2014; Lockhart et al., 2017; Owen & Davidson, 2009; Zeitoun, Nordberg, & Homberg, 2019). Owen and Davidson (2009) coined the term 'Hubris Syndrome' to describe the acquired personality change associated with the exercise of power by leaders (Owen, 2014) and 'dark side' behaviours (Garrard, 2018). Using a medical metaphor, Garrard (2018, p. 1) considers the Hubris Syndrome is of epidemic proportions because of its ubiquity and potential for serious harm, calling it a "virulent communicable disease of dysfunctional leadership".

The definition of hubris is excessive pride, excessive self-confidence, and arrogance (Dictionary.com, 2021). While the conception of hubris is contested, it has given rise to a number of constructs in

empirical research, and most regard hubris as negative (Zeitoun et al., 2019). The literature characterises the Hubris Syndrome variously as: overreach, audacity, over-ambition, pride, destructive, self-serving (Zeitoun et al., 2019); contempt for others, exaggerated self-belief, omnipotence, restlessness, recklessness, and impulsiveness (Owen & Davidson, 2009); unpredictability (Garrard, Rentoumi, Lambert, & Owen, 2014); unbridled intuition, unfaltering self-belief, overweening self-confidence, unremitting self-regard (Claxton et al., 2015); self-interest, sense of entitlement, non-consensual, egotistical, rude, selfish, intolerant, invulnerable, entitled, overwhelming arrogance, bullying and intimidation, irascible (Garrard, 2018); power with greed (Haynes et al., 2010); and personality change (Owen, 2014). Garrard (2018) suggests hubristic pride may be the root of the Hubris Syndrome. In summary, the conception of the Hubris Syndrome in the literature encapsulates a range of associated behaviours, and is relevant to this study because the Hubris Syndrome is toxic to learning (Stafford, 2018) and those with Hubris Syndrome can feel threatened in learning situations (Garrard, 2018).

Some researchers have seen that the Hubris Syndrome can have positive consequences (Bobolica & Spraggon, 2011; Garrard, 2018; Zeitoun et al., 2019). Zeitoun et al. (2019) suggest those with hubris are more likely to inspire confidence in peers and shareholders when they assert control and accept responsibility in times of uncertainty or ambiguity. Garrard (2018) observes that those with the Hubris Syndrome are often also dynamic, energetic, confident, decisive, and bold, characteristics valued in many organisations. Bobolica and Spraggon (2011) suggest that hubristic pride and authentic pride are two facets of the same construct.

Some researchers have described when negative Hubris Syndrome becomes more likely: when intuition becomes misunderstood, unchecked, or unbridled (Claxton et al., 2015); when intuition crowds out rational analysis (Claxton et al., 2015); when intuition and ideology are conflated (Claxton et al., 2015); cultural factors -in individualistic cultures which value those who have significant self-belief more than in collective cultures (Garrard, 2018; Minkov et al., 2017); when boards highly value personal financial success and professional prestige (Garrard, 2018); organisational environment factors -in times of significant change or crises that threaten the way things have been along with reliance upon one person (Garrard, 2018); organisational structure factors -rules and procedures, or the lack of them, that allow the emergence of the Hubris Syndrome (Garrard, 2018).

Some board researchers (Korac-Kakabadse et al., 2001) are hopeful that despite the presence of visceral behaviours in boardrooms, leadership is an ongoing journey of self and team learning and in the right environment of generative board learning with reflection, such behaviour can change. Claxton et al. (2015) use graphic language when they assert the Hubris Syndrome, and its consequences must be militated against. Similarly, many researchers suggest ways to prevent the Hubris Syndrome, and one (Owen, in Garrard, 2018, p.164) using the medical metaphor, suggests minimising the Hubris Syndrome is about "hygiene and antidotes". This indicates that as an epidemic (Garrard, 2018), certain

governance practices can prevent the spread of the Hubris Syndrome and be antidotes to reduce its operation. From the literature on hubris in boardrooms, four themes emerge for antidotes to the Hubris Syndrome: (i) Governance systems that include the establishment of 'People Principles' for the board, (ii) Self-awareness, (iii) Mechanisms to hold individual board members to account, and (iv) A learning environment (Garrard, 2018).

First, researchers argue for governance systems that include the establishment of 'People Principles' for the board as an antidote to the Hubris Syndrome: agree on a set of 'People Principles', honesty, integrity, and respect, no rudeness or foul language (Otazo, 2018, in Garrard, 2018, p. 216) to which board members can be held to account; the agreement should give licence for respectful argument, criticism and dissent, be a controlled environment (Garrard, 2018); encourage reason, contemplation and robust debate, allow for the devil's advocate role, welcome challenge, allow for consequences to be aired, and give naysayers a voice (Claxton et al., 2015); encourage dynamic behaviour, authentic pride, and discourage hubristic pride (Bobolica & Spraggon, 2011); give licence to tell uncomfortable truths, provide for someone with a truly independent voice who is a steadying influence, allow for an astute observer, build trust over time, create a willingness to express true views and convictions, foster the courage to pull someone back from hubris and be a restraining influence, so as to move board members from hubris to humility (Garrard, 2018).

Second, researchers argue for self-awareness as an antidote to the Hubris Syndrome: self-awareness can be developed by getting feedback from others (Garrard, 2018); feedback must be regular and frequent to maintain a positive influence (Garrard, 2018); it is not enough to prescribe self-reflection, because hubristic leaders do not self-check (Claxton et al., 2015).

Third, researchers argue for mechanisms to hold individual board members to account as an antidote to the Hubris Syndrome: an institutionalised system of checks and balances including evaluations to hold hubristic board members to account (Claxton et al., 2015); 360-degree appraisals, positive and critical feedback, mentoring, and based on high levels of trust and respect, a person who can provide feedback without competition or power with no obvious power struggle (Garrard, 2018); balance board meeting reflection (reflecting on what happened) and reflexion (self-assessment with action) to get reliable and valid feedback on the processes and consequences of decision-making (Claxton et al., 2015).

Fourth, researchers argue for a learning environment as an antidote to the Hubris Syndrome: Maintenance of a learning environment that supports the development of good judgment and militates against bad judgment (Claxton et al., 2015); and planned learning experiences (Garrard, 2018). In summary, the governance literature has much to say about hubris as a concept and argues that there are antidotes to the Hubris Syndrome.

This section found that the education literature shows learning is comprised of two simultaneous processes: an acquisition process that has two dimensions, the content (dimension 1) and the incentive

(dimension 2); and an interaction process (dimension 3) (Illeris, 2018). It was found that relevant board literature corresponded to the three dimensions. The board literature identified some board learning challenges limiting or preventing board learning, and antidotes for those learning challenges. Having considered what makes board learning effective, this study will now consider what board effectiveness is and whether it is linked to learning.

2.5.6 What is Board Effectiveness?

Board literature argues that board effectiveness can be learned/developed (Garratt, 2003; Van Puyvelde et al., 2018). The term 'effective' means adequate to accomplish a purpose (Dictionary.com, 2021). It does not necessarily mean 'best practice' (Lockhart, 2014). According to the definition, it appears that a board could be deemed effective if what they do is adequate to ensure their organisational purposes are accomplished. New Zealand legislation requires directors to act with a proper purpose, and when they are, they simultaneously must act with reasonable care (Companies_Act, 1993). In the practitioner literature (Garratt, 2003), the tension between acting purposefully and acting with care is called the directors' dilemma because directors are required to both drive the organisation forward (to make it perform) and maintain prudent control (to make it conform). Practitioner literature provides the solution for boards who must do everything required to perform while conforming; boards can undertake action learning through intentional leadership (Amaladas, 2018; Garratt, 2003; Rhodes, 1991). Therefore, it can be seen that boards must *continuously learn* to do what is adequate to ensure their organisational purposes are accomplished (to be 'effective').

This raises the question, whether any learning will do. Morais and Kakabadse contend (2013) that a board is more likely to be effective when *intentionally* learning, and second when it develops learning capabilities (learns how to learn). Literature suggests that the development of intentional learning and learning capabilities could be done most effectively with a plan (Nicholson & Kiel, 2004).

In the light of organisations desiring to be sustainable in a fast-changing world (Wongsnuopparat & Chunyang, 2021), a board needs creative tension to the extent that it depends on the speed with which its industry changes (Perez-freije & Enkel, 2007). Researchers and practitioners describe the environment for organisations worldwide as subject to constant change, disruptive, unforgiving, volatile, uncertain, complex, and ambiguous ('VUCA') (Abidi & Joshi, 2018; Verbeke, van Tulder, & Jankowska, 2019). Verbeke et al. (2019) see that in response to the wide variety of unpredictable, social, economic, political and technological forces, organisations must become agile, adaptable, and resilient and can do that by intentional, continuous learning. Abidi and Joshi (2018) suggest that the shelf-life of skills is getting shorter in such an environment, implying that the skills needed to be successful in the present will not be satisfactory in the future. Similarly, Fard et al. (2009) contend that all organisations must be adaptive in the rapidly changing environment and that the key to survival is learning. However, literature on innovation suggests that merely being adaptive to maintain the status

quo may not be sufficient for organisations; they need to create new resources, means, processes, and the like, enhancing economic, relationship, and product performance to stay competitive (Carmeli, Gelbard, & Gefen, 2010; Petkovska, 2015). In summary, to be effective, boards need to learn at a rate faster than the rate of change (Revans, 1974, in Rhodes, 1991, p. 3).

In summary, a board appears to be 'effective' (able to exert adequate influence) to the extent it continues, intentionally, to learn and develop the board functions and mechanisms (Crow, 2016), and their learning capabilities at a faster rate than the rate of change (Revans, 1974, in Rhodes, 1991, p. 3).

2.6 Summary

This chapter began by considering the literature on the setting for governance in New Zealand. It was seen that governance in New Zealand exists in the context of four legal and cultural settings. In two major sections, the literature on governance and learning was then examined as it pertains to this study. From the literature on governance, learning has been relatively ignored as a topic of research (Morais & Kakabadse, 2013), despite learning being seen to be wedded to the concepts of directing and controlling that are the definition of governance (Cadbury_Committee, 1993). Second, it was seen that governance does not exist in a vacuum but must dynamically change to meet the complex and evolving array of endogenous and exogenous factors faced by organisations (Crow, 2016).

From the literature on learning, the purpose of director education came into view, being to enable boards to continuously develop the learning skills necessary (Argyris, 1991; Buck et al., 2019) to fulfil their fiduciary obligations and prepare for the future in all its fullness (Snook, 2014). The literature revealed that the socio-cultural framework of learning would be appropriate for boards, along with an experiential learning cycle (Engestrom & Sannino, 2012; Kolb, 1984), and that intentionality in learning could be important for boards (Amaladas, 2018).

The chapter explored the connections between boards and learning. It was identified that boards were a legitimate unit for learning research (Morais & Kakabadse, 2013). Crow's (2016) board functions and mechanisms were found to be enabled by learning, and the characteristics of board learning were explored from the literature to find that there were foundational learning practices that would benefit board learning. The requirements for effective board learning were explored, leading to revealing what board effectiveness could be, the ability for a board to intentionally learn its functions and mechanisms faster than the rate of change.

The following chapter explores the methodological approach to explore the research questions.

Chapter 3

Methodology

3.1 Introduction

This study aims to understand instances of governance and learning and how the findings bear upon theory and to develop propositions that link governance and learning concepts in ways that may apply to analogous situations (Yin, 2010, in Punch & Oancea, 2014, p. 152). This study thereby aims to contribute to phronesis, that is, practical wisdom and 'exemplary knowledge' (Punch & Oancea, 2014, p. 153). The study does not aim to produce any 'standards' (Ary, Jacobs, Sorensen, & Walker, 2013) of governance but to contribute to practical wisdom on board effectiveness. This chapter explores the research methodologies used to conduct the research. The chapter is organised as follows: the context and the research design are discussed, then the case study methodology is used, leading to a statement on the mixed methods research design, along with the semi-structured interview design and questionnaire design. Participant selection, units of analysis, and document analysis are discussed, along with research ethics. Finally, the interviews held are described, and a discussion on the data analysis concludes the chapter.

3.2 Context and Overview of the Research Design

This empirical study is essentially educational research in situational, organisational settings of boards of directors or trustees learning and developing effectiveness in governance practices. Existing board research has employed three research design approaches: an exploration of indirect variables in available data from publicly listed companies, direct interviews of board members, and observations from within the boardroom (Crow, 2016; Hunt et al., 2016). These research approaches suggest this study could use direct interviews of board members' approaches because the study is not on public companies, and access to board meetings is rare.

This study is grounded in a pragmatic paradigm (Ary et al., 2013) using a mixed-method design (Punch & Oancea, 2014). The study employs a dominantly qualitative strategy to answer the research questions. Multiple embedded case studies are undertaken using qualitative semi-structured interviews with board members, supported by qualitative examination of associated board documents and a quantitative survey using a repertory grid methodology (Bell, 2003).

3.3 Case Study Methodology

While quantitative research seeks to study relationships between numeric data, this study seeks to understand phenomena holistically rather than breaking it down into variables. Because the goal of this study is a holistic picture and a deep understanding rather than an analysis of numeric data, this study primarily employs qualitative research.

The rationale for choosing a case study design is: (i) it is a revelatory case (Hunt, 2014) as board learning practices have not been studied, and there is minimal governance theory in the context, (ii) case studies are suited to real-life contexts that seek to produce an in-depth account of chosen aspects of the cases (Punch & Oancea, 2014), (iii) case studies are suited to real-life contexts when the boundaries between the phenomena and context are not clearly evident (Yin, 2009, in Hunt, 2014, p. 48), yet (iv) the phenomena are bounded systems, identifiable within the context of each case (Ary et al., 2013), (v) this study examines phenomena of participants over which the researcher has little or no control (Eisenhardt, 1989; Punch & Oancea, 2014), and (vi) the study aims to examine those phenomena as they are and in rich detail (Ary et al., 2013; Punch & Oancea, 2014).

Multiple case studies are being used because the phenomena are not seen as idiosyncratic to a single organisation, and studying multiple cases provides better illumination (Ary et al., 2013) of phenomena. The focus of the research is across all the cases. In this study, a case is one interview, with either one person or multiple participants, and more than one organisation if the participants wish to comment on other organisations where they have a role that pertains to the question. Each interview is assigned to be a Case in NVivo software.

A criticism of a case study as a methodology is its lack of generalisability (Punch & Oancea, 2014), which in this study is somewhat mitigated by having 24 interviews over a range of types of organisations. However, the chief aim of the study is not generalisability but to understand instances of governance and learning and how the findings bear upon theory and to develop propositions that link governance and learning concepts in ways that may apply to analogous situations (Yin, 2010, in Punch & Oancea, 2014, p. 152).

3.4 Mixed Methods Research Design

Case studies can use various sources of evidence, including interviews, documents, participant observations, and physical artefacts (Ary et al., 2013). Yin (2009, in Hunt, 2014, p. 48) argues that mixed methods can be used in case studies when methods use the same questions, which is the case in this study. Hunt (2014) suggests that using mixed methods has the advantage of providing a more in-depth evaluation of the phenomena being researched. Ary et al. (2013) suggest that using mixed methods allows for triangulation to examine the convergence and enhancement of evidence from different research methods.

This study uses three research methods. The primary research method is semi-structured interviews, chosen for their ability to provide rich detail on the phenomena being studied (Ary et al., 2013). A second research method, an examination of board documents (qualitative), is chosen to provide data triangulation to corroborate findings from the interviews (Ary et al., 2013). A third method is chosen, a repertory grid (Bell, 2003; Klapper, 2014; Pike, 2004; Yorke, 1978) that participants described

(qualitatively) and then scored (quantitatively). This methodology provides further data triangulation to enhance the interview findings, measure and compare constructs (Ary et al., 2013), and provide participants with a pedagogical experience as they reflect on how to answer (Klapper, 2014).

3.5 Semi-structured Interview Design

There are many types of research interviews, and Punch and Oancea (2014) suggest that the type used should be based on the research purposes and questions. The research purposes include understanding board learning and board effectiveness and the links between them, and the research questions seek understanding of how boards learn, characteristics of that learning, and hindrances and enablers of learning. In order to gain those understandings, this study uses interviews as they are the most effective way to explore people's perceptions, experiences, opinions, meanings, feelings, beliefs, definitions, and constructions of reality (Ary et al., 2013; Punch & Oancea, 2014). Forsey (2012, in Punch & Oancea, 2014, p. 182) suggests that 'grasping for meaning' is key to qualitative interviewing and appears key for this study.

Fontana and Frey (1994, in Punch & Oancea, 2014, p. 183) suggest a three-way classification of structured, semi-structured, and unstructured interviewing. The structured approach is not suitable for this study because it does not allow questions to emerge during the interview to elaborate or explore understanding. Nor is the unstructured approach suitable because the research questions require certain questions to be asked during the conversation. This study uses the semi-structured approach because the interview can be guided by a set of pre-prepared questions and prompts for discussion while allowing the flexibility to adapt to particular participants' situations and modify the format or questions during the interview process (Ary et al., 2013; Punch & Oancea, 2014).

Advantages of semi-structured interviews (Ary et al., 2013) that apply to this study are: the supply of large volumes of in-depth data relatively quickly, the gathering of data that is meaningful to the participant while providing insight into the participants' perspectives, the ability to clarify participants' responses, and allows for information on unanticipated issues. A further advantage of semi-structured interviews is the possibility of achieving the active involvement of the participants (Punch & Oancea, 2014) with the goal of transforming the interviewer-respondent relationship into coequals to avoid the hierarchical pitfall (Reinharz, 1992, in Punch & Oancea, 2014, p. 187) of positional power.

Some of the disadvantages of semi-structured interviews (Ary et al., 2013) that could apply to this study are: possible lack of willingness of participants to share information, the time it takes to conduct the interviews and transcribe them, and personal biases of the interviewer that could threaten the accuracy of the data collected. These disadvantages are mitigated in this study by, respectively: the participants are fully briefed on what the interview involves before gaining their agreement to the interview,

thereby gaining willing participation, the time is available to do interviews and to transcribe them if needed, the questionnaire has been subject to supervisor's review before use (Punch & Oancea, 2014).

3.6 Questionnaire Design

Research design requires a close connection between the research questions and the semi-structured interview questions (Ary et al., 2013; Menter, Elliot, Hulme, Lewin, & Lowden, 2011; Punch & Oancea, 2014). Accordingly, in line with this study's research questions (in the Introduction Chapter), the questionnaire (Appendix 4) included questions on learning governance, the characteristics of participants' learning as individuals (questions 1-4) and as boards (questions 5-9, 13), hindrances (question 12) and enablers (question 6) to learning, board effectiveness (question 10), and organisational performance (question 11). The questionnaire was developed to incorporate both deductive theory testing and inductive theory development (see Results Chapter, especially Section 4.3).

Ary et al. (2013) suggest five steps to guide the implementation of semi-structured interviews with a questionnaire (prepare, produce, prune, polish, and pilot). The first four steps were taken, including pruning and polishing interview questionnaires with input from the academic supervisors, which made the questions less formal and more conversational (Ary et al., 2013). The fifth step, pilot, where an interview is simulated with a colleague, was not taken due to time constraints.

The questions asked in semi-structured interviews are typically open questions demanding neither a yes nor no answer and designed to reveal what is important about the phenomena (Ary et al., 2013). This study uses all open questions, except for two closed questions (see Appendix 4, questions 10 and 13) that were inserted as a guide to make the interview conversational (Ary et al., 2013). The two closed questions come towards the end of the interview when time could be short and guide the interviewer to shorten the conversation if needed, and being to some extent, summary questions, have the advantage of, in effect, asking participants to conclude by answering yes or no (Ary et al., 2013) about what has gone before in the interview. No leading questions are part of the questionnaire (Ary et al., 2013). Demographic questions were also asked about the participants' organisations.

Regarding the repertory grid questionnaire, a bipolar adjective scale (Ary et al., 2013) is used, where participants are asked to score adjectives (constructs) on one of six points along the scale between two opposites to indicate the degree to which the adjective represents their attitude toward each learning practice. Two adjectives pre-populated the questionnaire sheet as examples to help the participants understand what was being asked and which they could choose to use or not. The repertory grid method is chosen for its flexible approach that allows participants to create their own adjectives (descriptors of the learning practices they use) and flexible and time-efficient approach to measuring attitudes (Bell, 2003). The participants were asked to score the scale with a number between one and

six for each adjective. Researchers debate whether an odd or even number of choices should be made available, the odd allowing for an undecided option in the middle of the number range (Ary et al., 2013). In this study, an even number on the scale requires participants to decide between a positive and negative view about each adjective they score because the adjectives were of their own choosing, and the study was not forcing them to agree or disagree with the study's adjectives.

3.7 Participant Selection and the Units of Analysis

This study purposively selected samples (Ary et al., 2013) believed to provide maximum insight and understanding about the phenomena of board learning and board effectiveness. Three sampling strategies were used to select the sample of 24 participants. Access to research participants was enhanced by the embedded nature of the researcher in the field of governance education. Starting with the sampling strategy of criterion sampling (Ary et al., 2013), existing experience and knowledge was used to select a sample of participants (n=13) who had participated in either the Rural Governance Development Programme or other programme run by the researcher on the basis that they could provide relevant information about this study's phenomena, which they had been exposed to in the programmes (Ary et al., 2013). Typical case sampling (Ary et al., 2013) was used to select a further sample of participants (n=6) who were business contacts whose organisations, previously unknown to the researcher, could be considered small to medium-sized organisations. The third sampling strategy used was network sampling. One of the interviews from typical case sampling was of the trustee of a charitable trust, whose answers and insights into learning interventions differed from those before. It was seen that new breadth and depth of insights could be gained by extending the number of interviews, if possible, to include more charitable enterprises. Using existing networks (network sampling), a further sample of participants (n=5) accepted the invitation to participate. A number of the charitable organisations (n=10) were discovered to be faith-based organisations (FBO's). All participants (n=24) were contacted by phone and email, invited to be part of the study, and sent detailed Information Sheets (Appendix 2) and Participant Consent forms (Appendix 3).

The unit of analysis (Silverman & Solmon, 1998) in this study was adjusted for the analysis of different questions. The whole sample of cases was a unit of analysis and was examined for demographic factors, which were also units of analysis. Learning practices were units of analysis, as were barriers to learning and enablers of learning. Crow's (2016) Board Functions and Mechanisms were units of analysis and board effectiveness and organisational performance.

3.8 Document Analysis

Document analysis is a good source of data (Ary et al., 2013). This study uses two types of documents: board documents and public records. First, board documents are classed as primary-source personal

documents of participants' organisations, and their analysis chiefly provides data triangulation to corroborate findings from the interviews (Ary et al., 2013). A criticism of personal documents is that they can be highly subjective and not necessarily reliable (Ary et al., 2013), but board documents must first pass the scrutiny of the board. For example, the board must approve meeting minutes before they are released. Therefore, in this study, the documents are assumed to be objective and reliable records of the meetings of the boards.

Second, public records were accessed to obtain demographic data about the organisations and their boards. Qualitative and quantitative data were obtained from the Department of Internal Affairs of New Zealand, the Companies Register, the Incorporated Societies Register, the Charities Register, and the websites of participant organisations.

3.9 Research Ethics

Ethics approval for this study was sought and granted via a full human ethics risk assessment process with the Massey University Human Ethics Committee (MUHEC), approval reference SOA 20/12 (see Appendix 1). The MUHEC approval process is designed to protect this study's participants, the researcher, and Massey University. This study had a potential conflict of interest and therefore required a full Committee meeting. MUHEC's concern was that a potential conflict of interest could have arisen if this study had been with any of the existing clients of the researcher. As a result of the Ethics Committee feedback and a discussion with the Chair of the Committee, it was decided not to invite any current clients to participate.

Participants received the Research Information Sheet (Appendix 2) prior to consenting to participate and were under no obligation to be part of the study. They were able to decline to answer any question and withdraw from the study at any time. In accordance with the Massey University Code of Ethical Conduct (2017), no aspects of this study are liable to cause harm, including stress and embarrassment, to participants. The questionnaire design does not seek to probe sensitive issues of a personal nature. The question about what gets in the way of board learning (see Appendix 4, Question 12) may recall negative emotions in family board situations if there had been emotional board meetings. This does not present a risk of causing additional harm over and above any harm already suffered. Participants in this study could feasibly feel obliged to indicate the success of learning interventions if there was a prior relationship with the researcher or feel stressed or embarrassed by failed learning interventions. This does not present a risk of causing additional stress over and above any stress already suffered because, first, informed and voluntary written consent was gained to participate in this study. Second, as board members, the participants are generally used to initiating and contributing to robust discussion.

Although this research has no specific focus on Māori issues, all research conducted in New Zealand is of interest to Māori (Massey_University, 2017). The research complies with the principles implicit in the

Treaty of Waitangi of partnership, participation and protection (see Literature Review Chapter, specifically Section 2.2.2). Where required, relationships will be managed to ensure Manākitanga and Mana are preserved and upheld.

No payment or reimbursement of expenses or opportunity cost has been offered to respondents. All data that formed part of the research project was coded to remove identifying features and kept confidential and stored securely.

3.10 Interviews Held

The interviewers were recorded in order to gather the data without the distraction of note-taking and to enable transcriptions for later analysis (Ary et al., 2013). The one-time interviews were planned to be one hour and conducted either face to face or by electronic Zoom meetings synchronously (Ary et al., 2013). Interviews by Zoom were video and audio recorded, while in-person interviews were audio recorded.

Table 3.1 Interviews

Interviews		
Time period	July-Sep 2020	
Number of Interviews	24	
Number of people interviewed	26: male 21, female 5	
Interviews with 1 person	22	
Interviews with 2 people	2	
Interviews by Zoom	21	
Interviews in person	3	
Average time taken per interview	1 hour 8 minutes	
Interviewees representing 2 entities (and 2 roles)	3	
Roles of interviewees: Director	12	
Trustee	4	
CEO/General Manager	7	
Chair	6	
Number of roles	29	

The interviews were held between July and September 2020 and involved participants who were board members of organisations in New Zealand. Table 3.1 shows that 26 people were interviewed using semi-structured interviews. Twenty-one interviews were by Zoom, and three were in person. The incidence of Zoom meetings was higher than face-to-face due to Covid-19 meeting concerns. Two interviews involved two directors from an entity. Three individuals used their experiences across two entities, but the majority represented just one entity. All interviews were recorded, and all electronic records were stored securely. The interviews were either fully transcribed (n=7), or key points only transcribed (n=17). Participants had the opportunity to read and edit the full transcripts before the data was used in the research and to approve the release of the full transcripts for use in the research.

3.11 Data Analysis

Qualitative data (words) (Ary et al., 2013) were recorded concerning learning practices, board development experiences, learning barriers and learning enablers, board effectiveness, and organisational performance. Proceeding from data to interpretation by inductive data analysis (Ary et al., 2013), the data was reduced (summarised into their question numbers) and reconstructed and categorised (open coding using Nvivo software) as descriptive themes (n=139), which, using axial coding (Ary et al., 2013), were categorised further into mid-level interpretive themes (n=38) and further, using selective coding (Ary et al., 2013), into high-level pattern themes (n=10) (Punch & Oancea, 2014). A summary of the themes was sent to participants (n=24) as a dependability (or trustworthiness) check to address the issue of consistency (Ary et al., 2013), and out of the participants who replied (n=8), seven had no refinements to make, and one replied with comments that were used to refine the findings. Dependability was also enhanced by triangulation using document analysis to corroborate spoken data. Eleven participants agreed to supply corroborative documents, and documents were received from four participants.

The demographic data (Appendix 5) that was collected is nominal data (Stevens, 1951, in Ary et al., 2013, p. 113), as is the qualitative data collected (Appendices 7 to 13), and the number of items of data in each theme was counted and expressed as a percentage of the total number of data (Ary et al., 2013). The quantitative repertory grid data that was collected is ordinal data (Stevens, 1951, in Ary et al., 2013, p. 114). As ordinal data, there may not be consistency in the interpretation of the difference between a one and a two or a two and a three, and so on up to six. The magnitude of the change is at the interpretation of the respondent (Ary et al., 2013). The ordinal values were subjected to simple statistical analysis (mean and mode), and a frequency table (Ary et al., 2013) was produced (Appendix 6), and two heat maps showing the data graphically were created, one with all the quantitative data, and one with only data points that had two or more participants score to exclude outliers.

The study's obligation to be credible (internally valid) concerns the truthfulness of the study's findings (Ary et al., 2013). The following evidence indicates the credibility obligation has been met. First, there is structural corroboration through using different sources of data (data triangulation), and different research methods (methods triangulation) (Ary et al., 2013). Second, validity is evidenced through the consensus gained through the peer reviews of two supervisors, one from the education school at Massey University, and one from the business school (Ary et al., 2013). Third, based on the two strategies used to enhance interpretive adequacy, asking participants to review full transcriptions for accuracy, asking participants to review the themes found in the data for accuracy and meaning, and the samples of thick, rich descriptions (Ary et al., 2013) quoted from participants which convey an understanding of the study's context. Fourth, credibility is evidenced based on theoretical adequacy (Ary et al., 2013) and enhanced by the extended fieldwork (increased from the planned 15 participants to 26) across a range of organisation types, theory triangulation within the education and governance

realms and interdisciplinary triangulation of the education theories and governance theories to understand the findings. Fifth, credibility has been enhanced through the control of researcher bias through frequent reflexivity to seek out biases actively and talking with others (colleagues) about them (Ary et al., 2013).

While the study is not aiming to be generalisable, there is an element of transferability (external validity) evidenced. Through the detailed descriptions of the context, demographics and participant data, potential users can make comparisons and judgments about similarity and hence transferability (descriptive adequacy) (Ary et al., 2013). The study employed cross-case comparisons between all organisation types and between faith-based organisations and those not faith-based. The selection effect, which limits overall transferability, could have applied because one group (faith-based organisations) had some uniquely different data, but the selection effect was restricted by treating the uniquely faith-based data separately (Ary et al., 2013). The likelihood of transferability-restricting setting effects and history effects were reduced by having a wide demographic and number (n=24) of organisations (Ary et al., 2013). Reactivity, the effect of the research itself (Ary et al., 2013), was reduced by research reflexivity and the detailed description of research methods described above.

The study sought to be confirmable (objective) to address the issue of neutrality. The strategies of triangulation of methods, peer review, and reflexivity discussed above enhanced this study's confirmability.

3.12 Summary

This study aims to research the overlapping disciplines of education and governance in a cross-section of New Zealand organisations to develop propositions that link learning and governance concepts in ways that may apply to analogous situations. To achieve this, the research involving directors and trustees of organisations was grounded in a pragmatic paradigm using a mixed-method design of semi-structured interviews and a partly-quantitative questionnaire and document analysis. Ethics approval for the study was sought and granted via a full human ethics risk assessment process with the Massey University Human Ethics Committee. The research complies with the principles implicit in the Treaty of Waitangi of partnership, participation and protection. The description of the methods used and the analysis of the data in this chapter will enhance the study's replicability.

Chapter 4

Results

4.1 Introduction

A summary of demographic data is presented to provide the context of this study. By understanding the context, the nuances of the findings can be seen in the light of the participants' settings. The results identify and explore emergent topics of interest resultant of deductive analysis and inductive analysis of boards' learning practices, along with learning enablers and learning barriers and indicators of board effectiveness and organisational performance.

This chapter outlines the following findings: evidence of the use of the eight learning practices brought to this study deductively; evidence of 13 further learning practices used by participant-boards; evidence of Crow's (2016) board functions and board mechanisms; evidence of both barriers to and enablers of board learning/development; the importance of the use of a safe zone for robust discussion and resultant confidence to participants; nuances on barriers and enablers of learning relating to faith-based organisations (FBOs).

4.2 Demographics

This study was conducted on 26 New Zealand organisations. Full demographic data is shown in Appendix 5.

Table 4.1 From which industries did the subject entities come?

From which industries did the subject entities come?			
Broad NZ Industry Group Name	**Specific NZ Industry Group Name**	**No. of entities studied**	
Goods-producing	Other manufacturing		1
Primary	Agriculture	10	
	Primary industry support services	3	13
Service	Health care and social assistance	4	
	Other services	5	
	Professional services	1	
	Retail trade	2	12
Taxes			
			26
Industry Groups in this study			7
Industry Groups in New Zealand, as defined by StatisticsNZ			31

Table 4.1 shows that participants came from three of the four broad New Zealand industry categories, only excluding, appropriately, governmental tax collection. Of the 31 specific New Zealand industry

categories used by Statistics NZ (2018b), seven were represented by the participants. The largest group of entities was from the agriculture industry group.

Table 4.2 What size were the subject entities?

What size were the subject entities?								
Employee count size group	0	1–5	6–9	10–19	20–49	50–99	100+	Total
No. of entities studied	0	12	5	3	3	2	1	26
No. of enterprises in NZ	376,785	101,388	22,440	18,243	10,323	3,192	2,562	534,933
Percentage of all enterprises	70.4%	29.6%						100.0%

Table 4.2 shows that the study included entities from every employee-size group apart from sole traders or self-employed people (Small_Business_Council_NZ, 2019), which are not relevant for research on governance that is about a group of people acting together.

Table 4.3 Summary of Entity Types

Entity Types			No. of	No. of Not-For-Profit Entities		Totals
Entity-type Code	Type of Entity		For-Profit Entities	Faith-Based Organisatn (FBO)	Not Faith-Based	Entities
PC	Private Company (multiple owners not of the same family)		4			4
PCF	Private Company owned by 1 family (1 or more generations with ownership or control)		6			6
CCO	Council Controlled Organisation (Company)		1			1
ChTr	Charitable Trust			7	2	9
ChCo	Charitable Company			2		2
Isoc	Registered Incorporated Society			1	2	3
VC	Vet Club				1	1
		Total Entities	11	10	5	26

Table 4.3 shows seven entity types were represented, and these were either for-profit entities or not-for-profit entities. The not-for-profit entities were either Faith-Based Organisations (FBO's) or not faith-based. There were 11 companies in the study, and none of them were public companies, but one was a publicly-accountable Council Controlled Organisation (CCO). All other companies were privately owned. All the Not-For-Profit entities are publicly accountable to some extent.

Table 4.4 Entities: Summary of the number of years in existence

Entity-type Code	Average No. of years	0-5	6-10	11-15	16-20	21-25	26-30	31-35	36-40	41-45	46-50	51-55	56-60	61-65	66-70	Total	Range of years
PC	16.8	1	1	1					1							4	5-39
PCF	13.7	1	1	2	1		1									6	3-28
CCO	29						1									1	29
ChTr	26.8	1	1	2	1		2					1			1	9	4-70
ChCo	5.5	1	1													2	2-9
Isoc	40				1			1							1	3	18-67
VC	41									1						1	41
	22.8	4	4	5	3	0	4	1	1	1	0	1	0	0	2	26	2-70

Table 4.4 is a summary of the number of years the participant entities had existed in 5-year age groups. The youngest entity was two years old, and the oldest was 70 years. The average age of the entities was 22.8 years in 2020. Ten of the 14 age group categories had entities in them.

Table 4.5 Summary of who attends board meetings

Who attends board meetings				
Entity-type Code	Average no. of directors or trustees	Average no. of others usually attending board meetings (CEO, advisors, family, others)	Average total no. of people at board meetings	Total no. of each entity type
PC	5.3	1.8	7.0	4
PCF	2.5	2.5	5.0	6
CCO	5.0	1.0	6.0	1
ChTr	7.1	0.9	8.0	9
ChCo	10.5	1.0	11.5	2
Isoc	10.0	1.0	11.0	3
VC	5.0	1.0	6.0	1
				26
For-Profit	3.7	2.1	5.8	11
NFP: Faith-Based	7.6	0.9	8.5	10
NFP: Not Faith-Based	8.8	1.0	9.8	5
All Not-For-Profits	8.0	0.9	8.9	15
				26
Overal averages	6.2	1.4	7.6	
Overall range	1-12	0-6	1-13	

Table 4.5 shows that the For-Profit entities in the study had less than half the number of directors (average 3.7) compared to Not-For-Profit entities (average 8.0), and more than twice the number of others usually attending board meetings (average 2.1), compared to Not-For-Profit entities (average 0.9). In For-Profit entities, these others were most often family members who were not directors.

In summary, while not designed to be representative of all New Zealand entities, the set of entities studied is a small but broad cross-section of New Zealand entities. The demographics of the participant entities show that participants were a comparatively small (n=24) but diverse group of entities from three of the four broad industry groups in New Zealand, in all employee-size groups except zero employees, both for-profit and not-for-profit entities (faith-based and not faith-based), with a spread of entity-ages from two years to 70 years across 10 of the 14 entity-age-groups.

This study also involved the document analysis of key board papers (e.g. agendas, board packs, and meeting minutes) of a selected number of the participating boards. Four of the 26 participating organisations provided access to board papers. The study of these board papers involved looking for evidence of the learning practices described in the Interview Questionnaire (Appendix 4). Evidence was found of learning practices to the extent the practices were claimed to have been used by participants and were written. Evidence of the first eight practices was found in the accessed board papers.

4.3 Topics of Interest

The questionnaire was developed to incorporate both deductive theory testing and inductive theory development. First, regarding deductive theory testing, question 6 of the questionnaire asked participants what learning practices the board had used out of the eight examples provided (Table 7.6), and these were used in the questionnaire's repertory grid. These eight learning practices were topics of interest to this study and used by boards.

Table 4.6 *Theory-testing learning practices in the data*

Learning Practice Code	Learning Practice Description
LPr.1	A learning item in the agenda of board meetings
LPr.2	Evaluation of a board meeting
LPr.3	A board member takes on the role of coordinating the board's learning and development
LPr.4	Establishing a safe zone for robust decision-making and holding people to account to it
LPr.5	A process to learn from past decisions
LPr.6	A board learning and development plan
LPr.7	A commitment to continuous improvement
LPr.8	Reporting on new PESTLE (Political, Economic, Social, Technological, Legal, Environmental) impacts

This table shows the eight learning practices included in the questionnaire for deductive theory testing.

A topic of interest was identified in the literature concerning barriers and enablers of learning (Illeris, 2018). Both barriers and enablers became questions in the questionnaire (questions 12 and 6, respectively) and became theme codes deductively. Other topics of interest were identified from the literature (Crow, 2016) deductively about Board Functions and Board Mechanisms, and while no questions were asked about these topics directly in the questionnaire, the topics became theme codes. All of Crow's board functions and board mechanisms were found in the data (in 18 of the 24 participants). Board effectiveness and organisational performance were identified as topics of interest from the literature (Crow, 2016), became subsidiary research questions, and these topics became questions 10 and 11 in the questionnaire, respectively, and theme codes.

Table 4.7 Theory-testing topics of interest from the literature

Crow's (2016) Board Functions
BF1. Long-term purpose
BF2. Develop Strategy (with Management)
BF3. Make Strategic Decisions alone
BF4. Monitor performance
BF5. Verify
BF6. Control and Guidance of the management
Crow's (2016) Board Mechanisms -levers
BM1. Competence (skills, expertise)
BM2. Active engagement by directors
BM3. Sense of Purpose
BM4. Collective Efficacy
BM5. Ability to decide and adjust (Control)
Enablers and Barriers to learning and development

Enablers to board learning and development	
Barriers to board learning and development (Illeris, 2018)	
Board effectiveness (Crow, 2016)	
Organisational performance (Crow, 2016)	

This Table shows the topics of interest from the literature for deductive theory-testing and found in the data.

Further results are shown below for the topics called barriers, enablers, board effectiveness, and board performance.

The questionnaire (Appendix 1) was developed to incorporate inductive theory development by asking open questions about how the participants had learned the role of director (or trustee) and what they had learned, and how their board developed their governance and what they had learned about governance. Theme codes, recorded in NVivo software, were derived from the data to develop grounded theory, in line with Glaser and Strauss' Grounded Theory development (Glaser & Strauss, 1999).

Table 4.8 Theory-development learning practices found in the data

Learning Practice Code	Learning Practice Description
LPr.9	The use of a Governance Learning Needs Analysis
LPr.10	Review of a Thinking Intentions Profile (Garratt, 2003; Rhodes, 1991)
LPr.11	Learning by Experience
LPr.12	Formal director training/education from sources external to the board
LPr.13	Creating and maintaining a Risk Analysis Matrix
LPr.14	Internal training (bringing in speakers, specialists, or advisors of many kinds to talk with the board, including external mentoring)
LPr.15	Internal training (learning from other board members, including mentoring, coaching)
LPr.16	Lean Management Systems
LPr.17	Farm Gauge, on DairyNZ website
LPr.18	Bringing in new board members
LPr.19	A spreadsheet decision-making tool
LPr.20	Decision-making as learning
LPr.21	Other ways of learning

A further topic of interest found inductively in the data was faith-based organisations. This topic is commented on in Section 4.10 below. In summary, deductive theory-testing topics of interest were identified (eight learning practices) prior to this study, and from research literature. During this study, inductive theory-development topics of interest were also identified.

4.4 Results from the Repertory Grid

Using the repertory grid methodology in the interview allowed constructs called 'Describers' that are important to the participants to come to the surface. The grid was pre-populated with eight learning practices (LPr.1 – LPr.8), and from the data came 13 more (LPr.9 – LPr.21). The grid was also pre-populated with two Describers (D1 – D2), and the data contributed six more (D.3 – D.8). The last four learning practices (LPr.18 – LPr.21) were not scored by any participants, so they were left off the repertory grid analysis. Thirteen participants (54%) scored the repertory grid.

Appendix 6 shows the answers to question 6 of the interview on a repertory grid and the number of participants who responded to each describer.

The participants were asked to rate the learning practices they had used on a scale from 1 (very positive) to 6 (very negative). Averaged results are shown in Table 4.9, Table 4.10, and Table 4.11. Table 4.9 shows all the data and the average scores for each learning practice and each Describer. Table 4.10 shows only the results where more than one participant scored to mitigate for outliers potentially. Table 4.11 shows the learning practices rated by importance to more than one participant.

The results are shown as heat maps, with different colours allocated to average scores; green used to indicate a positive view (minimum 1), red used to indicate a negative view (maximum 6), yellow neutral, and combinations of green-yellow and red-yellow for numbers in between.

Table 4.9 Repertory Grid Analysis of all Data

Repertory Grid Analysis of Data -1			Describers (rate the Learning Practices between polar opposites, 1=positive and 6=negative)								
			D.1	D.2	D.3	D.4	D.5	D.6	D.7	D.8	
	Average Scores, including all responses		Important to you	Valuable to you	Affects how we work	Increases our confidence to govern	Easy to implement	I like this L.Practice	The board likes this L.Practice	I'm comfortable with this L.Practice	
		Score between 1	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
			-	-	-	-	-	-	-	-	
			Not important to you	Not valuable to you	Doesn't affect how we work	Decreases our confidence to govern	Hard to implement	dislike this L.Practice	The board dislikes this L.Practice	I'm uncomfortable with this L.Practice	Average Scores
		and 6	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	
	LPr.1	A learning item in the agenda	1.6	1.5	2.0	2.0	2.3	1.3	2.5	1.0	1.8
	LPr.2	Evaluation of a board meeting	1.6	1.3	1.5	2.2	2.4	2.0	3.5		2.1
	LPr.3	Someone orchestrates/coordinates our learning	1.4	1.6	2.0	3.3	3.5	1.8	5.0		2.7
	LPr.4	A safe zone for robust discussion	1.0	1.1	2.0	1.0	2.3	2.3	3.0	3.5	2.0
	LPr.5	A process to learn from past decisions	1.4	1.4	2.5	2.5	4.0	3.0	1.0	2.0	2.2
	LPr.6	A board learning & development plan	1.7	2.0	2.5	2.0	3.8	2.5	2.0		2.3
	LPr.7	Continuous improvement	1.3	1.5	3.0	2.0	3.0	2.5	1.0		2.0
	LPr.8	Reporting on new PESTLE impacts	1.7	1.3	1.5	3.4	4.0	1.7	3.0		2.4
	LPr.9	Review of a Governance Learning Needs Analysis	3.0	3.0	2.0		1.0	1.0			2.0
	LPr.10	Review of a Thinking Intentions Profile	3.0	2.0	2.0		1.0	1.0			1.8
	LPr.11	Learning by Experience	1.0	1.0		4.0	4.0	5.0	5.0		3.3
	LPr.12	Formal training/education, external	2.0			3.0	5.0		3.0		3.3
	LPr.13	Risk Analysis Matrix	3.0	1.0							2.0
	LPr.14	Internal training (Bringing in others, including advisors)	1.3	1.0		1.5	2.0	1.0	2.0		1.5
	LPr.15	Internal training (Learning from other board members)	2.0	2.0		1.0		2.0			1.8
	LPr.16	Lean Management System	1.0	1.0							1.0
	LPr.17	Farm Gauge, on DairyNZ website	1.0	1.0							1.0

(Left vertical label: Some Learning Practices our board uses)

Table 4.10 Repertory Grid Analysis of Data where more than one participant scored

Repertory Grid Analysis of Data -2			Describers (rate the Learning Practices between polar opposites, 1=positive and 6=negative)								
			D.1	D.2	D.3	D.4	D.5	D.6	D.7	D.8	
	Average Scores, where more than one person scored		Important to you	Valuable to you	Affects how we work	Increases our confidence to govern	Easy to implement	I like this L.Practice	The board likes this L.Practice	I'm comfortable with this L.Practice	
	Score between 1		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
			-	-	-	-	-	-	-	-	
			Not important to you	Not valuable to you	Doesn't affect how we work	Decreases our confidence to govern	Hard to implement	dislike this L.Practice	The board dislikes this L.Practice	I'm uncomfortable with this L.Practice	Average Scores
	and 6		(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	
Some Learning Practices our board uses	LPr.1	A learning item in the agenda	1.6	1.5	2.0	2.0	2.3	1.3	2.5		1.9
	LPr.2	Evaluation of a board meeting	1.6	1.3	1.5	2.2	2.4	2.0	3.5		2.1
	LPr.3	Someone orchestrates/coordinates our learning	1.4	1.6	2.0	3.3	3.5	1.8	5.0		2.7
	LPr.4	A safe zone for robust discussion	1.0	1.1	2.0	1.0	2.3	2.3	3.0	3.5	2.0
	LPr.5	A process to learn from past decisions	1.4	1.4	2.5	2.5	4.0			2.0	2.3
	LPr.6	A board learning & development plan	1.7	2.0	2.5	2.0	3.8	2.5			2.4
	LPr.7	Continuous improvement	1.3	1.5		2.0	3.0	2.5			2.1
	LPr.8	Reporting on new PESTLE impacts	1.7	1.3	1.5	3.4	4.0	1.7	3.0		2.4
	LPr.9	Review of a Governance Learning Needs Analysis									
	LPr.10	Review of a Thinking Intentions Profile									
	LPr.11	Learning by Experience									
	LPr.12	Formal training/education, external	2.0								2.0
	LPr.13	Risk Analysis Matrix	3.0								3.0
	LPr.14	Internal training (Bringing in others, including advisors)	1.3	1.0		1.5					1.3
	LPr.15	Internal training (Learning from other board members)									
	LPr.16	Lean Management System									
	LPr.17	Farm Gauge, on DairyNZ website									

Table 4.10 shows that one learning practice was rated most positively (score of 1) by every participant who scored it for 'Important to you' and 'Confidence to govern', LPr.4 Safe zone for robust discussion. Bringing these two Describers into Table 4.11 shows how the participants ranked all the Learning practices on those two constructs.

Table 4.11 Learning practices ranked by importance and ability to increase confidence for more than one participant.

Learning Practies ranked by importance to you and ability to increase confidence to govern for multiple participants (from the Repertory Grid)		Scored 1(high) to 6(low)	
		Importance to you	Confidence to govern
LPr.4	A safe zone for robust discussion	1.0	1.0
LPr.14	Internal training (Bringing in others, including advisors)	1.3	1.5
LPr.7	Continuous improvement	1.3	2.0
LPr.5	A process to learn from past decisions	1.4	2.5
LPr.3	Someone orchestrates/coordinates our learning	1.4	3.3
LPr.1	A learning item in the agenda	1.6	2.0
LPr.2	Evaluation of a board meeting	1.6	2.2
LPr.6	A board learning & development plan	1.7	2.0
LPr.8	Reporting on new PESTLE impacts	1.7	3.4
LPr.12	Formal training/education, external	2.0	
LPr.13	Risk Analysis Matrix	3.0	
LPr.9	Review of a Governance Learning Needs Analysis		
LPr.10	Review of a Thinking Intentions Profile		
LPr.11	Learning by Experience		
LPr.15	Internal training (Learning from other board members)		
LPr.16	Lean Management System		
LPr.17	Farm Gauge, on DairyNZ website		

Concerning LPr.4 safe zone, the results show that 12 out of the 12 respondents who rated the safe zone for importance rated it the highest positive score (score of 1). Similarly, five out of the five respondents who rated the safe zone for increasing confidence to govern rated it the highest positive score (score of 1).

Concerning LPr.14 internal training (bringing in others), the results show 75% (n=3) of respondents (n=4) rated internal training (bringing in others) with the highest positive score (score of 1) for importance, and one respondent rated it a somewhat-positive score of 2 for importance. The results also show 50% (n=2) of respondents (n=4) rated internal training (bring in others) with the highest positive score (score of 1) for increasing confidence to govern, and 50% (n=2) rated it somewhat positive (score of 2) for increasing confidence to govern.

Concerning LPr.7 continuous improvement, the results show 71% (n=5) of respondents (n=7) rated continuous improvement with the highest positive score (score of 1) for importance, and two respondents rated it a somewhat-positive score of 2 for importance. The results also show that 100% (n=3) of respondents rated continuous improvement somewhat positive (score of 2) for increasing confidence to govern.

In summary, the repertory grid allowed constructs that were important to the participants to come to the surface. The three learning practices that were rated most positively were, in descending order, a safe zone for robust discussion, internal training, and continuous improvement. The safe zone for robust discussion was rated the highest positive score of 1 by every participant who scored it for both 'Important to you' and 'Confidence to govern'.

4.5 Learning Practices Found in the Data

An examination of the data on each learning practice follows, with an extended focus on the safe zone for robust discussion. All participants used or experienced learning practices. Appendix 7 shows the learning practices used by each participant and the total number of those learning practices used by each participant. The range of total number of practices used is two (P14, P20) to 12 (P07, P10, P11), the median number of practices used is nine, and the mode for the number of practices used is 10 and 11.

LPr.1 -A Learning item in the agenda

Eleven participants (46% of participants) put a learning item on their meeting agendas, but only two participants (P06, P08) (18% of those who used LPr.1) did this at every meeting. One (P12) said their agendas were full already, "*one of the troubles is this, we meet quarterly on a Saturday morning, and the agenda is always full. We haven't got the time to have a learning item*." One board (P08) made the learning item the first agenda item, and the topic of learning was often not directly related to the business but indirectly. P12 used a learning needs analysis to determine where the learning needs were, and the learning item was then according to the needs. P15 commented on having a learning item on the agenda, "*we do this sometimes when the need arises*."

LPr.2 -Evaluation of a board meeting

Twelve participants (50% of all participants) evaluated their board meetings, all but one (P01) casually or informally, and seven boards (P01, P03, P05, P06, P07, P08, P11) (58% of those who used LPr.2) did evaluations at or after every meeting. One participant (P01) who did evaluations regularly found them to be "*very powerful tools for change*" because they provided a regular opportunity to talk about how they could do things better. P03 commented that *"evaluation and reflection is key to our learning [governance]"*.

One participant (P14) said they could not do evaluations because of factions in the board, and similarly, P09 said there were *"too many egos"* for an evaluation to be successful. P03 reflected that it was difficult for their board to evaluate itself because *"it's hard to see yourself, so stopping to do it is good. Learning gets reinforced"*, illustrating the difficulty and a benefit of activating collective awareness. At a personal level, one participant (P11) commented that self-reflection required bravery, *"being brave enough to ask and receive constructive feedback. This is a gap that others don't do. The good people actively seek that, self-reflect."*

LPr.3 -Someone orchestrates/coordinates our learning

Eight participants (44% of participants who answered) had someone on the board who coordinated their learning and development, usually the chairs, and 10 boards did not use this learning practice. One participant (P17) considered this learning practice to be the most important of the practices because "*unless someone is doing this, the others [learning practices] aren't going to happen*". Similarly, P21 suggested that someone orchestrating their learning was *"becoming more and more essential because we can get consumed by the agenda and the urgent."* Six participants (P04, P14, P18, P20, P21, P22) (33% of participants who answered) saw that not having someone to coordinate the learning was a weakness in their board and that it was becoming important if they wanted their board to make progress.

LPr.4 -A safe zone for robust discussion

The data reveals (see Appendix 7) that 14 participants (61% of participants who answered) used a safe zone fully, while eight (35% of participants who answered) did so only partly or informally, and one participant did not use a safe zone. This totals 22 participants (96% of participants who answered) who used a safe zone to some extent. The repertory grid results above and participants' rich, thick comments (below) about a safe zone for robust discussion demonstrate how important a safe zone was to most participants.

Many participants (P04, P07, P08, P10, P11, P15, P16, P18, P19, P21, P22) (48% of participants who answered) described the safe zone as an essential foundation for their governance because it made it possible to have a robust debate of issues before making decisions. Eight participants (P1, P06, P08, P10, P11, P16, P21, P23) (35% of participants who answered) described the safe zone as a way to encourage different viewpoints, including from usually quiet board members.

Three participants (P10, P11, P16) described the safe zone as a place where courage is needed, "*using the safe zone is a standout, in my experience. I'm a strong believer in courage, vigorous, respectful debate, question things, don't just accept*" (P10). P16 described a situation where a board member needed to be very courageous to speak up about financial wrongdoing by their CEO. The participant was courageous, and there has been vigorous debate since then. Participants (P10, P11, P16) who had established a board culture that allowed robust debate expressed that trust was a required ingredient of the safe zone because it enabled people to open up. *"The most important thing to have around the table is trust. You've got to trust each other to be able to open up, and you won't appreciate the advice you get in return unless there is trust and respect"* (P10). The result of greater trust, along with respect (P10, P11), was buy-in and more confidence to speak out (P02, P06, P07, P08, P11), especially if *"no question is a silly question"* (P08). In summary, no participants described the 'safe' of 'safe zone' as a haven, but as safe for respectful, robust, courageous, vigorous debate. In P10's words, "*it's not a cone of safety coming down on us, but safe for robustness*".

Safe zone used to good effect in family situations
"The safe zone is critical in our situation where we're all related by marriage or friends" (P08).   With six of the participant companies 100% owned by families (one family per company), all six had established a safe zone and welcomed differences of opinion and non-personal debating. For three participants (P04, P05, P10), the safe zone reduced relationship risk: *"I guess we're a bit unique because within a family, you know each other's limits a bit more and you can have some pretty cut and thrust discussions"* (P04), "*A safe zone is essential, especially with the dynamic relationship I have with my wife, to be able to lay out our thoughts, feelings, insecurities, is essential. We have open communication*" (P05), "*By 'safe', I mean we are increasingly comfortable having uncomfortable conversations*" (P10). P07 and P10 commented that any contrary discussion was taken as a direct threat in his father's generation, and therefore subsequent debate was shut down. However, they found that family relationships were protected with a safe zone in place because personal issues were kept separate from business operations and decisions. Robust discussion allowed them, instead, to find a way forward.

One father (P10) welcomed the safe zone because it meant his children, independent thinkers with different generational thinking now wanted to be involved in the business where they had not been

before. The change, which benefitted the father and the business by the fresh thinking, came about because the children saw that their father now listened.

The link between a safe zone and learning

Many (48% of participants who answered) spoke of feeling comfortable in a safe zone when discussions and decisions could potentially make them uncomfortable without it (P04, P05, P06, P07, P10, P11, P13, P16, P19, P20, P23) and that this was often the time when they learned the most. Similarly, one participant (P13) suggested: *"calm weather doesn't create a skilled mariner"* to explain the role of difficulty when learning and developing their governance. Two participants (P08, P13) similarly expressed this, calling a good meeting one that had tension, meaning the tension between different points of view that get resolved into one unanimous decision as board members learn other's actual views, debate, and discover the best way forward. P11 linked courage in a safe zone to continuous learning and improvement. In summary, participants linked a safe zone to decision-making that involves risk-taking and learning.

Further, three participants (P02, P03, P13) tied meeting evaluations to the safe zone as a way to get better at using their safe zone. *"We get better at this [using the safe zone] by using the board meeting evaluation process"* (P02). Two participants (P03, P14) said they had bullied other board members in the past and that evaluating their safe zone at each meeting had been a cause for them to grow in self-awareness and peacefulness. A third participant (P03) also observed that implementation of the safe zone increased their self-awareness. Others (P02, P10, P11, P19) described the safe zone as a place that allowed a certain level of criticism, non-personal, to be able to scrutinise things that are not going well, and thus there was a link to learning about a situation and learning better ways of doing things.

The role of the chair in a safe zone was considered important to having a successful safe zone by 39% of participants (n=9) who answered (P07, P08, P13, P17, P18, P21, P22, P23, P24). These participants conveyed that the ability of the chair to facilitate people expressing their points of view was important to the success of their safe zone. Some (P01, P05, P07, P22) thought that the chair must draw out people who were holding back from talking to get good value from each person, and P09 considered that no one should dominate, including the chair.

One of the measures of success for participants (P11, P12, P15, P16, P20, P21, P22) was when boards reached a consensus and did not get to the point where a vote was required to resolve a decision. *"The safe zone is one of the basics for governance. Everyone has to agree -consensus, for big decisions. We had one situation where one person did not agree to an idea, and we decided, therefore, to drop it"* (P15).

For these participants, having a safe zone to resolve issues meant not needing to vote, and voting was viewed as a failure because that would mean members were divided. Two participants (P11, P21) said that if the board members do not agree, they wait and that everyone has to agree, especially for big decisions. Two participants (P20, P21) said it was important that board members had spoken out of conviction before the board came to a unified view. P21 explained that sometimes a board member will *"stand on ceremony"*, but that the chair, doing their role well, will help the person through their objection. The biggest danger seen by two participants (P11, P13) in consensus decision-making was the danger that one or more board members would have groupthink, or 'roll over', and agree on a decision that was contrary to their convictions. Their solution to this possibility was the chair's role in watching body language and, knowing the relationship dynamics around the table, ensuring all views were authentically reconciled into one view.

In some organisations (P03, P06, P10), the safe zone rules were entrenched. One participant (P03) expressed that *"the safe zone rules are very deep in our organisation now. They are effective and have gone to a heart level for directors. I feel safe to have hard conversations, and they do too".* P10 said the safe zone is affecting other parts of their business, and another (P06) said that they refer to the safe zone in management meetings and that it has become part of the language they use in the business, and in addition, most junior employees were now giving ideas.

LPr.5 -A process to learn from past decisions
The data showed a lower level of use of this learning practice. Six participants (30% of participants who answered) had used a process (inconsistently) to learn from past decisions, six (30%) had done so informally, and eight (40%) had never used such a process. No participants had a formal documented process but relied on the institutional memory of board members or the management team. One participant (P03) commented that past decisions are not reflected upon because they have *"lots of egos sitting at the board table".*

LPr.6 -A board learning and development plan
Similar to the previous learning practice, the data showed a lower level of use of this learning practice. Three participants (17% of participants who answered) used some form of board learning and development plan, while seven participants (39%) did so informally, and eight participants (44%) did not plan board learning or development. Learning was more driven by need at the time, reactive, not proactive (P04, P07, P22). Some board members (n=3) attended ongoing training courses on different related topics but without a plan (P06, P07, P21), and some boards (P11, P12) had succession ideas for their chairs and deliberately, but informally, were trying to build the capability of potential chairs. One participant (P24) commented, *"we don't know what we don't know about this learning practice"*, and among many participants (n=6), there was a recognition that they (P13, P16, P17, P20, P22, P24) wanted to start doing this intentionally.

LPr.7 -Continuous improvement

Ten of the participant organisations (48% of participants who answered) adopted Continuous Improvement systems, while six organisations (28%) had sometimes informally used continuous improvement systems, and five other organisations (24%) had not used continuous improvement systems. Only one board (P12) had created a continuous improvement policy. All others who had continuous improvement systems called it part of their organisation's culture rather than a policy, and this was seen as a mindset, part of their organisation values, not a structure. The data shows that the continuous improvement practices or mindset they adopted for their organisations had not been applied to the boards of those organisations in all but two cases (P10, P12). Concerning continuous improvement, those 14 boards (67% of participants who answered) were asking their organisations to adopt continuous improvement systems without adopting the systems themselves.

LPr.8 -Board member reporting on new PESTLE impacts; LPr.9 -Review of a governance learning needs analysis; LPr.10 -Review of a Thinking Intentions Profile

Concerning LPr.8, seven out of the 18 participants (39% of participants who answered) considered the PESTLE (Political, Economic, Social, Technological, Legal, and Environmental) aspects of their operating environment. Eight participants (44%) partly or informally used PESTLE, and three (17%) did not use it. Those (n=3) who used PESTLE consistently usually did so as part of a strategy refresh (P11, P15, P19). Three participants who used it informally considered PESTLE on a reactive ad hoc as-needed basis or unconsciously (P04, P08, P21). One participant-board (P03) spread the topics around the directors according to interest and discussed any new PESTLE impacts at every board meeting. Concerning LPr.9, seven of the 26 organisations (27%) represented in the study had had a governance learning needs analysis conducted on their organisations, which they used to identify and prioritise board learning. Concerning LPr.10, two of the 26 organisations (8%) had had Thinking Intentions Profiles (Garratt, 2003; Rhodes, 1991) prepared for their directors.

LPr.11 –Learning by experience

This type of learning was experienced by every participant (n=24) in the study. Without exception, the first answer given to question one in the questionnaire that asked how participants learned their governance role was by experience. This was expressed in a variety of ways; the experience of being in other roles (n=15) (62% of participants who answered), participating and learning governance by doing it (n=17) (71%), and learning by observing (n=5) (21%). Four participants who were chairs of their boards said they learned the role by being in it (P07, P11, P17, P18). The randomness of learning governance by doing it was revealed by participants who described it as, "*fumbling along*" (P09), "*trial and error*" (P06, P11), "*a hit and miss affair*" (P17), "*pulling ourselves up*" (P02), "*jumping in*" (P12),

"*learning by osmosis*" (P07, P10, P18), and "*sink or swim*" (P09). Another (P04) learned their business values and ethos by living with their parents and imbibing their values. It was ingrained because it was a living environment. All participants except the five learning by observation (net 79%) saw the learning as unconscious at the time of the learning. One participant (P07) observed that going into a governance situation that was not going well was a way to learn more quickly, and this was balanced by the observation from others that bad habits could be learned too (P09, P17).

LPr.12 –Formal training/education (external), LPr.13 -Risk Analysis Matrix

Fifteen participants (62% of participants who answered) had been to formal governance training courses: Institute of Directors courses (P04, P07, P08, P11, P13, P15, P18, P21), DairyNZ's Rural Governance Development Programme (P02, P05, P06, P07, P08, P09, P10, P15), Rabobank Executive Programme (P05), Fonterra Governance Development Programme (P05, P11), Massey Farm Governance Advisory Programme (P13, P19), Institute of Directors Mentoring for Diversity Programme (P11), and other external training (P22). The programmes had been a minimum of one day, up to five days over time. Concerning LPr.13, using a Risk Analysis Matrix, only three participants (12.5% of participants who answered) had created or used a risk matrix, but one (P10) saw their risk management practices as frameworks for them to learn.

LPr.14 -Internal training (bringing in others, including advisors); LPr.15 -Internal Training (Learning from other board members)

Concerning LPr.14, 10 participants (42% of participants who answered) had brought others into board meetings to inform or upskill board members on a topic related to their governance. These boards brought in various people who could contribute to the board, accountants, lawyers, bank managers, consultants, advisors, politicians, or key stakeholders. In every case it was irregular and on an as-needed basis, not learning just for learning's sake. P04 expressed it this way: "we have to learn because we have to make a decision". The topics were things that affect the organisation or may affect the organisation in the future. One board (P11) brought in leaders from unrelated industries to share their views on current or future issues or people in other sectors doing "cool stuff" to see what they could learn from them. The same board (P11) used mentors for young directors who were being upskilled. Concerning LPr.15, three boards (P02, P14, P21) (12% of participants who answered) used their own board members to give a presentation on what they had learned through external training.

LPr.16 –Lean management system

Four participants (P03, P09, P10, P19) (17% of participants who answered) had implemented lean management systems into their organisations, but only two of those (P09, P10) had applied lean systems to their governance. P10 had done an external course on lean management and used lean management principles first to codify the critical processes in their operation, and second, apply the

lean principles to their governance. P10 described that a learning system is part of their lean systems and that it is also part of the board and business culture.

P10's view was that *"to say lean is critical for us understates its importance"* because through it, they were able to fulfil their director obligations to know what is going on and be held to account for the strategic progress they commit to. They saw the need to be held to account as directors in their owner-operator business as necessary and something they were comfortable with, despite effectively having all the control, being managers, directors, and shareholders in the business. Other family members were shareholders only beneficially through being beneficiaries of a trust that owned most of the company's shares. The P10 interviewees were willing to be held to account because it allowed them to incorporate family members' valued points of view as guests at board meetings and felt it made them stronger and more resilient as a business and family.

P10's situation shows two people who are the managers, directors and shareholders of a company, with conflicts of interest when it comes to being held to account, willingly being held to account by family members without direct shareholding, thus fulfilling an essential obligation of directors to act in the best interests of the company, not themselves. P10 had evolved the business considerably into a stable and sustainable family enterprise.

LPr.17 –Farm Gauge, on DairyNZ website; LPr.18 -Bringing in new board members
Concerning LPr.17, one participant (P10) (4% of participants who answered) used the Farm Gauge tool on the DairyNZ website to help them identify areas they needed to learn next, both in governance and operationally. Concerning LPr.18, three participants (P11, P12, P19) (12% of participants who answered) brought new board members in as a way for their boards to develop themselves. One participant (P19) set high expectations for incomers, and themselves, in order that learning could be embraced. One board (P11) brought in associate directors as part of a succession plan for board members, who learned from the directors, and from whom the board learned.

LPr.19 -A spreadsheet decision-making tool; LPr.20 –Decision-making as learning; LPr.21 Other ways of learning.
Concerning LPr.19, three participants (P10, P15, P23) (12% of participants who answered) used decision-making tools, such as spreadsheets and policies, to help them make decisions, learning as they did so, and adjusting business strategies and operations.

Concerning LPr.20, nine participants (37% of participants who answered) linked learning and decision-making when they said they have to learn because they have to make decisions. P07 called the learning process situational and unconscious when making a decision. Another (P04) said that the process of due diligence that was especially required for larger decisions was a learning process. A participant

(P05) articulated, as an ongoing learning process, how he and his wife carefully negotiated, defined, recorded, and annually refreshed a set of values that ensured they were acting in the best interests of their business, personal lives, and family. He described that when there is more to lose in a decision, they have learnt to rely on their values. The participant noted that his wife would hold him to account, and in his view, that removed any relationship tension, so he could focus on opportunities that could pass the values test. Through the learning processes involved in negotiating, deciding, refreshing their values, then learning to hold each other to account, they could minimise relationship stress while maintaining the accountability obligations which directors have in a company that is owned and operated by themselves.

Concerning LPr.21, 10 participants (42% of participants who answered) had learnt in other ways too: by researching (P18); by reading (P03, P09, P11, P12, P15, P18, P23); by teaching governance to others (P12, P23); by looking into other fields, like formula one racing, and applying principles to the business (P01); by personality profiling, which produced revolutionary changes because of self-awareness (P01, P03, P09); and by our children standing on our shoulders, in effect showing them, while they are still children, how to govern (P04).

Summary of learning practices

Twenty-one learning practices were found in the data, eight of them deductively, 13 inductively. Two themes emerged in the learning practices, and these can be broadly seen as inherent learning and intentional learning. These themes are picked up in the Discussion chapter.

Appendix 8 shows the number of participants who used inherent and intentional learning, along with the repertory grid ratings given by participants. The most prevalent learning practices in the data were learning by experience (n=24) (100% of participants) as an inherent learning practice and the use of a safe zone (n=22) (92% of participants) as an intentional learning practice. Comparing the rating data from the repertory grid, it can be seen that while the inherent learning practice of learning by experience (LPr.11) is the most prevalent, only one participant (P02) rated it for 'important to you' and 'increases confidence to govern'. In contrast, 65% of the intentional learning practices were rated for 'important to you' and 'increases confidence to govern', with the safe zone (LPr.4) receiving the highest positive rating (score of 1) from every participant who rated it.

4.6 Barriers to Learning and Development

Question 12 asked participants: does anything get in the way of board learning and development? Appendix 9 shows barriers to learning and development experienced by each participant.   The term 'barriers' was used to describe things that get in the way of board learning and development (Illeris, 2018; Morais & Kakabadse, 2013). Barriers became a theme code deductively. The study derived descriptive sub-themes (n=21) from the data inductively for barriers/hindrances, as shown in Table 4.12

with each sub-theme's incidence in the data.

Table 4.12 Barriers/hindrances to learning and development in the data

Incidence of barriers/hindrances to learning and development	No. of Participants
Hubris (Pride, Bullying, Egos, Personal agendas)	23
Ignorance, lack of awareness, not taking responsibility	11
Board composition is wrong	7
Lack of accountability, apathy, energy	6
Poor Governance systems	6
Balancing family and business, time, busyness	5
Different or no visions, purposes, values	5
Lack of robust debate, good behaviour, trust	5
Chair causing issues, including poor meeting timing	4
Management-Governance issues	4
Complexity, the speed and volume of change, uncertainty	4
Know-it-all attitude	3
Not having a learning plan and not implementing	3
Poor or confused CEO-Board-Chair relationships	3
Lack of desire, gifting, mindset for governance	2
Taking offence	2
Not reflecting or evaluating ourselves	2
Poor or no learning culture	2
Deliberate obstruction to learning	1
Electronic (e.g. Zoom) Meetings	1
Wrong venue for board meetings	1

Every participant experienced barriers/hindrances to learning or developing their governance. For the top three barriers: 96% of participants experienced Hubris (n=23); 46% experienced Ignorance/lack of awareness/not taking responsibility (n=11); and 29% experienced Board composition is wrong (n=7). The barrier Hubris is examined more closely in the next section. Concerning the barrier Ignorance/lack of awareness/not taking responsibility, this included participants' experience of having seen a lack of understanding of the significance of the fiduciary mindset that governance requires (P02, P04, P08, P09, P14).

The Learning Barrier Hubris
Appendix 11 shows a dissection of the barrier called Hubris by each participant. By way of summary, Table 4.13 shows the incidence of each Hubris barrier component in the data.

Table 4.13 Incidence of the components of Hubris and Know-it-all codes

Incidence of the components of the barrier called Hubris, plus Know-it-all Code	No. of Participants
Bullying	10
Pride	8
I don't need to learn	8
Identity tied to past accomplishment	7
Ego	5
Acting in own best interests	5
Own agenda	4
Know-it-all attitude	3
Greed	3
Personal attacks & rubbishing expert advice	3
Prejudice relating to position	2
"Hubris"	1
Experience can be a bias	1
Bad habits can be learned	1
Deliberately derailing the board	1
Played by a different set of rules	1

Every participant represented in Table 4.13 above (n=23) recognised at least one component of Hubris as a barrier to learning and development. The participants experienced the barrier components in a variety of ways. The component 'bullying' included: "*aggressive behaviour*" (P03), *"bullish personality"* (P11, P13, P15), *"wanting to take over"* (P13), bullying and micromanaging (P24), *"overly intrusive"* (P23), and controlling and domineering (P22, P24). The component 'pride' included: did not want to apologise (P01, P09, P11), and wanted to make a name for himself (P13, P19). The component 'I don't need to learn' included: seeing learning as a threat (P02) and a board member saying, *"do you think I'm an idiot"* (P02), resistance to change (P02, P07), standing on ceremony and being threatened by change (P21), and I'm the expert and don't need to learn (P23). The component 'identity tied to past accomplishment' included: emotional ties to the original organisation that I set up (P04, P07), opinions taken as threats (P10), *"their baby"* (P21), a fiefdom (P17, P23, P24), and identity tied to past success as a strong hindrance to change (P04). The component 'ego' included *"personal baggage"* (P02). The component 'acting in own best interests' included: politically motivated (P19, P21), collusion (P03), emotional argumentation (P06), and circle of friends appointments (P23). The component 'personal attacks and rubbishing expert advice' included: arguments (P13, P14), and being deliberately

contentious (P13, P14). The component 'hubris' included overconfidence (P21).

In summary, 21 types of barriers/hindrances to learning and development were identified in the data. Two barriers/hindrances were far more common than any of the others: Hubris was more than twice as prevalent as any other barrier, experienced by all but one participant, and ignorance/lack of awareness/not taking responsibility was experienced by 46% of participants. Bullying, pride, and 'I don't need to learn' were the predominant components of Hubris.

4.7 Enablers of Learning and Development

Question 6 asked participants: what else helps you learn? Appendix 10 shows the enablers (helps) to learning and development experienced by each participant. Every participant (n=24) experienced at least three different types of enabling to learning and development. Enablers became a theme code deductively. The study derived descriptive sub-themes (n=30) from the data inductively for enablers, as shown in Table 7.14 with each sub-theme's incidence in the data.

Table 4.14 Enablers of learning and development in the data

Incidence of enablers of learning (L) and development	No. of Participants
Desire for & embrace change, frustration enables L	19
Formal and structured board processes enable L	14
Chair's role, including relationship with CEO, enables L	13
Keep Governance and Management separate enables L	13
Maintaining a Safe Zone enables L	11
Board succession	11
Confidence, enjoyment, & encouragement enables L	10
Antidote to Pride, EQ enable L	10
A learn-by-doing Governance programme enables L	9
Values, Vision, Purpose, Strategy enables L	9
The Fiduciary Mindset enables L	8
Diversity enables L	7
Success breeds success, seeing progress enables L	5
Self-Awareness enables L	5
Self-reflection and evaluations enable L	5
Double-Loop Learning	5
Desire for Accountability enables L	4
Identifying Learning Needs enables L	4
Skills Matrix enables L	4
Succession and the right board composition enables L	4

Proactivity enables L	2
Getting a Learning Coordinator enable L	2
Consensus-gaining enables L	2
Getting help from outside the board enables L	2
Willingness to be vulnerable, make mistakes enables L	1
Speed of Learning	1
Using explicit learning processes	1
Scaffolding the Learning (& a L Plan) enables L	1
Diversity enables L	1
Good Management enables board L	1

Table 4.14 shows that 79% of participants experienced 'Desire for & embrace change, frustration' as an enabler of learning (n=19). Some of these participants (P05, P12, P17, P21) expressed that the desire to embrace change without compromising the organisation's core purpose was an enabler of learning because it came with an awareness of the changes happening in the organisation's external environment. One participant (P11) found by experience that frustration can be a positive enabler of learning. Table 4.14 also shows that formal and structured board processes were a help to a majority (58%) of boards (n=14).   Some participants, through structured processes, were able to set time-bound learning goals and achieve them (P02, P13, P23). Some participants noted the benefit of proactive intentionality concerning good processes (P01, P08, P17, P18). One participant (P07) changed their meeting agendas to have a learning item early in each meeting, and the learning focus at the start *"pulls everyone in"*, engaging them fully in the governing task at hand. Structured board processes were found to be either barriers/hindrances to or enablers of learning and development by the four participants (P01, P08, P17, P18).

54% of participants experienced 'Chair's role, including the relationship with CEO', as an enabler of learning (n=13). These participants considered that the chair positively fostered robust debate during decision-making. This enabler component includes the benefit to learning during decision-making when the chair and the CEO have a positive relationship (P08, P19). The chair's role was highlighted as an enabler of learning and development, just as it was a barrier/hindrance if mishandled.   54% of participants experienced 'Keep Governance and Management separate' as an enabler of board learning (n=13) when the board understood not to interfere in management.

In addition to these findings, 46% of participants found a working safe zone enables learning and development (n=11). Similarly, a safe zone that is not working, by virtue of hubris (n=23), or lack of robust debate (n=5), or the chair causing issues (n=4), was seen as a barrier to learning. 46% of participants (n=11) commented that succession, older board members stepping down, and attracting

and choosing new board members were helpful to board learning and development because of new skillsets and knowledge added, along with positive motivations. Succession also became either a barrier or an enabler. 37% of participants (n=9) undertaking a learning-by-doing governance development programme was an enabler of learning and development. 33% of the participants (n=8) considered the fiduciary mindset enables learning and development because it drove them to take responsibility for learning and development. The fiduciary mindset, or lack of it, was an enabler or a barrier, respectively. In summary, 30 types of enablers of learning and development were identified in the data. The most common enabler was 'desire for & embrace change, frustration' (n=19). Enablers of learning and development were seen to be barriers or hindrances to learning and development if mishandled.

4.8 Board Effectiveness

Participants were asked whether they thought their board was becoming more effective (Question 10). Appendix 12 shows which participants responded to the question (n=12). This question is in the context of board learning and development, and while it is a closed question from which a yes/no is expected, all participants who answered this question but one (P17) also reported how they were becoming more effective because of board learning and development work they had done. Question 10 was an attempt to find the extent to which participant-boards had changed because of learning or development.

Eleven participants (92% of participants who answered) considered they were becoming more effective, and none said they had not become more effective. Five of these participants (45%) used either 'definitely' or 'absolutely' to answer Question 10 to indicate a strong positive. The twelfth participant (P17) was new to his board, did not have a history to compare to, and was hopeful that they would become effective as they were becoming *"very intentional about selecting the next board members"*. Of the participants (n=11) who answered Question 10 positively, six (55%) participants (P06, P07, P08, P10, P15, P16) related the change in effectiveness to improved board processes. Four (36%) participants (P01, P05, P12, P13) related the change in effectiveness to intentional board development work the board had been doing. One participant (P13) said that new board members had enabled the board to do more development work in the last year than in the seven prior years combined and that it had seemed easy. Another participant (P01) said he gave his board a 6/10 compared to a 2/10 before starting board development work. Their goal is to become a high performing board. Three participants (P03, P10, P17) related the change to succession or better board composition. Two participants (P03, P07) related the change to a more effective safe zone and robust discussion.

In summary, the data showed anecdotal evidence of an increase in board effectiveness due to board learning and development in 11 out of the 12 participants who answered the question. Reasons given for improved effectiveness were, in frequency order, improved board processes, intentionality, succession and better board composition, and more effective safe zone and robust discussion.

4.9 Organisational Performance

Appendix 12 shows which participants (n=13) responded to Question 11, which asked participants whether there had been any impact on the business or its performance, in the context of board learning or development work they may have done. This question was an attempt to find the extent to which learning, and development had impacted the performance of the participants' organisations. 85% of participants who answered this question (n=11) reported that they perceived links between their board development work and organisational performance. There were two participants (P01, P07) who were able to link board development directly to improved profitability: one participant (P01), by requiring job profitability reports, had been able to add and delete service lines strategically and had increased profitability accordingly; another participant (P07) said their improved governance (better budgeting and reporting) was seen by the bank, who had voluntarily responded with a lower interest rate because of the perceived lower risk to the bank. Two participants (P02, P03) said there was no direct link between their board development work to business performance but expected it in the future.

Anecdotally, another participant (P06) said that the last financial year (2019/20) was their most profitable year, and he attributed the increase to their improvements in governance. Specifically, the board now left the manager to manage without interfering as they had done previously, and, along with improved reporting and accountability, the business's profit increased. To prove the link between governance actions and profitability, further research would be needed, in this case, to isolate the effects of the improved governance from other factors that may have affected profit, such as the market price for their commodity and the effect of weather on production.

Other participants offered generalised comments about the link between their governance actions and the organisation's performance: the implementation of a safe zone along with board evaluation processes has had *"a huge impact"* on decision-making performance (P02); board learning and development is *"fundamentally tied to our business as it enables the business to grow"* (P05); better board processes have led to better, more informed decisions (P15, P16); better governance *"has enabled us to do more of what we want to do"* (P05); *"our improved governance has delivered real clarity around the strategy we need"* (P07, P10); better governance has *"enabled us to punch well above our weight now"* (P16); better governance and performance of the business has led to increased confidence (P08, P10).

In summary, the data showed anecdotal evidence of a link between board learning and development and organisational performance in 11 out of the 13 participants (85%) who answered the question.

4.10 Faith-Based Organisation Nuances
Appendix 13 shows the incidence of enablers and barriers/hindrances to learning and development in

the Faith-Based Organisations (FBO's) that were part of the study (n=10). Theme codes were derived from the data to account for FBO nuances found concerning learning and development, except that topics of interest were identified from the literature on mechanisms and mitigators of mission drift in FBO's (Dobbs, 2019), and deductively, those topics became theme codes. Questions were not explicitly asked about the mission drift mechanisms and mitigators, but some of the mission drift topics were identified in the data. The following tables show the theory-development FBO nuances to learning derived from the data.

Table 4.15 Incidence of barriers/hindrances to learning and development in the data of FBO's.

Incidence of barriers to learning (L) and development in the data of Faith Based Organisations	No. of participants
Number of FBO's in the data:	10
Hubris	6
Lack of desire, gifting, mindset for governance	3
Too busy to fully commit, to give the energy needed	3
Board composition or size is wrong	3
'Ministry' & 'Business' not aligned	3
Not knowing how to translate experience to faith-based boards	1
Chair issues	1
Lack of a working Safe Zone	1
Lack of unity on purpose, vision, etc	1
Burnout (not reflecting to pick it up)	1
Governance-Management conflict or not working well	1
Mission Drift Mechanism: Diverse sources of revenue	1
Mission Drift Mitigation: Financial resource dependence	2
Mission Drift Mitigation: Evolving organisational culture	1
Mission Drift Mitigation: Distractions of daily operational activities	1
Self-preservation	1

Incidence of barriers/hindrances to learning (L) and development in the data of Faith Based Organisations	No. of participants
Number of FBO's in the data:	10
Hubris	6
Lack of desire, gifting, mindset for governance	3
Too busy to fully commit, to give the energy needed	3
Board composition or size is wrong	3
'Ministry' & 'Business' not aligned	3
Not knowing how to translate experience to faith-based boards	1
Chair issues	1
Lack of a working Safe Zone	1
Lack of unity on purpose, vision, etc	1
Burnout (not reflecting to pick it up)	1
Governance-Management conflict or not working well	1
Mission Drift Mechanism: Diverse sources of revenue	1
Mission Drift Mitigation: Financial resource dependence	2
Mission Drift Mitigation: Evolving organisational culture	1
Mission Drift Mitigation: Distractions of daily operational activities	1
Self-preservation	1

Tables 4.15 and 4.16 show the incidence of faith-based themes in the data relating to barriers/hindrances and enablers to learning and development. The above themes are specifically related to the faith purposes of the FBO's or the not-for-profit status of the FBO's, or the volunteer status of board members, even where the themes have similar names to the non-faith-based organisations.

Barriers (n=16) to learning and development were recognised in the data. Hubris was the most common barrier (n=6), in line with the findings in non-faith-based organisations. 'Lack of desire, gifting, mindset for governance' (n=3), 'too busy to fully commit -to give the energy needed' (n=3), 'board composition or size is wrong' (n=3), and 'Ministry & Business not aligned' (n=3) were the next most common barriers. These four barriers, in summary, were concerning the ability to get the right directors, directors' desire and ability to commit, and whether the directors experienced a clash of business motivations and ministry motivations within their organisations.

Enablers (n=17) of learning and development were recognised in the data. The most common enablers were 'calling, gifted for governance' (n=4), 'learning as sanctification -continuous improvement' (n=4), 'ministry-business tension -staying true but professional' (n=4), and 'clear purpose and unity of purpose' (n=3). Calling and giftedness for governance is a personal trait of directors. Learning as sanctification is seen as the process of change to become more Christ-like experienced by directors. Ministry-business tension as an enabler is the reverse of the barrier above called 'Ministry & Business not aligned'. Once again, enablers of learning and development were seen to be barriers to learning and development if mishandled. The data showed evidence of the three mission drift mechanisms (P06, P12, P17, P23, P24)

and two of the four mission drift mitigations (P12, P17).

4.11 Summary

The Results chapter presented: the demographic data concerning the participants and their organisations to establish the context of the study; data on learning practices used by boards; data on learning barriers/hindrances and enablers participants experienced; and data on other topics of interest from the literature on board functions, board mechanisms, board effectiveness, organisational performance, and mechanisms and mitigators of mission drift. The data showed the use of 21 learning practices. Two themes emerged in the learning practices, and these were broadly seen as inherent learning and intentional learning and discussed in the next chapter. Overall, intentional learning practices were rated higher for 'important to you' and 'increases confidence to govern' than inherent learning practices. One intentional practice, the safe zone (LPr.4), received the maximum positive rating on 'important to you' and 'increases confidence to govern' from every participant who rated it.

All participants experienced barriers or hindrances and enablers to learning and development. Many barriers and enablers were seen to be opposites of each other, and the reverse of each applied. By a significant margin (more than twice as common), the most prevalent barrier was Hubris (96% of all participants). The results showed the use of a safe zone contributed to being an enabler for board members' learning. Some participants (P04, P05, P10) pointed to the efficacy of a safe zone in family situations where relationships were at risk; some participants (P03, P14) saw the safe zone as a mechanism to counter bullying; others (P02, P03, P13) tied the safe zone to board meeting evaluations, while one participant (P01) saw board meeting evaluations as a powerful tool for change. These findings show the potential for using a safe zone, with board meeting evaluations, to meet the challenge of the most prevalent barrier/hindrance to learning in the data, Hubris. This is discussed in the next chapter.

The data showed anecdotal evidence of links between board learning and development and board effectiveness and links between board learning and development and organisational performance. Data on barriers/hindrances and enablers of learning that were specific to Faith-Based Organisations were reported separately because of their uniqueness and would benefit from further research.

Chapter 5

Discussion

5.1 Introduction

The main research questions of this study are: Is there a link between board learning and board effectiveness? If so, what are the learning characteristics that are most likely to affect board effectiveness? It, therefore, explores whether there is a link between board learning and board effectiveness. The literature review showed strong theoretical links between board learning and board effectiveness. The Discussion Chapter aims to combine that knowledge with the findings from the Results Chapter to describe the characteristics of board learning that are most likely to affect board effectiveness. This is done in sections based on the definition of board effectiveness (from Section 2.5.6), culminating in a section by section series of propositions linking governance and learning concepts that facilitate the findings' application to analogous situations (Yin, 2010, in Punch & Oancea, 2014, p. 152).

A board is effective at governance (can *do what is adequate* to ensure its organisational purposes are fulfilled) to the extent it *intentionally continues to learn and develop the board functions and mechanisms, and their learning capabilitie*s *at least as fast as the rate of change*. This definition is broken into five components to form areas for discussion and are presented in this chapter:

(i)   *A board's awareness of what is adequate* to ensure its organisational purposes are fulfilled leads to Proposition 1 (Section 5.2)

(ii)   *Intentionality* of learning leads to Proposition 2 (Section 5.3)

(iii)   *Continuous* learning and development of practices lead to Propositions 3 and 4 (Section 5.4)

(iv)   *Learn and develop what?* leads to Proposition 5 (Section 5.5)

(v)   *At least as fast as the rate of change* leads to Proposition 6 (Section 5.6)

5.2 A Board's Awareness of What is Adequate to Ensure its Organisational Purposes are Fulfilled

At the highest level, a board is effective if it does what is adequate to ensure its organisational purposes are fulfilled. Understanding *what a genuine board is* and *does* is foundational to this definition; it assumes genuine governance exists, and what they do to achieve the purposes is legally and ethically acceptable. It is not within this study's purview to discuss what is legally and ethically acceptable, but within its purview to discuss what genuine governance is, because a correct understanding of governance is foundational to its operation and, therefore, to board learning. This study asserts (in

Section 2.3.7) that a correct understanding of governance reveals the indispensable need for board learning. Thus, the first proposition establishes the context for the five further propositions: genuine governance. The five propositions assume genuine governance exists. This study does not consider whether the five propositions apply in non-governance situations. In examining the governance literature, it was found that there is an ongoing debate about when governance commences (Crow & Lockhart, 2016). The ensuing Section seeks to contribute to the debate by providing a reasoned argument for two adjustments to the question of when governance starts. The literature revealed the two-tenet model of when governance starts (in Section 2.3.7), the separation of ownership from control, and collective decision-making. Using a pragmatist paradigm, this study now suggests: (i) an expanded conceptualisation of control (to include social mechanisms) should be applied to the tenets of governance; and (ii) a third tenet; at least one person acting as a fiduciary.

Table 2.2 showed that the purist two-tenet model was not adequate to explain when governance started in cases where: (i) there was no structural separation of ownership from control (they were the same people), signifying under the two-tenet model that no governance had started, yet control by undue influence by a director or by others meant someone had actually lost a measure of control (Scenarios A, B, C, D); (ii) there was a structural separation of ownership from control (they were not the same people), signifying under the two-tenet theory that governance *had* started, yet one 'controller' surrendered his/her control (Scenario E); (iii) there was no structural separation of ownership from control (they were the same people), and in addition there was no social mechanism of control in operation either (Scenario G) (the participant P05's situation), signifying under both conceptualisations of control that no governance had started, but nevertheless the directors had genuine fiduciary mindsets, and so governance had started.

Scenarios A-E show that the structural or legal separation of ownership from control as a criterion for the start of governance is insufficient because ownership can separate from control even when there is no structural or legal separation. In other words, the conceptualisation of control as something that exists if a person is legally a director is insufficient to account for the control that can happen through social mechanisms. This possibility is envisaged in the deemed director provisions of governance legislation (Companies_Act, 1993). Furthermore, Scenario G shows that not even the social mechanism of control causing a separation from ownership is sufficient as a criterion for the start of governance, but that the presence of a genuine fiduciary started governance. The two-tenet model of governance requires development -further criteria are needed to indicate when governance has started.

Returning to the yacht-steering analogy (Section 2.3.1), when the owners of the boat are on board and steering, there are no steerers (fiduciaries) steering. This is analogous to no wealth having been surrendered to another to control. When the owners of the boat are not on board but have nevertheless told the steerers exactly where to steer, the steerers' decisions (as fiduciaries) have been overridden, and there is no governance. But if the owners allow the steerers to steer and make

constant alterations (Walton, 1974), the steerers are acting in their role of fiduciaries, in the best interests of others and the vessel, and there is governance. If the owner is not on board (separation of ownership from control), the yacht needs a fiduciary to act with the care and diligence required (Companies_Act, 1993) by new conditions.

Legislation assumes that directors are fiduciaries, so it is legitimate to include the presence of a fiduciary as a criterion for governance. Furthermore, Walton (1974) points to the place of control within the notion of responsibility, thereby pointing to directors' fiduciary duty (Laing, 2013). Walton (1974) asserts that his conceptualisation of control can be extended to the concepts of "ability, intentionality, and voluntariness." Applying these concepts captures the real-life possibilities that a fiduciary may have the *ability* to control or not, even in a position requiring them to use control (or not), and second, that the fiduciary's control can be gained or surrendered *willingly* or *unwillingly*. These are all possibilities in the pragmatist paradigm, which the purist paradigm does not consider.

This study's pragmatist paradigm acknowledges there will be misuses of the fiduciary roles, as in scenario E where the person is acting at the behest of a shareholder/director, effectively silencing the fiduciary's voice. This highlights the moral requirement for a fiduciary to continue to hold themselves to account (Majumdar, 2019). It is possible that there is 100% legal separation of owners from controllers and yet not be guaranteed that governance exists. Such a situation may have directors who are more motivated by self-interest than the obligation to act in the company's best interest (S.131, Companies_Act, 1993) or directors who are subject to the undue influence of others (Shaikh et al., 2019).

The pragmatist paradigm of the tenets of governance, held up against governance theory, revealed the inadequacy of the existing two-tenet model to explain when governance starts. Lockhart (2014) suggests that when governance starts is a crucial question because of the misunderstanding of the term 'governance' by both researchers and practitioners and its wide misuse. The author rightly contends that if the two-tenet model's criteria are widened, there is a danger of institutionalising attributes of governance into something that is not governance, and danger of governance becoming a panacea for management ills and business performance, from which further crises of governance can only emerge (Lockhart, 2014). However, fiduciary duty is the cornerstone of governance in the law (Laing, 2013) and practice (Majumdar, 2019).

The question of when governance starts begs the question of what governance is, and the concept of the fiduciary soon emerges as a cornerstone of its meaning (refer to Section 2.3.1). In the context of this study, which aims to highlight actionable knowledge (Kelly & Cordeiro, 2020) for developing governance effectiveness, the fiduciary obligation cannot be subsumed into the legal concept of a director, as in the two-tenet model, but needs to be foregrounded for practitioners as an anchor of their governance.

Lockhart, with the sincere aim of increasing the understanding and proper use of governance through the application of the two-tenet structural attributes of governance (J.C. Lockhart, personal communication, 30 June 2016), may find practitioners devoid of actionable knowledge (Kelly & Cordeiro, 2020) to develop their governance because the concept of the structural separation of ownership from control is disassociated from the realities of many situations where genuine governance could be instituted or developed.

> **Proposition 1:**
>
> **A board's awareness of the irreducible tenets of governance (the separation of ownership from control, collective decision-making, and the presence of at least one genuine fiduciary) is foundational to the operation of governance and board learning.**

Proposition 1 forms a three-tenet model of when governance begins. For simplicity, the term 'control' is not expanded in this definition but necessarily includes consideration of structural control (those with the title director) and those using social control mechanisms. The term 'genuine' is added as a describer to fiduciary because it is possible a director assumes they are a fiduciary because of their legal position as a director, yet not act as one through lack of understanding or willingness. They have a legal obligation to be a fiduciary but may not fulfil that obligation.

The Literature Review Chapter showed that a genuine fiduciary acknowledges the need to learn continuously (Sections 2.3.1 and 2.3.2). If there is no genuine fiduciary on the board, the board may not fulfil its obligation to keep learning and may not fulfil the organisational purposes because of self-interest. Neither of the other tenets, the separation of ownership from control and collective decision-making, can guarantee learning and development take place, but the presence of a genuine fiduciary guarantees board learning is happening.

The data provided support for the link between the fiduciary and learning -the fiduciary mindset was found in the data as an enabler of learning (refer to Section 4.7) (n=8), as was a recognition that a lack of a fiduciary mindset (acting in own best interests) was a barrier/hindrance to learning (refer to Section 4.6) (n=5). The data also revealed the existence of the Hubris Syndrome, the antithesis of the fiduciary (Chervenak & McCullough, 2001) (refer to Section 4.6). In relation to learning, participants (n=8) described people on their boards who saw learning as a threat, were resistant to change, and saw themselves as experts and did not need to learn. These findings reveal that those board members were not genuine fiduciaries because they were unwilling to learn. Nevertheless, while these directors could influence the other directors because boards are obliged to act corporately (refer to Section 2.2.3), just

one director prepared to act as a genuine fiduciary is a minimum requirement for governance to emerge.

Research suggests self-awareness is a starting point for development (Colthorpe, Sharifirad, Ainscough, Anderson, & Zimbardi, 2018; Lewittes & Morris, 2021); therefore, a board's self-awareness of the tenets that are foundational to the start of governance is required logically. If a board accepts that they want or need to improve the effectiveness of their governance, then the three-tenet model can form the foundation of their enquiry because it describes the tenets from which governance springs. This self-awareness may lead to or make knowledge about the tenets of governance appear more relevant and therefore actionable.

5.3 Intentionality of learning

The literature review revealed that a board is effective at governance (can *do what is adequate* to ensure its organisational purposes are fulfilled) to the extent it *intentionally continues to learn and develop the board functions and mechanisms, and their learning capabilities*, at a rate *at least as fast as the rate of change*. From this definition five areas for discussion were identified, and this Section discusses the second area, *intentionality* of learning, leading to Proposition 2. This Section describes the literature's inadequacy to categorise board learning in terms of formal-informal. The term informal learning appears to be too broad and ill-defined to adequately describe board learning that is not intentional. The Section suggests another terminology, inherent-intentional.

5.3.1 Formal and Informal Learning and the Emergence of 'Inherent'

The Literature Review Chapter showed that the literature revealed two broad categorisations of learning: formal and informal. In line with the literature, the data shows both formal and informal learning (Schugurensky, 2015). Learning Practice 12, Formal Training/Education -External, is formal learning, as is Learning Practice 9, Review of a Governance Learning Needs Analysis. All other learning practices in the data were informal learning. As described in the Literature Review Chapter (Section 2.4.3), the literature describes three types of informal learning; tacit, incidental, and self-directed (Schugurensky, 2015), and in Table 5.1 their presence in the data is summarised.

Table 5.1 Types of Informal Learning in the data

Types of informal learning (Schugurensky, 2015)	Conscious	Intentional	Present in the data
Tacit	No	No	Yes
Incidental	Becomes conscious after the learning	No	Yes
Self-directed	Yes	Yes	Yes

Tacit learning is the internalisation of values, attitudes, knowledge, and skills with no intention to acquire them and no awareness that a learning activity took place. Some interviewees (n=9) described the unconscious internalisation (tacit learning) of values, attitudes, and others' behaviours around the board table. Incidental learning refers to experiences where a person has no intention of learning something from it but realises later that they have learnt something through the experience. Many participants (n=19) demonstrated this. Self-directed learning is both conscious and intentional and was demonstrated by 100% of participants (n=24).

While all forms of informal learning, as defined by Schugurensky (2015), were evident within this current study, some incidences seem to be described by incidental learning but not entirely in four ways. First, the data shows that an individual's incidental learning is not conscious until after the experience. Some participants (n=4) described they were now conscious that learning happened through an experience, for example, when they participated in a discussion on the reports about the organisation that were included in the board papers. Those participants were now conscious that they would be learning when they have the next discussion on the reports (same report formats covering the latest time period) at the next board meeting. In this case, incidental learning led to pre-experience awareness of learning happening live the next time the same experience happens for every future cycle of board activity. Morais and Kakabadse's (2013) board learning capability model shows the cyclical nature of boards and board learning.

Second, Schugurensky (2015) describes incidental learning as "incidental to the purpose of the experience". Given an experience may be embarked on to *accomplish* something, as opposed to a learning experience that is embarked on to *discover* or *learn* something, in the board context, learning appears to be the fundamental purpose of all board activities, whether conscious or not (Morais & Kakabadse, 2013). Learning, as a purpose, may not be conscious initially, but once it is, the purpose of that same activity will be learning consciously. This is shown by New Zealand Companies legislation describing directors' duties, which says directors must exercise care, diligence, and skill (S.137, 1993), which is decision-making. All decision-making ultimately involves learning, or reflecting on learning (Amaladas, 2018).

Third, Schugurensky's conception of incidental learning appears not to consider a conscious culture of learning (Fard et al., 2009; Thomas & Brown, 2011). Several participants (n=16) described the continuous improvement culture in their organisations that aimed to incorporate the ideas of lifelong learning and continuous improvement into all activities.

Fourth, just as Schugurensky (2015) describes as a problem that the term informal has a negative connotation in the dictionaries, the term incidental can also carry a negative semblance in the case of board learning by describing it as minor and subordinate (Merriam-Webster, 2021). Learning by a

board, even incidental learning could be highly aligned to the purpose of the organisation and neither minor nor subordinate.

In summary, Schugurensky (2015) describes informal learning as still a black box and is used with different meanings. In the nuanced context of board learning, the term informal learning appears to be too broad and ill-defined to describe board learning that is not intentional adequately.

The terms non-intentional or unintentional are also options to describe board learning that is not intentional. However, 'non-intentional' is not in the literature and is therefore ruled out. 'Unintentional' is used in the literature and is the opposite of intentional, but the term can carry a negative connotation of having unintended consequences (Merriam-Webster, 2021). However, unintentional learning, like learning from a boardroom experience, can be consciously expected before a board meeting to be positive. So using the term unintentional is also inadequate in the boardroom context. In summary, the term 'informal' and its alternatives above are inadequate to describe board learning that is not intentional.

5.3.2 Inherent Learning

This study suggests the term 'inherent' to describe the data coming from the nuanced learning experiences of directors that is not intentional. Dictionary definitions of inherent reveal it is the "essential character of something" (Merriam-Webster, 2021) or "existing in someone or something as a permanent and inseparable element, quality, or attribute" (Dictionary.com, 2021). Synonyms include built-in, hardwired, ingrained, integral, and intrinsic (Dictionary.com, 2021). Inherent describes learning that is not only embedded but hardwired into the experience of board processes. To use an analogy, learning that is inherent in the board meeting cycle seems to be part of the DNA of the board meeting cycle and completely inseparable, as board meetings exist to enable a group of people to make decisions, which require learning. Inherent learning was found in all participants (n=24), especially learning by experience (n=24). Using the term 'inherent' does not diminish the value and importance of the learning and does not appear to have any perceived negative connotations, as opposed to the term incidental. However, inherent learning appears to be reactive because it was largely unconscious, and if they responded to such learning, it was after the event.

The data shows learning with one or more of these characteristics; unconscious, leading to good habits or bad, random, and reactionary. First, regarding 'unconscious', the term 'inherent learning' captures the view of 79% of participants that learning by experience had been unconscious until pointed out. For every participant who commented on decision-making (n=9), learning was embedded, demonstrating the inherent nature of this learning to the operation of boards.

Second, in regard to learning good and bad habits, two participants who had learned governance by observation said bad habits could be learned as well as good habits, demonstrating that the learning was inherent to the experience (refer to Section 4.5). One participant expressed that the best place to learn governance was a situation that was not going well and learn what not to do a lot quicker. If this person's learning was conscious, Kolb's experiential learning cycle (Kolb, 1984) would be evidenced by the participant's actions, resulting in positive learning from a negative experience. However, positive learning may likely be random without intentionality. The randomness of inherent learning was also shown by participants (Section 4.5, Learning Practice 11), summarised by one of the comments as a hit and miss affair. The data show that learning inherent in prior experience led to positive and negative outcomes (good and bad habits) and aligns with the literature (Acciarini et al., 2021; Hilbert, 2012).

Despite the benefits of inherent learning, a genuine fiduciary (refer to Section 5.2) cannot rely upon that learning alone because it is often only conscious after the learning, is random, and an output or reaction to an experience. A genuine fiduciary is proactive and intentional logically. A genuine fiduciary does not scorn inherent learning, but on the contrary, he or she values it for the lessons that may be brought into the future. Fiduciaries cannot fulfil their duties by being reactionary but by being intentional. The literature and data show that learning governance by experience can deliver learning that is random, reactionary, and produce bad habits, yet may be highly valuable for boards if they can intentionally harvest learning from those experiences, particularly in times of change.

It appears that what is learnt inherently cannot be chosen in advance, nor how the learning happens, nor when. Yet the possibility exists to harvest rich learning through individual self-awareness, collective awareness, and intentional reflection. This study now discusses intentional learning, which appears to be on the opposite end of an inherent-intentional spectrum.

5.3.3 Intentional Learning
The Requirement for Intentional Learning
The literature revealed that intentional learning is required by boards. New Zealand's cultural landscape (Section 2.2.3) showed that boards need to learn how their decision-making processes are affected by culture, and more so as their cultural mix changes. The globalisation of ideas on governance (Section 2.2.4) showed the importance of intentional learning by boards, whose members are deliberately and actively taking responsibility for their learning, for diversity, for critical reflection, and working out next steps in the context of the ever-changing world of ideas. Whatever the board's cultural and legal situation, intentional learning is required to continue to exist and be effective (Section 2.2.5).

The literature on governance and boards revealed that boards require intentional learning. The legal function of a director as a fiduciary (Section 2.3.2) requires intentional learning of the changes to the organisation's internal and external environments to make decisions that are in the organisation's best

interest. All the theories of governance (Section 2.3.4) require directors to be learning. Agency theory requires directors to continuously learn what is in the company's best interest and learn to detect manifestations of the agency problem (directors wanting to act in their own best interests). Stewardship theory requires directors to understand system needs and the fiduciary concept and act accordingly. Resource dependency theory requires directors to learn about the resources they and their organisations need and how to get them. Stakeholder theory requires boards to understand systems thinking and learn about the needs of stakeholders and how the organisation is meeting those needs. Moreover, the evolving nature of trust between stakeholders (Grundei, 2018) suggests that directors need to intentionally and continuously learn about trust and how it is changing so that they can adapt their own model of governance.

The literature on learning revealed that board learning requires intentionality. Given the purpose of education for boards (Section 2.4), board learning requires intentionality to continuously develop the learning skills and passion necessary to fulfil their fiduciary obligations and prepare for the future in all its fullness (Snook, 2014). The learning theories found to be most appropriate for boards (Section 2.4.1), the socio-cultural framework of learning and the experiential learning cycle embrace all types of board learning, including intentional learning. Intentional learning was found to be intrinsic to the board meeting cycle and the legal duty of boards to be purposeful (Section 2.4.2). The literature shows that an intentional focus on learning increases the effectiveness of board learning (Amaladas, 2018).

The literature showing the link between board functions and mechanisms and organisational performance (Crow, 2016) revealed that intentional single-loop, double-loop, and triple-loop learning enabled the board functions and mechanisms (Section 2.5.3). Comparing board learning to Illeris' (2018) conceptualisation of learning with three dimensions, intentionality in learning, part of the incentive dimension, is important for board effectiveness.

As the literature revealed the requirement for intentional learning and intentional learning's ability to increase learning effectiveness (refer to Section 2.5.5), the study's data revealed the importance of intentional learning to participants; Appendix 8 shows that 100% of participants used intentional learning practices. Seventeen types of intentional learning practices were identified in the data, and four types of inherent learning. Comparing the rating data from the repertory grid, it was seen that while the inherent learning practice of learning by experience (LPr.11) is the most prevalent, only one participant (P02) rated it for 'important to you' and 'increases confidence to govern'. In contrast, 65% of the intentional learning practices were rated for 'important to you' and 'increases confidence to govern', with the safe zone (LPr.4) receiving the highest positive rating (score of 1) from every participant who rated it. The data shows that intentional learning practices were more important to participants and increased their confidence to govern, whereas no participants rated any of the inherent learning practices on either of those describers. While intentional learning was the most

important and valuable to participants, inherent learning was nevertheless happening in the background.

Appendix 17 shows the number and types of entities that use inherent or intentional learning practices. The data show that the use of intentional learning practices per entity was significantly higher (2.6 times higher) for the private companies and for entities that were not faith-based. While this could indicate a greater propensity or desire for intentional learning, further research would be needed to substantiate that.

Two of this study's participants (P08, P10) said they did not know what they did not know, and one of them (P10) commented that they fell into governance and how to do it, indicating the absence of intentionality. Research into known unknowns (what people know they don't know) and unknown unknowns (what people don't know they don't know) shows the requirement for intentional learning of the unknowns in order to reduce the overconfidence that can drive poor strategic decision-making (Alles, 2009; Harvard_Business_Review, 2018; Walters, Fernbach, Fox, & Sloman, 2017). Both the literature and the data point to the requirement for boards to be learning intentionally. The concept of a continuum may help to understand the dynamics of inherent and intentional learning.

Is There a Continuum of Inherent to Intentional Learning?

Using a pragmatist paradigm, both inherent and intentional learning could theoretically co-occur if, during an intentional learning exercise, the directors learnt from the experience (single-loop and double-loop learning). In addition, a learning practice that was inherent for one person could be intentional for another. Furthermore, what may have been inherent learning for a person could become intentional for that person once they chose to use that type of learning practice. The simultaneous expression of inherent and intentional learning demonstrates that conceptually, inherent learning and intentional learning may not be binary but on a continuum. Appendix 8 shows how the learning practices in the data have been categorised as being more likely to be at one end of the continuum or the other. Where a learning practice is positioned on the spectrum is likely to be a personally-determined matter of, first, the context of the specific learning situation (the '*interaction*' with others), second, the '*content*' of that learning and the personal abilities involved, and third, the '*incentive*' or motivation of the person, according to Illeris' (2018) three dimensions of learning and competence development.

For this study, the learning practices labelled 'intentional' in Appendix 8 are activities that were embarked upon chiefly to *discover* something, as opposed to the inherent learning practices of learning by experience and decision-making that were chiefly first embarked upon to *accomplish* something. Intentional learning is chosen to discover something. Inherent learning is not chosen but is a by-product

of accomplishing something. While they are conceptually different, there may be an element of both discovering and accomplishing co-occurring.

The learning practices in Appendix 8 were coded to either inherent or intentional to capture the idea from participants that these activities are usually intentionally embarked upon or not. However, 46% of participants initially reacted to the question of which of the first eight Learning Practices they had undertaken by saying the board did little or no intentional or proactive learning (Appendix 8). However, when they were questioned more thoroughly and had the listed learning practices explained, 92% of participants acknowledged they had used some listed practices. Some went further to say that an explicit educational approach to board development was desirable. This demonstrates the continuum in action.

Prioritising Intentional Learning

The research literature and the data show that intentional learning is a requirement for boards. These findings generally reveal that directors must be proactive and not only reactive in the context of continued organisational existence. In other words, directors are to prioritise intentional learning as part of the intentional leadership required to prevent reactive mission drift (Dobbs, 2020). The data showed that self-awareness was an enabler of learning (Section 4.7) and revealed the possibility of learning that was inherent in the past becoming intentional in the future, therefore initiating proactivity for learning and development. One participant (P01) recognised the need for their board to take responsibility for the board's development in the same way that members of professional bodies take responsibility for undertaking several professional development hours each year. Another (P10) expressed that given that they saw themselves as life-long learners, then intentional learning was the most important form of learning for the board.

Most participants (n=22) expressed that the interview was a learning experience. Because of the way the interview questions were structured, starting with what someone had learned personally about governance, and moving to what their board had learned about governance, several participants commented that they had only considered governance-learning as an activity that individual directors did not a whole board. Thus, during those interviews, there was a swing from an individualistic viewing of learning to a corporate (whole board) view of learning, in line with Morais & Kakabadse's assertion (2013) that a board is a suitable unit of learning to study. There was a new awareness that indeed learning could become intentional, even should become intentional, just like the other activities of their boards. One participant (P02) expressed that his board needed to adopt explicit learning practices in a continuous improvement cycle. Continuous improvement is the topic of the next Section.

> **Proposition 2:**
>
> **Intentional learning and development is an indispensable method of learning for a board.**

This Section discussed the second area of board effectiveness, the *intentionality* of learning*,* leading to Proposition 2. The Section described the literature's inadequacy to categorise board learning in terms of formal-informal and suggested the terminology inherent-intentional. Intentional learning is required by legislation and the literature on boards and learning, to the extent that failure to learn proactively could lead to mission drift and the demise of organisations (making it indispensable). Intentional learning was found in the data and seen by participants as the most important means by which boards could learn and develop their governance and the means which gave them the most confidence to govern. Inherent learning was seen in the data as a valuable form of learning, especially learning by experience, but it cannot deliver what intentional alone can deliver, the deliberate, proactive learning and development of governance. Board learning practices that will allow boards to learn and develop their governance are covered in the next Section.

5.4 Continuous Learning and Development Practices

The literature review revealed that a board is effective at governance (can *do what is adequate* to ensure its organisational purposes are fulfilled) to the extent it *intentionally continues to learn and develop the board functions and mechanisms, and their learning capabilities*, at a rate *at least as fast as the rate of change*. From this definition, five areas for discussion were identified, and this Section discusses the third area, c*ontinuous* learning and development of practices, starting with Proposition 3, and leading to Proposition 4. In this Section, continuous learning and development practices are shown to be an indispensable part of board effectiveness and are discussed with reference to the research literature and the data. The Section starts with Proposition 3, provides proof from the literature and from the data of seven core board learning practices, and ends with Proposition 4 relating to a safe zone for robust discussion.

Proposition 3:

There are seven core board learning practices: (1) A learning and development plan, (2) A learning item in the agenda of every meeting, (3) A culture of learning and continuous improvement, (4) A learning coordinator, (5) Learning from Experience, (6) The evaluation of every board meeting, (7) A safe zone for robust discussion.

The seven practices are now discussed, presented in three Sections, using Illeris' (2018) three core elements of learning as a framework: content, incentive, and interaction.

5.4.1 Effective Board Learning Requires Content

Two board learning practices fall within Illeris' (2018) core element 'content': a learning and development plan, and a learning item in the agenda of every board meeting.

(1)   *Board Learning Practice: A Learning and Development Plan*

Illeris' (2018) first element of learning, content, leads logically to a content plan. The research literature revealed a scaffolding of learning (Bruner, 1996, in Illeris, 2018, p. 92) where planned content is developed into a structure that is gradually completed with understanding (Section 2.5.5). In the data, while less than half the participants (n=10) responded to this question, in line with the literature, 56% of participants who responded used some form of content plan to guide their learning and development, either formally or informally (Section 4.5). The repertory grid results revealed that, on average, participants who scored the questions rated their learning and development planning as a 1.7 out of 6 for importance (1 is high), and a 2 out of 6 for confidence to govern (Table 4.9). In addition, not having a learning plan and not implementing it were seen as barriers/hindrances to learning (Table 4.12).

While some participants who answered (44%) had no board learning and development plan, the lack of a plan does not indicate its irrelevance. Instead, the participants found it somewhat hard to implement; a repertory grid score average of 3.8 out of 6 in terms of easy-hard to implement (1 is easy, 3 is neutral, 6 is hard). Secondly, the lack of a plan indicates a lack of intentionality, described in the Section above, seen in the literature, and experienced by participants in the data as the most important means by which boards could learn and develop their governance and the means which gave them the most confidence to govern.

Therefore a learning and development plan is an essential part of the intentionality required for board effectiveness. The plan's content is based on an evaluation of board members' existing knowledge and practice of governance to establish what they already know and what they have implemented in their governance (Nicholson & Kiel, 2004). However, it is not sufficient to only plan, but an effective board will also implement.

The literature revealed that all boards, as episodic decision-making groups, are learning all the time, and have content which they are learning, such as board papers and decision-making topics and processes (Section 2.5.4). This is Illeris' (2018) first element of learning, content. The literature showed that board meetings are held in cycles (Section 2.4.2), and meeting agendas and board papers prepared before board meetings to prepare directors for meetings are one component of those cycles (Section 2.5.5). Small chunks of learning content placed into the agenda and board papers is logically a subset and outworking of an active learning and development plan. Once again, intentionality is essential; a learning item in the agenda of every board meeting requires a high level of intentionality from the board to assess progress against its development plan and choose an appropriate learning activity (Dudko & Chernyavskaya, 2018; Lewittes & Morris, 2021).

The data revealed that 46% of all participants put a learning item on their meeting agendas (Section 4.5). The repertory grid results revealed that, on average, participants who scored the grid rated their' learning item in the agenda' as a 1.6 out of 6 in terms of importance (1 is high), and a 2 out of 6 in terms of confidence to govern (Table 4.10). The data shows that 'Explicit Learning Processes' are seen as a learning enabler. Specifically, one participant (P07) considered the learning item on the agenda of each meeting (as a structured board process) to be an enabler of board learning, and others considered a learning item in the agenda easier to implement than not (on average); repertory grid score of 2.3 out of 6 in terms of easy-hard to implement (1 is easy, 3 is neutral, 6 is hard). While these participants' ratings reveal their positive view of this practice in terms of importance, confidence to govern, and ease of implementation, its uptake appeared light, as only two of the participants put a learning item in the agenda of every meeting. One participant's view (P12) summarised the problem; *"we haven't got time".* The lack of the use of this learning practice does not indicate its irrelevance, as above; rather, the lack of putting a learning item in the agenda of meetings indicates a lack of intentionality, which participants saw as the most important means by which boards could learn and develop their governance.

In summary, in the planned and disciplined context of regular board meetings, learning may not happen unless there is a learning and development plan in concert with a learning item in the agenda of every meeting. A learning item placed in the agenda of every meeting is an essential part of the 'content' of learning and therefore for board effectiveness. The intentionality required points to the need for the second component of learning, 'incentive'.

5.4.2 Effective Board Learning Requires Incentive

One board learning practice falls within Illeris' (2018) core element 'incentive'; 'A Culture of Learning and Continuous Improvement'. This study takes the faith experienced by board members in FBO's to be a component of 'incentive' because 'incentive' includes motivation, engagement, interest, and volition,

which faith provides for those board members. Faith considerations are part of the following learning practice because faith topics were either enablers or barriers/hindrances to learning and development in the data (Appendices 11 and 13).

(3) Board Learning Practice: A Culture of Learning and Continuous Improvement

A learning culture has been defined in the literature as how an organisation habitually learns and works to integrate learning processes into all organisational functions to keep adapting to the changing environment. The literature revealed that an organisational culture of learning and continuous improvement is an enabler of adaption (Fard et al., 2009) (Section 2.5.5). In addition, the very functions of governance were seen to require continuous learning (Section 2.5.3).

The data revealed that 76% of participants who answered the question had adopted continuous improvement systems to some extent in their organisations (Appendix 7).   In addition, the repertory grid results revealed that, on average, participants who scored the question rated their 'continuous improvement' as a 1.3 out of 6 for importance (1 is high), 2 out of 6 for confidence to govern, and 3 out of 6 for easy-hard to implement (1 is easy, 3 is neutral, 6 is hard) (Table 4.9). These two positive findings and a neutral for ease for implementation appear aligned with the finding that the highest frequency enabler of learning and development amongst participants was 'Desire for & embrace change, frustration' (Table 4.14). A desire to embrace change, felt with frustration, was the top-scored enabler of learning and development, yet only two participants (P10, P12) had applied a culture of learning and continuous improvement systems to their boards. 67% of boards who answered this question were asking their organisations to do what they were not prepared to do themselves (Section 4.5). In addition, participants considered having a poor learning culture or not having a learning culture were barriers/hindrances to learning (Table 4.12).

Likely explanations for these findings are that the lack of implementing a culture of learning or continuous improvement systems may be due to a lack of board self-awareness of such a need. As expected, the interview process itself was a pedagogical experience for participants (Section 3.4) and they may have become aware of the need during the interview (refer to Appendix 8 and the increase of consciousness of board learning during the interview). Second, a reason for lack of implementation could be the same reason given for the lack of implementing other learning practices, shortage of time. Third, there was likely a lack of intentionality, as above. Fourth, the lack of implementation of complementary learning practices is a likely contributor: designating one board member to be their learning coordinator to drive intentional board learning was missing in 56% of participants who answered the question; one or more of the barriers/hindrances to learning may have been in play, particularly the barrier/hindrance called 'ignorance, lack of awareness, not taking responsibility' (Table 4.12).

In summary, the literature showed that a culture of learning and continuous improvement is a cornerstone of the continuous change/adaption effective boards and their organisations embrace. Their adoption depends, once again, on intentionality. A mindset willing to change and grow rather than remain fixed has been shown to enhance intentionality by emphasising ongoing effort and approaching difficulties as opportunities (Lewittes & Morris, 2021). This is the mindset of the genuine fiduciary (Section 2.3.2). The literature shows that an intentionally-developed learning culture would allow boards to adapt themselves and their organisations more effectively to environmental changes than merely reactive adaption (Amaladas, 2018). If boards do not have a culture of learning nor continuous improvement practices, the 'incentive' (Illeris, 2018) would be missing, and one or more of the mental energy, motivation, engagement, interest, and volition (Illeris, 2018) would therefore be missing for learning and development. By creating a culture of learning and continuous improvement, boards, as genuine fiduciaries of organisational purposes, will guide themselves and their organisations to remain adaptive enough to survive.

This section of the study has considered the necessity of the 'content' and 'incentive' components of learning and now considers the third component 'interaction'.

5.4.3 Effective Board Learning Requires Interaction

Four board learning practices fall within Illeris' (2018) core element 'interaction'; a learning coordinator, learning from experience, the evaluation of every board meeting, and a safe zone for robust discussion.

(4) Board Learning Practice: A Learning Coordinator

The literature revealed that the presence of a skilled facilitator for learning is highly important (Section 2.5.5). In board settings, researchers have escalated the importance of a skilled facilitator's capability to be 'pivotal' and a 'sacred quality' of board learning effectiveness (Morais & Kakabadse, 2013). Literature suggests it is the chair's role to be the facilitator of learning, but the Māori principle of Ako suggests the role could be taken by 'learners' as well as 'teachers' (Pale, 2019). Alternatively, the literature points to the use of a committee of the board to perform critical functions to prepare the board's content of learning and arrange for the systems that enable continuous board learning in the manner of a coordinating role (Kolev et al., 2019).

Because this study aims to link governance and learning concepts that facilitate the findings' application to analogous situations, it has used the term learning coordinator rather than learning facilitator. While both coordination and facilitation of learning must be done, coordination is seen as more administrative and facilitation (by chairs) is seen as a more specialist role (Institute_of_Directors_in_New_Zealand, 2021). However, any or all board members do facilitation of learning during decision-making. So as not to limit this practice's application to analogous situations by a person perceiving (for example,

participant P17 -see below in this Section) it as a specialist role, the term 'coordinator' is used (Section 2.4.1).

The data reveal that 44% of participants who answered the question had a board member who coordinated their learning and development. The repertory grid results revealed that, on average, participants who scored the question rated 'a learning coordinator' as 1.4 out of 6 for importance (1 is high), 3.3 out of 6 for confidence to govern (1 is high, 3 is neutral, 6 is low), 3.5 out of 6 for easy-hard to implement (1 is easy, 3 is neutral, 6 is hard), and 5 out of 6 for 'the board likes this practice' (1 is likes, 3 is neutral, 6 is dislikes) (refer to Table 4.9). In other words, 'a learning coordinator' was seen as quite important, but did not increase confidence to govern, was somewhat hard to implement, and was disliked by the boards. Participant P17 revealed that the board members do not feel skilled enough to facilitate learning when questioned about the dislike.

Compared to the averaged findings, two participants recognised a learning coordinator as an enabler of learning (P03, P13). And participant P17, whose board was not using a learning coordinator and did not fully utilise a safe zone, considered 'a learning coordinator' to be the most important of the practices because, without a coordinator, the other learning practices would not be implemented. For this participant (P17), the board only used one of the intentional learning practices, and two of them partially (see Appendix 7), so it is likely that their lack of use of a learning coordinator correlated to the other learning practices being unused.

In summary, the learning practice 'a learning coordinator' is an indispensable component of board learning, as shown by the literature and the data. The role of the learning coordinator is seen as an antecedent of other learning practices because the learning coordinator is delegated the responsibility of implementing and maintaining other board learning practices, for example, ensuring the board creates a learning and development plan and suggesting a learning item for the agenda of board meetings. As Morais and Kakbadse suggest (2013, p.84), the role may even be a 'sacred quality' of board learning effectiveness. Yet even with this sacred quality in place, without other types of 'interaction' (Illeris, 2018), as described in the next three Sections, the learning coordinator could be impotent.

(5) Board Learning Practice: Learning from Experience

The literature revealed that the theories of learning by experience and the experiential learning cycle apply to boards (Engestrom & Sannino, 2012; Kolb, 1984). Boards create or reinforce meaning from board meetings' content and process, thus learning by experience (Section 2.4.1). Board functions were seen as described by Kolb's experiential learning cycle (Kolb, 1984)(Appendix 15). Learning by experience was seen as a key source of learning and development (Section 2.5.3).

The data reveal that 'learning by experience' was encountered by every participant (Section 4.5). In the repertory grid (Section 4.4) only one participant (P02) rated it: 1 out of 6 for importance (1 is high), 4 out of 6 for confidence to govern (1 is high, 3 is neutral, 6 is low), 4 out of 6 for easy-hard to implement (1 is easy, 3 is neutral, 6 is hard), and 5 out of 6 for 'the board likes this practice' (1 is likes, 3 is neutral, 6 is dislikes) (Table 4.9). In other words, while it was seen as highly important, at the same time it was seen as not increasing confidence to govern, quite difficult to implement as a practice, and was disliked by the board. The difficulty and the dislike align with the randomness of learning by experience shown in the data; 79% of participants saw learning by experience as unconscious, and it was seen as an inherent learning practice.

It is likely that the difficulty and dislike point to not knowing how to implement 'learning by experience'. The data also revealed that with intentionality, the implementation of forms of learning by experience is possible. The data showed that 'a learning-by-doing governance training programme' was an enabler of learning (Section 4.7), and 'a process to learn from past decisions' was one of only two learning practices rated a 1 out of 6 for liked by the board (refer to Section 4.4). Because the description of 'experience' is in the past, 'a process to learn from past decisions' is seen as an intentional way of learning by experience. 30% of participants who scored this question had used such a process inconsistently, and 30% had used a process informally (n= total of 12 participants). Of participants who scored this practice on the repertory grid, the average ratings were 1.4 out of 6 for importance (1 is high), 2.5 out of 6 for confidence to govern (1 is high, 3 is neutral, 6 is low), 4 out of 6 for easy-hard to implement (1 is easy, 3 is neutral, 6 is hard), and 1 out of 6 for 'the board likes this practice' (1 is likes, 3 is neutral, 6 is dislikes) (Table 4.9): very important, adds to confidence to govern, difficult to implement, and highly liked.

Despite the high importance of these learning practices, they were seen as difficult to implement, learning by experience was unconscious by 79% of participants, and the intentional form of it (a process to learn from past decisions, or learning *from* experience) was not implemented regularly by *any* participant. To explain why they did not implement, one participant (P03) said they had *"lots of egos sitting at the table"*. Not learning by experience means that boards could repeat the same mistakes of the past, or, because experience was seen as a bias (one participant; P21) (Table 4.13), repeated decisions that were good in the past may now not be good because of changed circumstances.

To reconcile the literature (on learning by experience and the experiential learning cycle) with the data showing dislike/difficulty/unconsciousness of implementing 'learning by experience', this study suggests this board learning practice be called *Learning from Experience*. By using this title, intentionality is required to action it, and implies that someone using the practice will need to be reflective after the experience. Thus the practice becomes more actionable.

In summary, learning by experience was encountered by *every* participant and seen as highly important, yet was hard to implement as a practice. The importance of this practice was shown by the possibility

of repeating the same mistakes without learning from the experience or repeating good decisions that were now not applicable. The associated practice, 'a process to learn from past decisions', pointed to the possibility that intentionality would enable boards to implement the practice. Yet this was seen as difficult to implement also. Boards may not know how to implement these practices, while too many egos at the table also explain non-implementation. These implementation hurdles point to the renaming of the practice to Learning *from* Experience to engender the intentionality and reflection needed to implement the practice.

(6) Board Learning Practice: The Evaluation of Every Board Meeting

The literature revealed that the 'interaction' (Illeris, 2018) required for learning includes, for boards, assessment and evaluation of board learning and development (Millesen & Carman, 2019) (Section 2.5.5). In addition, the literature's double-loop learning or reflecting, applied to boards to evaluate their performance in developing their abilities as a group, and triple-loop learning, reflecting on why they are learning and the learning context, were shown to increase learning effectiveness (Amaladas, 2018) (Section 2.5.5). Boards that do not evaluate what, how, and why they are learning are susceptible, according to the literature, to deterioration of the skill of evaluation over time (Arthur, 1998) (Section 2.5.5).

The repertory grid data reveal that, on average, those who scored this question rated this practice 1.6 out of 6 for importance (1 is high), 2.2 out of 6 for confidence to govern (1 is high, 3 is neutral, 6 is low), 2.4 out of 6 for easy-hard to implement (1 is easy, 3 is neutral, 6 is hard), and 3.5 out of 6 for 'the board likes this practice' (1 is likes, 3 is neutral, 6 is dislikes) (Table 4.9). In other words, evaluation was seen as important, added somewhat to confidence to govern, was not fully easy to implement, and was disliked more than liked.

The data showed that 50% of all participants evaluated board meetings, 29% at every meeting. Board evaluations had a *"huge impact"* on the decision-making performance of one participant (P02) and were seen to be *"very powerful tools for change"* (P01), *"key to our learning"* (P03), and where their *"learning gets reinforced"* (P03) (Section 4.9). Five participants considered that self-reflection and evaluations were enablers of learning and development (refer to Table 4.14).

It is clear from the literature and the data that evaluation of board meetings is necessary, important, and can be a powerful tool for board learning and development. However, results from this study showed that for participants, these are somewhat difficult to do and disliked; P03 called them hard to do, and P11 said they needed to be brave enough to do them. One participant (P14) noted they did not do evaluations because there were too many egos involved (referring to members of the Board). The hubristic behaviour themed Hubris was the most prevalent barrier/hindrance to learning in the data. The literature points to evaluations as a mechanism to hold such hubristic board behaviour to account

(Garrard, 2018) (Section 2.5.5). Under the Māori principle of Ako any board member could evaluate (Section 2.4.1).

In summary, although evaluations of board meetings are necessary, important, and a powerful tool for board learning and development, in practice they are hard to do, especially when there is hubristic behaviour by board members. Yet if boards do not undertake meeting evaluations, they have limited their scope for individual and corporate accountability, continue to allow the hubristic barrier/hindrance to learning, and reduced the probability of effectiveness. Evaluations can meet the challenge of hubristic behaviour, the most prevalent learning barrier/hindrance in the data and increase board effectiveness. But effective evaluations of board meetings require board members to speak in a safe zone for robust discussion.

(7) Board Learning Practice: A Safe Zone for Robust Discussion
The literature revealed that a safe zone is a psychologically safe climate for promoting inquiry and robust dialogue and, in a board setting, enables boards to address many challenges and individual cognitive biases (Acciarini et al., 2021; Lockhart, 2014) (Section 2.5.5). The board literature calls it a behavioural discipline where board members feel safe enough to engage in lively non-personal dialogue (Lockhart, 2014). In the words of participant P10, a safe zone *"is not a cone of safety coming down on us, but safe for robustness"*. The literature shows that boardrooms can be places of intense emotions, and a safe zone allows personally-held boundaries to be tested and dismantled, if necessary, along with the biases. In this study, a safe zone is called a learning practice because it facilitates boards' decision-making, which is a form of learning (Section 2.5.4) and was seen as a learning enabler (refer to Table 4.14).

The Need for A Safe Zone to Counteract the Hubris Syndrome
Researchers suggest that reducing biases requires disciplined, methodical approaches to decision-making and behavioural disciplines (Acciarini et al., 2021) (Section 2.5.5). As a set of behavioural disciplines, a safe zone for discussion and debate has been identified as a requirement for the 'collective efficacy' of boards (see Crow, 2016), and in addition, a safe zone is found to be necessary for effective learning (confirmed by the data, refer to Section 4.5, LPr.4). The literature supports several possible values and behaviours that could comprise an agreed set of behavioural disciplines (Table 2.5). In a boardroom that is a safe zone, the resultant dynamic flow of give-and-take synergies enables board members to achieve consensus (Morais & Kakabadse, 2013).

The literature revealed a need for a safe zone to combat a current "virulent, communicable disease" (Garrard, 2018, p. 1) of 'epidemic proportions' called the Hubris Syndrome that is ubiquitous and has the potential for serious harm, including within boardrooms (Section 2.5.5). Garrard (2018) calls a safe

zone for robust discussion an antidote to this disease. The definition of Hubris Syndrome (an acquired personality change) is excessive pride, excessive self-confidence, and arrogance, and it is seen as toxic to learning because those with Hubris Syndrome can feel threatened in learning situations. The literature (Garrard, 2018) suggests the Hubris Syndrome becomes more likely when following the attributes are present; (i) when intuition becomes misunderstood, unchecked, or unbridled, (ii) when intuition crowds out rational analysis, (iii) when intuition and ideology are conflated, (iv) cultural factors -in individualistic cultures which value those who have powerful self-belief more than in collective cultures, (v) when boards highly value personal financial success and professional prestige, (vi) in times of significant change or crises that threaten the way things have been along with reliance upon one person, and (vii) rules and procedures, or the lack of them, that allow the emergence of the Hubris Syndrome.

The data reveal the presence of all these attributes (Appendices 9, 11 and 13, and Table 4.13); (i) 'I don't need to learn', deliberate obstruction of learning, and own agenda, (ii) the rubbishing of expert advice, and know-it-all attitude, (iii) when the learning hindrance 'Ministry & Business are not aligned' in FBO's is in play, and when two learning enablers in FBO's were misused, 'Acting by faith, not sight', and 'Seeing where God is working', acting in own best interests (iv) deliberately derailing the board, pride, egos, (v) identity (ego) tied to accomplishment, and prejudice relating to position, (vi) experience as a bias, (vii) played by a different set of rules, lack of robust debate, good behaviour and trust, and poor governance systems.

Two further examples of the Hubris Syndrome in the data are as follows. Two participants (P04, P24) said their entities were struggling because original trustees had built the organisations from scratch with considerable success, and those trustees' identities (egos) were tied to their organisations. Now the organisations were struggling; returning to the 'old ways' (the bias) was all they could contemplate, and new changes were seen as threats to their identities (egos).

Second, several participants (n=5) expressed an ambiguity; their boards needed board members with experience and yet needed fresh thinking. Wrestling with this idea, they saw that the decision was between older, more experienced members and younger ones with fresher thinking. They saw that the experience of older board members could be an asset because of their accumulated experiential learning, yet those experiences could be a bias and be set in their ways if their egos (hubris) were involved. They saw that the fresh thinking brought to the board by younger members might be an asset, but if they were over-confident (hubris) or had large egos (hubris), that would be a liability.

The high incidence of hubris in the data (n=23 participants) reveals that nearly all participants saw at least one aspect of it in their boards. The one participant (P18) who did not see it was an independent professional director and chair of a successful company since its inception and not a shareholder. From the interviewer's point of view, the participant's hubristic ego was demonstrated by the language he

used to describe the success and his use of the word "I". Therefore, it appears the Hubris Syndrome may have been in all the participant organisations.

Addressing the Hubris Syndrome

There are identified antidotes to prevent the Hubris Syndrome (Garrard, 2018) (Section 2.5.5). First, agreeing on a set of 'People Principles' (Otazo, 2018, in Garrard, 2018, p. 216) to which the board members hold each other to account (Table 2.5). Participants (n=22) used an agreed set of behaviours they called a safe zone. One participant (P18), who demonstrated hubristic language above, said their board did not have an agreed set of behaviours, and P14, who admitted to being a bully in board meetings and to being voted off his board for his behaviour, did not comment on whether his board had a safe zone. The literature suggests that People Principles include a devil's advocate role, license for respectful argument, criticism, robust debate and to tell uncomfortable truths, provision for someone who is a steadying influence, welcome challenge, allow for consequences to be aired, build trust over time, create a willingness to express convictions, and foster the courage to pull someone back from hubris to move board members from hubris to humility. Generally, these characteristics were found in the data; the encouragement of different viewpoints, courage to speak up, vigorous, respectful debate, question things do not just accept them, developing trust and respect, no question is a silly question, the ability to express convictions (Section 4.5, and LPr.4).

The second antidote to the Hubris Syndrome in the literature was self-awareness, to counteract the tendency for hubristic leaders not to self-check. Participants (n=5) saw the need for self-awareness when recognising it as an enabler of learning to counteract the 'I don't need to learn' attitude and 'know-it-all' attitude seen in the data. The third antidote in the literature was institutionalised evaluations. In a board setting, this is the evaluation of board meetings (single, double and triple loop; in other words, what happened and with constructive recommendations, how evaluations can be done better, why do evaluations). The data reveal that 50% of all participants used evaluations. As discussed above (in this Section), those who used them found them a necessary, important, and powerful tool for learning and development and holding others to account. This was in line with the literature, which found that evaluations that successfully counter the Hubris Syndrome balance board meeting reflection (reflecting on what happened) and reflexion (self-assessment with action) to get reliable and valid feedback on the processes and consequences of decision-making.

The fourth antidote in the literature was creating a learning environment, including intentional learning experiences (Section 5.3.3). These two practices are in line with the literature and data discussed above on a learning item on the agenda of every board meeting (Section 5.4.1) and a culture of learning and continuous improvement (Section 5.4.2), where both the literature and the data reveal that the use of these practices was important for board learning.

Governance legislation (Section 2.3.2) requires fiduciaries to act in the best interests of someone other than themselves, and the Hubris Syndrome affects fiduciaries' ability to fulfil this obligation. The

literature and data point to the need and possibility that those who have the Hubris Syndrome but who want to be genuine fiduciaries require humility to accept the antidotes; be willing to subject themselves to a safe zone with evaluations in a learning environment that would honestly challenge hubristic egos and personal agendas and be intentionally self-reflective. Such an approach would require collective self-awareness.

The Effects of Using a Safe Zone

The data reveal the safe zone being an antidote when participants experienced, as a result of using the safe zone: trust being built among board members, along with personal buy-in and confidence to speak up; reduced relationship risks in family-owned businesses -family relationships were protected from business discussions; the safe zone was an enabler of learning. The repertory grid data reveal that, on average, those who scored the safe zone (n=14) rated the practice 1 out of 6 for importance (1 is high), 1 out of 6 for confidence to govern (1 is high, 3 is neutral, 6 is low), 2.3 out of 6 for easy-hard to implement (1 is easy, 3 is neutral, 6 is hard), and 3 out of 6 for 'the board likes this practice' (1 is likes, 3 is neutral, 6 is dislikes), and 3.5 out of 6 for 'I'm comfortable with this practice' (1 is comfortable, 3 is neutral, 6 is uncomfortable) (Table 4.9). Every participant who scored this practice found it to be of the highest importance and gave them the highest degree of confidence to govern. But some found it easy to implement and others hard. It was liked by some boards and disliked by others, and some participants were completely comfortable using it while others were completely uncomfortable using it.

The scores corroborate the interviews. Participant P02 described his personal love of the safe zone and what it accomplishes, but the difficulty of implementing it and the dislike of it by some of his board members at times when they feel they are losing control (as directors, they legally have an equal say, not more say because of a greater shareholding). Participant P10 found the safe zone particularly valuable in his family setting, where personal and business matters used to be negatively intertwined. Participant P16 rated the safe zone a one for importance (the maximum positive score) also rated it a six for uncomfortable (the maximum negative score). This revealed the nature of the safe zone as a learning practice doing its job well, making it uncomfortable for some and very valuable when it is most needed to allow a board to move into more honest and open discussion. Both the education literature (Table 2.5) and the data (Section 4.5) show the place of struggle in learning; participant P13's *"calm weather doesn't make a skilled mariner"*, and two participants' (P08, P13) meeting tension that gets resolved in unanimity.

Maintaining a safe zone was seen as a learning enabler by participants (n=11), first by intentionally choosing to implement to gain the benefit of confidence to govern, and second, learning by experience how to get better at decision-making with robust discussion. Third, participants linked the safe zone to decision-making that involves risk-taking and learning. Fourth, the data also showed the chair's role in facilitating the learning and development of a safe zone. Fifth, participants linked evaluations to the

safe zone as a way to learn to get better at the safe zone and evaluations. Further, the safe zone and meeting evaluations had *"a huge impact"* (P02) on decision-making performance and were therefore seen as enablers of organisational performance.

In summary, while the safe zone was seen by participants as a learning enabler, at the same time, a learning barrier/hindrance if not working correctly under Hubris (n=23), or lack of robust debate (n=5). Two participants took their description of the safe zone further, calling it an enabler of board effectiveness (P03, P07). These findings point to the utility of the safe zone in times of change that require the board to learn and adapt.

What if There is No Safe Zone?

In order to determine if a working safe zone has the centrality, gravity, and utility it appears to have, the study now asks for evidence from the literature (Garrard, 2018) (and Section 2.5.5) and the data (Section 4.6) of what happens if a board does not have a safe zone. The evidence will be examined by considering the effect on overall learning and on the other six key board learning practices above. First, regarding the board learning practice 'A Learning and Development Plan', without a safe zone to counter hubristic board members, evidence from the literature (Garrard, 2018) (and Section 2.5.5) suggests the required 'content' dimension of learning could be missing altogether, or partially, or compromised for these reasons: Hubris Syndrome is described as toxic to learning, and learning initiatives and plans could be stifled partially or completely; hubristic board members may see themselves as omnipotent and not need to learn; hubristic board members may derail learning plans by being unpredictable; the board may fail to identify the content that it needs to learn for effectiveness and advancement. Evidence from the data suggests that hubristic board members may: have an 'I don't need to learn' attitude; deliberately derail the board's plans; play by a different set of rules and undermine learning plans; want to take over (P13) any plans. In summary, failure to have a safe zone that counteracts Hubris Syndrome may render 'A Learning and Development Plan' stranded.

Second, regarding the board learning practice 'A Learning Item in the Agenda of Every Meeting', without a safe zone to counter hubristic board members, evidence from the literature (Garrard, 2018) (and Section 2.5.5) suggests the required 'content' dimension of learning could be missing altogether, or partially, or compromised because hubristic board members may feel threatened by learning and do not want change; are destructive and hijack learning items in the agenda of a meeting because of self-interest by minimising the learning content or time to the detriment of other board members. Evidence from the data suggests that hubristic board members may have a know-it-all attitude that stifles learning initiatives. Failure to have a safe zone that counteracts Hubris Syndrome may render 'A Learning Item in the Agenda of Every Meeting' used little or ineffectively.

Third, regarding the board learning practice 'A Culture of Learning and Continuous Improvement', without a safe zone to counter hubristic board members, evidence from the literature (Garrard, 2018) (and Section 2.5.5) suggests the required 'incentive' dimension of learning could be missing altogether,

or partially, or compromised because hubristic board members: may be threatened by learning and do not want change; in pride may refuse to recognise the need for improvement; be non-consensual in the creating of a culture of learning, in effect hijacking the culture; with arrogance undermine the other board members' attempts at implementing continuous learning. Evidence from the data suggests that hubristic board members may: stand on ceremony and be threatened by change and be resistant to learning and change. Failure to have a safe zone that counteracts Hubris Syndrome may render 'A Culture of Learning and Continuous Improvement' unable to be implemented or practised.

Fourth, regarding the board learning practice 'A Learning Coordinator', without a safe zone to counter hubristic board members, evidence from the literature (Garrard, 2018) (and Section 2.5.5) suggests the required 'interaction' dimension of learning could be missing altogether, or partially, or compromised because hubristic board members: dominate board interactions to get their own way, and do not listen to the voices of diversity around the board table; bully and intimidate others; have an unremitting self-regard; have a sense of entitlement to get their own way; and be non-consensual; if they are not the learning coordinator they may override the learning coordinator's attempts to guide and facilitate learning; if they are the learning coordinator, self-interest may limit the learning outcomes for other board members. Evidence from the data suggests that hubristic board members may: be bullies who use their position prejudicially against others; and use their egos to dominate the discussion and limit the utility of having a learning coordinator. Failure to have a safe zone that counteracts Hubris Syndrome may render 'A Learning Coordinator' ineffectual.

Fifth, regarding the board learning practice 'Learning by Experience', without a safe zone to counter hubristic board members, evidence from the literature (Garrard, 2018) (and Section 2.5.5) suggests the required 'interaction' dimension of learning could be missing altogether, or partially, or compromised because hubristic board members may: through exaggerated or unfaltering self-belief, not believe they need to learn from the past; through unbridled intuition or overweening self-confidence, refuse to apply experience to new decision-making; be threatened in learning situations where they are reviewing the past for what to learn; through overreach, over-ambition, or impulsiveness, ignore past experience. Evidence from the data suggests that hubristic board members may: have their identities tied to past accomplishment, and therefore be fixed in their opinions about what will work going forward; be biased by their prior experience; learn bad habits that do not get changed; and by controlling and domineering behaviour filter and voice what the board learns from experience and how the board responds to experience. Failure to have a safe zone that counteracts Hubris Syndrome may render the voice of 'Learning by Experience' silent or changed.

Sixth, regarding the board learning practice 'The Evaluation of Every Board Meeting' without a safe zone to counter hubristic board members, evidence from the literature (Garrard, 2018) (and Section 2.5.5) suggests the required 'interaction' dimension of learning could be missing altogether, or partially, because hubristic board members may: not listen to the voices of diversity around the board table; feel

threatened by honest feedback; be intolerant and have contempt for others who evaluate their behaviour negatively; be egotistical or rude when evaluating; be invulnerable to others; let their intuition crowd out rational analysis. Evidence from the data suggests that hubristic board members may: use personal attacks and rubbish expert advice when being evaluated; refuse to apologise; be resistant to change. Failure to have a safe zone that counteracts Hubris Syndrome may render 'The Evaluation of Every Board Meeting' ineffective.

In summary, in answer to the question 'what if there is no safe zone?', the board learning practice of 'A Safe Zone for Robust Discussion' is central to the creation, operation, utility, and effectiveness of each of the other board learning practices. Therefore it is an exigent practice for board effectiveness because its acute necessity and demanding execution is demonstrated in the literature and data.

Summary of A Safe Zone

The literature revealed that a safe zone is a psychologically safe climate for promoting inquiry and robust dialogue and, in a board setting, enables boards to address many challenges. The greatest of those challenges, seen in both the literature and the data, was the Hubris Syndrome, defined as excessive pride, self-confidence, arrogance, toxic to learning, and contrary to the fiduciary mindset. The literature called it a virulent, communicable disease of epidemic proportions. Its ubiquity was seen by the literature and in the data. The literature and the data revealed antidotes to the Hubris Syndrome, one of them being a safe zone. The use of a safe zone was seen by participants as of the highest importance and gave them the highest degree of confidence to govern, yet it was uncomfortable for some to operate. This revealed the nature of the safe zone as a learning practice doing its job well, making it uncomfortable for some and very valuable when it is most needed to allow a board to move into more honest and open discussion.

The literature's view of the Hubris Syndrome's potential for serious harm was reflected in this Section's analysis that shows the lack of the safe zone negatively affects the operation of every other board learning practice and is therefore a cornerstone of board learning practices. The data showed that the safe zone enabled learning and had a 'huge impact' on board decision-making, effectiveness, and organisational performance. These findings point to the utility of the safe zone in times of change that require fiduciaries to fully embrace the learning needed to adapt and to fix imperfect governance.

Proposition 4

Proposition 4:

The operation of a safe zone for robust discussion and challenging hubris is the cornerstone of board effectiveness.

Continuous Harmonious Activation

The seven board learning practices are independent, but their continuous harmonious activation is required for boards to develop the Board Functions and Mechanisms (Crow, 2016). The operation of a safe zone is seen as the harmonising agent that allows all the practices to cohere. When any one or more is not activated, one or more of the very components required for learning (Illeris, 2018) may not be present, and the learning rate may slow disproportionately more (Crow & Lockhart, 2016; Kelly & Cordeiro, 2020). The seven board learning practices are the primary actions that the board is responsible for delivering to meet their learning and development requirements. Training by external or internal parties (Section 4.5, LPr12, LPr14, LPr15) are seen as valid and important in the data but are secondary and a result of the board activating the seven primary board learning practices.

5.4.4 Summary of Section 5.4

This Section discussed the third area of board effectiveness, *continuous* learning and development of practices, which led to Propositions 3 and 4. Proposition 3 asserted that there are seven core board learning practices: (1) A learning and development plan, (2) A learning item in the agenda of every meeting, (3) A culture of learning and continuous improvement, (4) A learning coordinator, (5) Learning from Experience, (6) The evaluation of every board meeting, (7) A safe zone for robust discussion. These board learning practices are the primary practices of board learning responsibility, are required for learning to occur, and their harmonious activation is required for maximum board effectiveness. Proposition 4 asserted that the seventh practice, the operation of a safe zone for robust discussion and challenging hubris, is the harmonising agent of board learning and the cornerstone of board effectiveness.

Two of the board learning practices represented the 'content' requirement of learning but did not discuss the content of a learning plan nor the content of a learning item in the agenda of a board meeting. Research into known unknowns (what people know they don't know) and unknown unknowns (what people don't know they don't know) (Section 5.3.3) shows the requirement for intentional learning of the unknowns in order to reduce the hubristic overconfidence that can drive poor decision-making. The next Section discusses a framework for identifying the unknowns.

5.5 Learn and Develop What?

The literature review revealed that a board is effective at governance (can *do what is adequate* to ensure its organisational purposes are fulfilled) to the extent it *intentionally continues to learn and develop the board functions and mechanisms, and their learning capabilities*, at a rate *at least as fast as the rate of change*. From this definition, five areas for discussion were identified, and this Section

discusses the fourth area, *learn and develop the board functions, mechanisms, and their learning capabilities* leading to Proposition 5. The Section discusses the content of what could be learned and developed by board members by developing a framework of learning responsibilities that emerged from the literature and data on learning hindrances and enablers.

The literature revealed what a board can do to fulfil its organisation's purposes -perform the Board Functions and activate the Board Mechanisms (Crow, 2016) (Section 2.5.2). The literature shows that learning enables those functions and mechanisms, and therefore, it is the responsibility of boards to learn them (Section 2.5.3). It is outside the scope of this study to describe the functions and mechanisms themselves, beyond the definitions given in Section 2.5.3, and their link to learning shown in Appendices 14, 15 and 16, but within its scope to discuss the board learning responsibilities associated with the functions and mechanisms. This Section argues that the addition of '*and their learning capabilities*' to Crow's (2016) '*board functions and mechanisms*' is required because learning was not within the scope of Crow's research and found in other board literature.

A board's learning responsibilities can be seen by taking a systems view. One of Senge's (2006) conditions for learning is systems thinking. The literature revealed that a board is part of a complex adaptive system (Hammer, Edwards, & Tapinos, 2012) that can dynamically change in response to changes in its internal and external environments. To sustain itself, a board will continuously learn about every aspect of the system, its inputs and outputs, and how to change and develop itself. This Section now discusses the board learning responsibilities by describing a framework of responsibilities that fits within the complex adaptive system of an organisation. The starting point for describing the framework is the board learning hindrances and enablers found in both the literature and the data.

5.5.1 Terminology Development: Barriers become Hindrances

The data were initially coded for barriers and enablers of board learning in line with Morais and Kakabadse's (2013) meta-study. Their meta-study uses the terms 'board learning barriers' and 'board learning challenges' interchangeably. However, their term 'challenges' describes both positive and negative challenges. For clarity, this study now changes to the use of the term hindrances instead of barriers or challenges. The original terminology was used to be faithful to the text. Dictionary definitions suggest barrier can mean a limit, boundary, or serving to bar passage (Dictionary.com, 2021). However, in the findings, codes were derived from the data that included constructs that could also restrict learning rather than prevent learning, as the term barriers could suggest. The literature also uses hindrances, has references to enablers and hindrances to learning (Abraha, 2020), and learning hindrances that can be chronic or acute (Ainscough, Stewart, Colthorpe, & Zimbardi, 2018). The use of the terms chronic or acute appears to infer, as other references do, that the constructs referred to are not permanent but can be improved or changed by some interventions. Thus the use of the term hindrances aligns with the focus of this study to identify learning interventions that facilitate

improvement in board effectiveness.

5.5.2 The Emergence of Seven Realms of Hindrances & Enablers

The data revealed hindrances and enablers to learning in answer to specific questions, and participants saw these as opposites of one another; enablers of learning and development were hindrances to learning and development if mishandled (Section 4.7).

Guided by the literature (below), a nuanced set of four themes or realms emerged from the hindrances and enablers: personal, board, organisation, and meta-view dimensions. Participants saw the hindrances and enablers as two sides of the same sword, either used or misused or as learning facilitated or learning blocked. Finkelstein & D'Aveni (1994) argue for a two-edged sword conceptualisation that boards must grapple with, and Hattie and Donoghue (2016) also use a two-sided conceptualisation referring to where their learning model inputs (skill, will, and thrill) are also the outputs of the model. However, other research (Dunlop & Radaelli, 2018) saw triggers and hindrances to learning as two ends of a spectrum. It is likely that this study could not pick up any variations in a spectrum between use and misuse, except the two poles, and that a spectrum may more closely resemble real-life board settings. Therefore in this study, the realms (personal, board, and organisation) are viewed as each having a spectrum with two ends: one end of each of these realms could be used well (an enabler of learning) or, on the other end, be misused (a hindrance to learning).

In the literature, Bentley (2000) described four realms of learning in relation to boards (not organisations as a whole); personal (the self), interpersonal (the other), social (ethics, morals, manners), and systemic (environmental). Kumar (2008) recognised four realms of learning within and across organisational systems: individual, group, organisation, society (refer to Section 2.5.4). The literature also describes single-loop, double-loop, and triple-loop learning, where triple-loop equates to the meta-view (refer to Section 2.4.2), and Senge's (2006) systems thinking is the meta-view. Furthermore, all the governance theories require directors to be learning, particularly taking the meta-view of their governance so that the theory in practice can be adapted when required.

Then, seemingly adding another dimension, Crow (2016) recognised factors of influence that were endogenous or exogenous to boardrooms, as have other researchers (Acciarini et al., 2021; Tuan & Lwin, 2013) that could apply across the realms above (Section 2.3.6). Similarly, in line with Crow, Hellrigle and Slocum (in Fard et al., 2009, p. 4) recognised two continuums to describe organisational culture: environmental (external) and internal (Section 2.5.5).

Combining these conceptualisations of hindrances and enablers; first, the four dimensions (personal, board, organisation, and meta-view), and second, the endogenous or exogenous dimensions, a variation is suggested to take account of the nuances of the hindrances and enablers found in the data, in the context of learning across not a boardroom, but a board meeting cycle: the first three themes, as realms

(personal, board, and organisation) each have an endogenous and exogenous dimension; plus the meta-view realm. Figure 5.1 shows the resultant seven realms.

Figure 5.1 Seven Realms

Seven types of learning hindrances and enablers = Seven realms of board learning responsibility
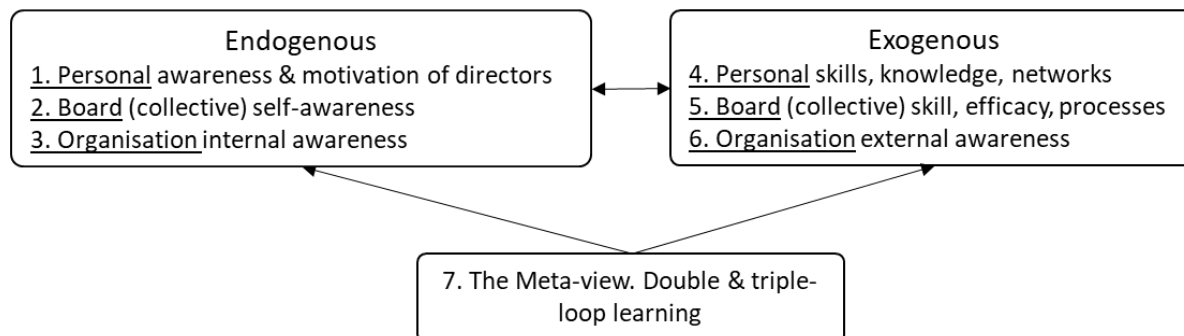
Table 5.2 shows a summarised classification of the data codes into the seven types of hindrances or enablers of board learning, excluding Faith-Based Organisations (FBO's).

Table 5.2 Summarised classification of codes into the seven realms of responsibility

	Endogenous	Exogenous
Personal	1. Self-awareness, motivation, confidence, enjoyment, encouragement, taking responsibility, diligence, seeing progress, emotional intelligence, the fiduciary mindset, humility versus hubris and bullying, facilitation versus obstruction, desire to learn, personal agendas, desire to embrace change, frustration, willingness to be vulnerable and make mistakes, know-it-all attitude, taking offence, proactivity.	4. Personal skills, experience, knowledge, ignorance, ability to manage time, busyness-level, balancing family and business, proactivity, personal evaluations and self-reflection skills, personal networks.
Board	2. Awareness that it's a collective, awareness of what makes a board as a group work, motivation to work together, to improve, to self-evaluate the board.	5. Governance systems and processes, board composition, size, chairing skills, who chairs, degree of unity on vision/purpose/values, defined and evaluated safe zone, diversity, consensus, succession, electronic meetings, robust debate, learning plan, intentional learning practices, skills matrix, venue for board meetings, reflecting and evaluating ourselves, a learning culture, learning by doing, using a learning coordinator, getting help from outside the board.
Organisation	3. Management versus governance issues, the CEO-Board-Chair relationships, whether there is good management.	6. The speed and volume of change in society, technology, and the marketplace, uncertainty, environmental concerns, volatility of markets, complexity.
Meta-view	7. Taking a systems view of board learning, double-loop learning (testing assumptions about board learning).	

Faith-Based Organisation (FBO) data were not included in Table 5.2 because FBO data warrants separate research beyond the scope of this study to take account of the unique nature of FBO's. From Figure 5.1 and Table 5.2 it is now apparent that these are seven realms that boards could focus their learning/development on. These could be called seven realms of board learning responsibility.

Proposition 5

> Proposition 5:
>
> **There are seven realms of responsibility for board learning and development that are either hindrances or enablers of learning/development.**

Comparing the seven realms framework to Crow's (2016) Board Functions and Board Mechanisms: the Board Functions are all collective activities, mostly exogenous, and require endogenous awareness and activation; the Board Mechanisms are a mixture of individual and collective, mostly exogenous, and require endogenous awareness and activation. Crow's research did not extend to the board as a learning system and therefore does not explicitly include a meta-view of learning. The phrase '*and their learning capabilities*' has been included in this study's definition of governance effectiveness to recognise learning's contribution and necessity to perform/activate Crow's (2016) functions and mechanisms. In summary, the seven realms of board learning responsibility can be seen as a framework by which directors can assess and develop the personal, collective, organisational, and meta-view learning areas required to perform the Board Functions and activate the Board Mechanisms.

In line with the literature (on systems, in this Section), and the data (Table 5.2), the seven areas of the framework apply to the entirety of the board system that is part of a larger organisational system. Boards are comprised of a *collective* of *individuals* meeting cyclically to fulfil the governance role in an *organisation* interacting with its *internal* and *external* environments. Therefore, all board learning areas (personal, collective, organisation, both endogenous and exogenous, meta-view) are required to meet the learning requirements of a board. There is no governance without any one of the three facets (personal, collective, organisation), and not a system without its environments and meta-view (Senge, 2006). The system requires these facets. Unlike optional topical elements of a learning programme, the elements of the board learning framework are in existence, liked or disliked, addressed or not addressed, to be mastered for board effectiveness. Concerning the 'Personal, 'Board', 'Organisation' and 'Meta-view' areas, the literature revealed that directors (as individuals and as a group) learn by experience, by doing, as belonging, as becoming, and develop awareness, understanding, skills, and networks, all for board effectiveness. The areas are developed both individually and collectively. The data shows that individual learning by a director in one board setting could be seen as learning bad

habits in another board setting. Therefore individual learning alone is not sufficient for board effectiveness but learning by all directors as both individuals and as a collective. In the data, sending individual directors for external training is seen as valuable, but those individual directors' learning could not be sufficient learning for a whole board without group 'interaction', a requirement for learning. This indicates that it is not sufficient for the system to have only one part learning and the other parts not.

The study now discusses the endogenous and exogenous dimensions with respect to the literature and the data.

5.5.3 The Endogenous Dimension

The endogenous dimension of the framework refers to awareness and motivation within each of the three facets (personal, board, and organisation), correlating with the literature's 'incentive' requirement for learning. Table 5.2 shows the endogenous hindrances and enablers of learning found in the data. These are internal and part of a person's motivation, emotion, and volition at the personal level. Learning hindrances at this level may include visceral behaviour and the Hubris Syndrome seen in the data and literature. At the board level, the endogenous dimension shows that hindrances/enablers include awareness that it is a collective and how it works and can work, along with whether the group has sufficient collective motivation to learn and develop itself. At the organisation level, the endogenous dimension includes awareness of how the board, as a subsystem, is operating with respect to the organisation as a system. Hindrances/enablers include awareness of management/governance issues, the CEO-Board-Chair relationships, and whether there is good management and any operational issues.

The literature revealed the importance of self-awareness as a value for collaborative decision-making (Table 2.5 in Section 2.5.5), as an antidote to the Hubris Syndrome, and not only a requirement for effective board learning but a condition for learning and a starting point for development (Section 2.5.5 and Appendix 16). Specific references to self-awareness in the data show that personality profiling produced revolutionary changes because of new self-awareness, implementing a safe zone increased self-awareness, and self-awareness itself was an enabler of learning (refer to Sections 4.5 to 4.7). When learning or development is occurring, it can be seen that directors are self-aware (personal), collectively aware (board), and organisationally aware of: first, their current state of hindrances, enablers and realms of responsibility; second, that the state may have changed; third, a new or changed state; and fourth, what to do to develop themselves to move to the new state. In addition, there is volition and motivation at all levels. However, endogenous 'incentive' is not enough on its own for learning to occur; it also needs exogenous 'content' and 'interaction'.

5.5.4 The Exogenous Dimension

The exogenous dimension of the framework refers to the content (the knowledge, understanding, and skills that directors are developing), and the interaction (the action, communication, cooperation, and governance systems they use) within each of the three facets (personal, board, and organisation), correlating with the literature's 'content' and 'interaction' requirements for learning. Table 5.2 shows the range of exogenous hindrances and enablers of learning found in the data. At the personal level, learning hindrances/enablers seen in the data include experience, ignorance, ability to manage time, busyness-level, personal evaluations and self-reflection skills. At the board level, the exogenous dimension shows that hindrances/enablers include board composition, size, chairing skills, degree of unity on vision/purpose/values, a defined and evaluated safe zone, diversity, consensus, a skills matrix, and evaluating ourselves. At the organisation level, the exogenous dimension shows that hindrances/enablers include the speed and volume of change in society, technology, and the marketplace, uncertainty, environmental concerns, volatility of markets, and complexity.

When learning or development is occurring, it can be seen that concerning the exogenous dimensions of 'content' and 'interaction', directors individually, collectively, and organisationally: first, know their current state of hindrances, enablers and realms of responsibility; second, know that the state of the content and interaction may have changed; third, know of a new or changed state; and fourth, know what to do to develop themselves to move to the new state of content and interaction.

It can be seen that through using the framework of endogenous and exogenous factors, along with the meta-view, a board may be able to intentionally identify some of what were previously unknown unknowns (Harvard_Business_Review, 2018) and reduce the overconfidence that can drive low board effectiveness.

5.5.5 Summary of Section 5.5

In summary, the data were analysed regarding the themes of learning hindrances and enablers found in the research literature, and a framework of seven types of learning hindrances and enablers was conceptualised. These were identified as realms of learning responsibility for boards and a framework by which directors can assess and develop the personal, collective, organisational, and meta-view learning areas required to perform the board functions and activate the board mechanisms and their learning capabilities. It was seen, therefore, that board learning encompasses learning by individual directors, by the board as a collective, and by the organisation at its intersection with the board.

The content of the seven areas, as described, are subject to constant change and the events of life that happen to all individuals and, therefore, groups and organisations, either endogenously or exogenously. For changes to not disaffect board effectiveness, board learning will happen at least as fast as the changes. This is discussed in the next section.

5.6 At Least as Fast as the Rate of Change

The literature review revealed that a board is effective at governance (can *do what is adequate* to ensure its organisational purposes are fulfilled) to the extent it *intentionally continues to learn and develop the board functions and mechanisms, and their learning capabilities*, at a rate *at least as fast as the rate of change*. From this definition five areas for discussion were identified and this Section discusses the fifth area called a*t least as fast as the rate of change*, starting with Proposition 6.

Proposition 6

> **Proposition 6:**
>
> **Effective boards dynamically learn and adapt to handle the complex and evolving array of endogenous and exogenous factors affecting their organisations at least as fast as the rate of change.**

This Section now discusses each part of the proposition, drawing on both the literature and the data. The literature revealed the complex and evolving array of internal and external factors faced by organisations (Sections 2.3, 2.5, 2.6). In the face of rapid changes, volatility, uncertainty, complexity, and ambiguity, the literature also points to the key to survival being learning (Fard et al., 2009). The changes are seen in all environments, summarised as social, economic, political, environmental, legal and technological realms. They affect the endogenous realms (identified in Section 5.5, Figure 5.1), chiefly awareness and motivation of individual directors, the board as a collective, and the organisation internally. In the individual director endogenous realm, the Hubris Syndrome was more likely when there is reliance upon one person in times of significant change or crises that threaten the way things have been. The changes also affect the exogenous realms to directors, boards and their organisations, for example, the shortening shelf-life of individual director skills and experience as a bias when the environment is fast-changing (refer to Section 2.5.6). Therefore, because the board is a dynamic system, the changes affect the seventh realm, the meta-view. The data also reveal awareness of the change factors and their effect on boards: exogenously, complexity, the speed and volume[2] of change, and uncertainty were seen as hindrances to learning; endogenously, resistance to change, being threatened by change, identity tied to past success were seen as hindrances to learning (Sections 4.5, 4.6).

---

[2] In this study the speed of change will be a proxy for the speed and volume of change, as change is time bound construct.

The literature revealed boards to be socially dynamic phenomena (Crow, 2016), consistent with a socio-cultural view of learning (Section 2.3.7). In addition, organisational performance is dynamic (Appendix 15). Therefore, how boards respond to that is necessarily dynamic (Section 2.5.3); the chair's role is seen as an interactive and highly dynamic capability to harmonise the power and synergy of members (Morais & Kakabadse, 2013) (Section 2.5.5). The literature shows that boards, being dynamic, means that learning is happening and points to the requirement for a fiduciary's self-awareness and intentional, continuous learning to make the changes required to continue to fulfil their purposes sustainably. The fiduciary obligation to steer includes an obligation to keep learning because organisations change continuously (Section 2.3.2). In the practice of governance, fiduciaries steer, change and adapt their organisation, even changing current directors or trustees if it is in the organisations' best interests (Section 2.3.10). They are themselves part of that change, with a high degree of self-awareness, sacrificing themselves if that is best for the organisation.

The literature revealed that because organisations' environments are dynamic, effective boards, in dynamic response, are not passive but proactive and energetic so that learning can be greater than the rate of change they are experiencing (Wongsnuopparat & Chunyang, 2021). If their learning 'content' does not cover all the relevant changing content of their internal and external environments, some necessary learning will be missed, and a less than optimal decision may be made (Section 2.5.6). Over time, many sub-optimal decisions may result in mission drift (Section 4.10) and failure to fulfil the purpose. Therefore the 'content' learned must at least match the content of changes in the environments. However, merely matching changes may be less than required; the literature revealed that organisations need to innovate to maintain competitiveness (Carmeli et al., 2010), in other words, intentionally and proactively create new 'content' to maintain competitiveness to fulfil the organisational purpose (Section 2.5.6) sustainably. A helpful analogy is the organisational practice of accumulating annual financial surpluses (surpluses of income over expenses) as retained earnings to enable organisations to meet future known and unknown challenges beyond their current resources' ability to meet and maintain financial health. The accumulating resources equate to the new 'content' of learning required to meet known and unknown future challenges.

In summary, the literature revealed organisational status quo requires boards to be learning at a rate of learning that equals the rate of changes in the internal and external environments. However, the sustainable fulfilment of an organisational purpose (survival) requires a *faster* rate of learning than the rate of change (Section 2.5.6).

The data provided stories about the learning and development of governance (Question 5 of the Interview Questionnaire, Appendix 4). The following sample of stories reveal participants who recognised the need to develop their governance in the face of changing exogenous and endogenous factors and introduced changes in how they did governance (refer to Section 4.5).

Participant P10's adult children had left the farm to pursue other careers after showing interest in farming, and they did not want to be involved in the governance of the business when the opportunity arose. The parents, wanting to start planning for their retirement, created a regular family meeting as a forum for discussion about the future and introduced a safe zone. That is when they discovered why the children did not want to be involved in the farm -the father had been dismissive of his children's opinions. With the operation of the safe zone and robust discussion, the father now heard them and welcomed their fresh thinking. Consequently, the adult children are enthusiastic participants, and while their careers have not returned to farming, the business is diversifying to incorporate their interests. Exogenous factors had changed for the parent's business; important stakeholders (the children) had drifted away. The directors decided to allow advisory input from stakeholders to their governance in a safe zone. Not only have the stakeholders re-engaged, but the business is diversifying into other fields of interest to create a transition pathway for future succession. Participant P10 developed their governance in response to endogenous factors (lack of awareness of stakeholder views) and exogenous factors (the need for succession on the horizon) and set up their future governance. The board needed to develop at least as fast as the change rate in its endogenous and exogenous environments or face the eventual disposal of the business.

Participant P04 was from a charitable organisation that has been very successful over several decades. Participant P04 viewed that success as a blind spot for some because it had been a small team of mostly the same trustees overseeing the trust's success for the last 15 years, roughly from one generation, and some trustees' identities (egos) were tied to that success. They decided to develop the board by bringing in fresh, younger trustees as the start of a long-term succession plan. They knew that some trustees would agree with the idea but be hesitant to accept new ideas when what had worked in the past was successful. They decided to implement a safe zone and introduce board meeting evaluations simultaneously with bringing in the new trustees to enable them *to "reach forward without the encumbrance of the past"* (P04). This participant's story shows how a board needed to learn to function at the new level of effectiveness required by changing endogenous factors (trustee self-awareness of hindrances to development) and exogenous factors (succession looming and threats to organisational sustainability). The board needed to develop at least as fast as the change rate in its endogenous and exogenous environments.

Participant P01 experienced frustration before starting to develop their governance. It was evident that they needed to develop it in the face of their expanding business, a multitude of opportunities, not all of which they could go for, and the need to at least maintain their gross profit margins while maintaining or improving their competitiveness. Participant P01 initiated board development and found that personality profiling increased the self-awareness of directors, which produced *"revolutionary changes"* (P01) to how the directors interacted; a safe zone created the freedom to have the very robust discussions needed; regular board meeting evaluations became *"very powerful tools for change"* as

directors were held to account. Participant P01 developed their governance in response to endogenous factors (lack of self-awareness by directors and collective awareness of how the board could become an effective decision-maker) and exogenous factors (market opportunities, market changes affecting their ability to be competitive -cheaper competitors). This participant's story shows how a board needed to learn to function at the higher level of effectiveness required by its business to remain profitable yet competitive when undertaking new business opportunities. The future business required its board to develop itself faster and further than what would have been the case if they had only needed to maintain the business status quo. The board needed to develop faster than the rate of change in its endogenous and exogenous environments.

Participant P05's business is in fast-growth mode at a time of dynamic change as growth demands put pressure on cash flow. Husband and wife are the directors. The non-business realm of their lives is in a constant state of change; they have young children, youngest a baby. The non-business realm affects their business because both husband and wife are directly involved in the business. The husband calls his relationship with his wife *"dynamic"*, as they both desire to build the business and their family. Their business growth ambitions demand astute planning and exacting management of resources. They recognised that their governance was only good enough for today's business, not the future, and brought in two new board members and created a safe zone. They see the safe zone as an essential tool for separating business dynamics from personal dynamics and creating the robust discussion needed by the larger business they will become. This participant's story shows how a board needed to learn to function at the higher level of effectiveness required for their future business than was required to maintain their current business at the same level. The board needed to develop faster than the rate of change in its endogenous and exogenous environments.

Participants from three charitable organisations (P12, P17, P21) and one for-profit business (P05) expressed the desire to embrace change without compromising their organisations' core purposes. As their organisations developed, they recognised the desire to embrace change was an enabler of learning because that desire was about awareness and motivation, and yet embracing change in the wrong directions came with the risk of mission drift away from the core purposes (Sections 2.2.3 and 4.10). These boards needed to function at a higher level of effectiveness to ensure the right direction and amount of change occurred because of changing endogenous factors (directors' awareness, organisation awareness) and exogenous factors (challenges to organisational purposes). The boards needed to develop at least as fast as the change rate in their endogenous and exogenous environments.

In summary, the literature revealed that all organisations and their boards operate in social, economic, political, environmental, legal and technological environments that can be classified as endogenous and exogenous to directors, boards, and their organisations. Boards are found to be socially dynamic phenomena that do not exist in a vacuum but in dynamic environments, requiring boards to respond proactively and energetically to those environments. Those responses are learning responses because

they include awareness, motivation, content, and interaction (the components of learning). The literature and the data reveal that organisational status quo requires boards to be learning at a rate of learning that equals the rate of changes in their internal and external environments, and intentional organisational development or innovation of any kind requires the learning rate to be faster than the change rate in environmental factors. In conclusion, in the face of environmental volatility, uncertainty, complexity, and ambiguity, the sustainable fulfilment of an organisational purpose (survival) requires boards to learn at least as fast as the rate of change in and around it.

5.7 Summary

The main research questions of this study were: Is there a link between board learning and board effectiveness? If so, what are the learning characteristics that are most likely to affect board effectiveness? This chapter discussed and answered those questions by drawing from the Literature Review and Results Chapters. The literature on governance and learning revealed strong theoretical links between board learning and board effectiveness, and the data confirmed those links. To answer the second of the main research questions, a definition of board effectiveness was derived from the literature: *a board is effective at governance (can do what is adequate to ensure its organisational purposes are fulfilled) to the extent it intentionally continues to learn and develop the board functions and mechanisms, and their learning capabilities, at least as fast as the rate of change*. The definition was discussed in parts, and six propositions emerged from the literature and data to describe the learning characteristics that affect board effectiveness.

The six propositions may be useful to facilitate the findings' application to analogous situations. The first proposition established the context for the other five propositions: genuine governance. It was shown that a correct understanding of governance revealed the indispensable need for board learning. The second proposition resolved that intentional board learning is indispensable for board effectiveness. Addressing the requirement for continuous learning and development, the third proposition prescribed seven board learning practices needed for boards to learn and develop effectiveness. The fourth proposition affirmed that the operation of a safe zone for robust discussion and challenging hubris is the harmonising agent of board learning and the cornerstone of board effectiveness. The fifth proposition addressed the question '*learn and develop what?*' and actuates seven realms of board learning and development responsibility that are either hindrances or enablers of learning/development. The sixth proposition counsels boards to learn and develop faster than the rate of change of endogenous and exogenous factors affecting their organisations. In the same way that the harmonious activation of the seven board learning practices was required for maximum board effectiveness, the harmonious activation of the six propositions is seen to be required for maximum board effectiveness since the exclusion of any one affects board effectiveness.

Chapter 6

Conclusion

This chapter reiterates the basis for the study, the research questions and methodology, and the relationships between the learning literature, governance literature, and the data. The study's findings are then summarised in answer to the research questions. Contributions to theoretical understandings and practical wisdom are then outlined, along with the limitations of the research and opportunities for future research that have arisen out of this study. Implications for practice are then covered, along with some closing remarks.

6.1 Research Overview

6.1.1 The Basis for the Study

The primary desired outcome of this study is that boards learn how to learn and develop their governance, which could lead to improved board effectiveness and organisational performance. The multiple internal and external challenges faced by organisations are learning challenges. The study showed that organisational performance could be affected by better board learning, and so the challenges should be able to be confronted and solved. It is in the interests of society that boards learn to make good decisions. However, more education does not automatically result in more effective learning. Researching effective ways for boards to learn (called 'board learning') was the aim of this study. Governance researchers have "largely ignored the learning processes occurring in the boardroom and the elements that contribute to their effectiveness" (Morais & Kakabadse, 2013, p. 80). There was a dearth of studies, and this study responded to calls for more research on the relationship between board learning practices, effective boards, and organisational performance.

6.1.2 Research Questions and Methodological Overview

The research questions provided a framework to explore any links between governance and learning, and board learning and board effectiveness. The main research questions asked:

1. Is there a link between board learning and board effectiveness? If so, what are the learning characteristics that are most likely to affect board effectiveness?

In order to answer these questions, the following subsidiary questions were examined:

2. What are the cultural and legal settings for governance in New Zealand, and how is governance conceptualised?

3. How has learning been conceptualised?

4. What is organisational performance?

The study had two broad methodological steps. First, the literature on governance and the literature on learning was examined for links to each other. Second, research was conducted with 26 directors/trustees (in 24 semi-structured interviews) from 26 entities using a mixed-methods design to understand instances of governance and learning. A definition of effective governance was derived inductively from the combined literature, and it was then used to derive six propositions either deductively or inductively from both the literature and the data to describe the learning characteristics that affect board effectiveness.

6.1.3 The Study's Findings: The Research Questions Answered

The literature revealed structural links between governance and learning. Learning was integral to every conceptualisation of governance and, furthermore, axiomatic to the duty of fiduciaries, the legal concept upon which governance is based. Consequently, the necessity of foregrounding the fiduciary as a requirement of a board for it to be called governance was revealed. Unambiguous links were then manifest between board learning and board effectiveness.

While the links were unambiguous, the characteristics of those links have been shrouded and unresearched (Morais & Kakabadse, 2013). Applying the relevant conjoined governance and learning literature to the data collected for this study revealed knowledge of the learning characteristics that are most likely to affect board effectiveness. The very elements of 'learning' (Illeris, 2018), content, incentive, and interaction, were applied to the board setting: 'learning' told 'governance' what was required of it to produce board learning. The answer was the characteristics of board learning presented as six broad propositions that include specific board learning practices applicable to board meetings and explicit realms of learning responsibility.

Table 6.1 The Characteristics of Board Learning: Six Propositions

Proposition 1	A board's awareness of the irreducible tenets of governance (the separation of ownership from control, collective decision-making, and the presence of at least one genuine fiduciary) is foundational to the operation of governance and board learning.
Proposition 2	Intentional learning and development is an indispensable method of learning for a board.
Proposition 3	There are seven core board learning practices: (1) A learning and development plan, (2) A learning item in the agenda of every meeting, (3) A culture of learning and continuous improvement, (4) A learning coordinator, (5) Learning from

experience, (6) The evaluation of every board meeting, (7) A safe zone for robust discussion.

Proposition 4   The operation of a safe zone for robust discussion and challenging hubris is the cornerstone of board effectiveness.

Proposition 5   There are seven realms of responsibility for board learning and development that are either hindrances or enablers of learning/development, in Figure 6.1: Seven realms of board learning responsibility

Seven types of learning hindrances and enablers
= Seven realms of board learning responsibility

Endogenous	Exogenous
1. Personal awareness & motivation of directors	4. Personal skills, knowledge, networks
2. Board (collective) self-awareness	5. Board (collective) skill, efficacy, processes
3. Organisation internal awareness	6. Organisation external awareness

7. The Meta-view. Double & triple-loop learning
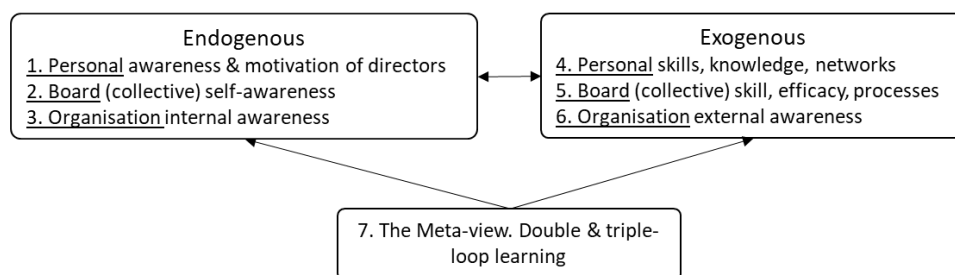
Proposition 6   Effective boards dynamically learn and adapt to handle the complex and evolving array of endogenous and exogenous factors affecting their organisations at least as fast as the rate of change.

The continuous harmonious activation of the six propositions will allow boards to develop their effectiveness. The activation of fewer than all of the characteristics harmoniously is likely to mean that board learning and, therefore, board effectiveness, will suffer significantly.

6.2 Contributions to Knowledge
6.2.1 Contributions to Theoretical Understanding

The findings from this study contribute to the understanding of boards and governance by proposing a refinement and extension to extant understandings of control and when governance begins. The existing two-tenet model (Lockhart, 2014) (the separation of ownership from control and the existence of more than one director) includes the notion of control in a legal positional sense only and assumes the notion of the fiduciary exists implicitly only. However, the study proposes that the two-tenet model be extended to a three-tenet model to explicitly include the presence of at least one genuine fiduciary, and the notion of control be extended to include social mechanisms. These refinements are suggested based on a discussion of the extant literature (Section 5.2) and informed by the data.

Failure to explicitly assert the requirement for at least one genuine fiduciary, or failure to recognise the social mechanisms of control in the theory may continue to sanction undesirable governance practices.

The refinements mitigate the possibilities of: first, having a legal separation of ownership and control while the directors are acting in their own interests, not the interests of those to whom they legally and ethically have a duty; second, directors being subject to the social mechanisms of others outside the boardroom, particularly in family-owned businesses. The refinements have become critical because, according to both the extant literature and the data, these representative possibilities are outcomes of the Hubris Syndrome that is in epidemic proportions in leadership (Garrard, 2018).

The study also contributes to the learning literature and governance literature by creating theoretical frameworks relating to the fusion of the two areas of literature; the seven core board learning practices framework and the seven realms of board learning responsibility framework. This study's asserted refinements to theory and board-learning frameworks contribute to the wisdom in determining ends and the means of attaining them (in the next Section) to provide actionable knowledge to the practitioner community.

6.2.2 Contributions to Practical Wisdom

The findings from this study contribute to phronesis, or practical wisdom (Punch & Oancea, 2014). The characteristics of board learning, embodied in six propositions, are practical wisdom for board effectiveness. They are invitations to boards with the motivation to learn and develop their governance to grapple with board learning theory and apply them to analogous situations. In addition, the seven core board learning practices framework and the seven realms of board learning responsibility framework contribute to practical wisdom because they can be used as assessment frameworks for boards to determine their present state of board learning, a future desired state, and provide the means to bridge the gap.

6.3 Limitations of the Research and Opportunities for Future Research

Several limitations of the research were identified, and these limitations provide opportunities for further research. While the scale of the study (n=26 directors/trustees) enabled an in-depth understanding of the issues involved, there are limits with regards the generalisability of the findings. Conducting the study with a larger group of participants from across a more diverse range of types and sizes of organisations from a broader cross-section of industries may increase its generalisability and allow greater confidence in the results. The participants were from within New Zealand, and although the results may resonate outside of New Zealand, they are not intended to be generalised in other country contexts. The study would benefit from researching participants in various country and cultural settings.

Similarly, the study would have benefitted from researching larger organisations, especially public companies, which are publically accountable to a higher degree than private companies. The

generalisability of the findings to other contexts cannot be reliably determined without further comparative analysis of data collected from other organisations and operating contexts. Therefore the contributions described in Section 6.2.2 should remain contingent.

A further limitation, and therefore an opportunity for future research, relates to *a priori* knowledge and potential for bias. The researcher's *a priori* knowledge about the learning and development of governance that provided insight to inform the data collection and analysis is likely to have introduced biases. A further limitation/opportunity is that the study was based on one-off interviews of directors and trustees. Conducting longitudinal research could provide insight into how boards have learned and developed their governance over time. It is possible that some boards would consider that they do not need to develop their effectiveness using the frameworks described because they consider they are already effective. Researching such boards would enable understanding of their effectiveness and the possibility of unknown knowns and unknown unknowns.

While the study aimed to produce practical wisdom and did so by suggesting six board learning propositions, seven board learning practices, and seven realms of board learning in the form of actionable knowledge, it does not aim to produce any standards for organisations. The applicability of the study's findings may be to analogous boards, who are challenged to find out what works in their settings.

Further opportunities for research include: research the extent the characteristics of board learning apply in non-governance situations with groups of people who meet to make decisions of any kind in any setting, family, business, non-profit, academic, friends; research that tests the six broad propositions; research the application of the seven board learning practices and the use of the seven realms of board learning responsibility; research the comparative strength of the hindrances and enablers of learning within the realms of board learning responsibility; research the difference between harmonious activation and non-harmonious activation of the six propositions; further research into the extent of the Hubris Syndrome in board rooms and the success of the antidotes; research that explores the Faith-Based Organisation (FBO) nuances revealed in this study; research into paid versus unpaid trustees, the number of volunteers, and willingness to be a trustee or not; research into the upskilling and support of untrained learning coordinators for boards.

6.4 Implications for Practice

With the frameworks above as tools, boards have an opportunity to learn to develop their governance. The study has shown that intentional activation of explicit board learning is a requirement for developing board effectiveness, but there must be awareness and 'incentive' (Illeris, 2018) or motivation for boards to begin such a learning journey. The motivation to develop their governance may come, as the study suggests, from within or without: for example, retiring board members needing new board members to come in; recognition that the board has made or allowed to be made decisions

that have not worked out well; recognition that one or more of their board members may not identify the importance of learning; organisational difficulties and challenges; the speed and complexity of changes affecting, or that will affect the organisation, whether internal or external; poor organisational performance; or recognition that the board could simply be better.

Second, there must be 'content' (Illeris, 2018) for a board wanting to activate board learning. Boards would develop a learning plan and prioritise the learning content they use by considering the strength of each of the learning realms they are responsible for, acknowledging that while some things are undeveloped, they are hindrances to board learning. Prioritising the overcoming of the greatest hindrances would seem to be a priority, as would activating the boards' most potent enablers of learning. Third, there must be 'interaction' (Illeris, 2018) for a board wanting to activate board learning. Boards would prioritise the learning practices they use; for example, appointing a learning coordinator would be an early practice to start, as would the formation of a safe zone for robust discussion.

It is conceivable that imperfect governance exists in many entities. In the same way junior soccer is different from professional soccer, but is the same game, so governance could be performed poorly but to the best of the 'participants' ability and developed over time to a professional standard. This study contends that no board in existence could say they have reached perfection but requires continuous development and learning in response to an ever-changing world of people and circumstances (Fard et al., 2009).

This study finds that any lack of board effectiveness is an opportunity to increase board learning opportunities. The problem could be a single-loop learning problem, where the board would learn how to steer an organisation, or a double-loop learning problem, where the board would learn how to reflect upon and evaluate its own performance and assumptions in order to improve and develop how it does what it does. Similarly, any lack of anticipated organisational performance is ultimately a board learning problem. The problem could be a single-loop learning problem, where the board would learn what will make an organisation perform better, or a double-loop learning problem, where the board would learn how to evaluate, improve, and develop itself so it can direct the organisation to better performance. In both cases, a lack of either board effectiveness or organisational performance could be a triple-loop learning problem, where the board needs to examine their learning components (incentive, content, and interaction) for problems. Board learning could be seen as a predeterminer and predictor of organisational sustainability.

6.5 Closing Remarks

This study has foregrounded the axiomatic link between fiduciaries and learning, and challenges those who think learning has no place in board rooms because of the hubristic belief that people must already have all the knowledge and skill needed to get into a boardroom. However, the genuine fiduciary

knows that learning is a self-evident absolute of the role. Logically, those who tend towards the Hubris Syndrome are unlikely to be genuine fiduciaries. Further research may shed light on whether there is a corresponding epidemic-sized shortage of genuine fiduciaries due to the Hubris Syndrome's epidemic status. Further, this research will challenge those in board rooms who think an admission of needing to learn is a weakness and perceive that if they admit mistakes, they are opening themselves up to a lawsuit (McClure, 2020).

The world is facing enormous uncertainty, especially environmentally, and has been in the grip of the Covid-19 pandemic for two years at the time of writing. There are looming problems and criticism of the ability of people in leadership to navigate enormous changes. An implication of this study is that boards need to learn at a pace faster than the rate of change to their organisations or risk poor organisational performance and an inability to fulfil their purposes. This study has highlighted that the Hubris Syndrome is the chief hindrance to the learning required to face these challenges. It was more than twice as prevalent in the data as any other hindrance to learning. How do boards counter hubris? The study revealed a safe zone in which those with hubristic tendencies can be safely, confidentially and effectively challenged to begin acting in the best interests of others, not themselves. The use of a safe zone points to enabling genuine fiduciaries in challenging or imperfect governance situations to learn to help their whole board become fiduciaries and fulfil their legal and ethical duties.

This study does not signal the arrival at a particular destination, but the start of a long and rewarding journey of continuous explicit and intentional learning for many boards that will lead them to fulfil their organisational purposes.

Appendices

Appendix 1: Massey University Human Ethics Approval

Date: 18 June 2020

Dear Peter Allen

Re: Ethics Notification - **SOA 20/12 - Improving board effectiveness through learning: An examination of learning interventions for the performance of boards.**

Thank you for the above application that was considered by the Massey University Human Ethics Committee: **Human Ethics Southern A Committee** at their meeting held on **Thursday, 18 June, 2020**. On behalf of the Committee I am pleased to advise you that the ethics of your application are approved.

Approval is for three years. If this project has not been completed within three years from the date of this letter, reapproval must be requested.

If the nature, content, location, procedures or personnel of your approved application change, please advise the Secretary of the Committee.

Yours sincerely

Professor Craig Johnson
Chair, Human Ethics Chairs' Committee and Director (Research Ethics)

MASSEY UNIVERSITY
TE KUNENGA KI PŪREHUROA

UNIVERSITY OF NEW ZEALAND

Improving board effectiveness through learning: An examination of learning interventions for the performance of boards

INFORMATION SHEET

Researcher Introduction

My name is Peter Allen and I am currently completing a Master of Education (MEd) degree at Massey University. As part of the MEd, I am undertaking a research study that aims to examine how board effectiveness is affected by learning. This information sheet is to provide you with information about the research and to invite your business's participation in the project.

I may be known to you already, as a director or an advisor to boards introducing board learning and development, and for some, I have facilitated learning activities as part of a governance development programme you have been part of. It is in this context of board learning that the research study is set. The aim of the study is to examine how your board effectiveness may have been affected by learning.

Project Description and Invitation

While research of governance and boards has proliferated in recent decades, most of the research has been conducted using publicly available data, and largely ignores board learning processes and the contributors to board performance. This research sets out to examine the learning processes boards use and any relationship between board learning and the performance of the board. Understanding the effect of board learning activities on board performance is crucial, because boards make an important contribution to economic development, and family and societal wellbeing.

This project involves interviewing the company directors, or the trustees in the case of a trust. The interviews will be either individual interviews with one person, or a phone/video interview with the Chair while the Chair leads a discussion with all the directors/trustees of each participating organisation. In addition, I seek separate consent to read associated pre-meeting Board Papers and post-meeting Minutes of board meetings that record learning practices.

Participation

I have identified from my network of past clients, and others, potential participants who have introduced aspects of learning to their boards. To bring an array of situations to the research, I am seeking to involve up to 15 businesses in the research, from across different sectors in New Zealand.

I invite you to participate in the interview. A signed consent form will indicate your agreement to participate.

If the interview will be with your whole board, I will seek the permission of your Board and CEO, to participate in this research. In the case of the whole board, the unanimous agreement of the Board, which involves the collection of data as specified below, is required. A consent form, signed by the Chair, will indicate that the Board has provided its unanimous agreement to participate. When the CEO signs a separate consent form, this will indicate their agreement to participate.

Project Procedures

The project will involve one interview of up to one hour, and, if permission is further granted by the participant, access to and the reading of relevant pre-meeting Board Papers and post-meeting Board Minutes that could demonstrate board learning.

Interviews will be audio recorded, to supplement my written notes. The audio recordings will be transcribed. Participants will have the opportunity to read and edit the transcripts before the data is used in the research, and to approve the release of the transcripts for use in the research.

If I have had a past professional relationship with a participant, there may be a potential conflict of interest. In cases where this happens, I will seek the unanimous agreement of all the directors/trustees, many of whom will have had no professional relationship with me.

In situations where I interview the Chair on behalf of the board, the interview will not take place during a board meeting. I will direct the interview questions to the Chair, for him or her to facilitate a discussion and consensus-gaining by the board members. I will be absent from the discussion, but available to the Chair by phone or video to receive answers to questions.

If I have had a professional relationship with you, you may feel obligated to take part in the research. In such cases, there is no professional relationship now, and participants are under no obligation to be part of the research.

Data Management

This research requires access to confidential directors'/trustees' and board information. Every effort will be made to preserve the confidentiality of confidential information.

- I will sign your standard organisation confidentiality agreement.
- Confidential information provided by the participant during the course of this research will be stored securely, kept confidential to me alone, and will remain confidential after the research project is completed.
- The names of participating organisations and their officers will be kept confidential to myself as the Researcher and my two named Supervisors. The names of the participating organisations will not be disclosed to any other party.
- The Supervisors will sign a confidentiality agreement.
- No identifiable references to participating companies, or individuals, will appear in the research thesis or any other published document.

All raw data (audio recordings, written observation and interview notes, and any Board Papers and Minutes) will be stored securely at the researcher's office. Raw data will be destroyed two months after the completion and examination of the thesis.

A copy of the relevant draft research findings will be provided to the participants for comment prior to the thesis being finalised. In addition, participants have the right to receive a summary of the final research findings after the thesis is completed.

Participant's Rights

You are under no obligation to accept this invitation. If you decide to participate in the research, you have the right to:

- only participate in the interview and not provide access to further Board Papers or Minutes;

Massey University
Te Kunenga ki Pūrehuroa
Massey University, Private Bag 11 222 , Palmerston North, 4442, New Zealand
+64 6 350 5701 | contact@massey.ac.nz | massey.ac.nz

MEd Thesis | © Peter H. Allen 132

- decline to answer any particular question;
- withdraw from the study at any time;
- ask any questions about the study at any time during participation;
- ask for the audio recorder to be turned off at any time during the interview;
- be given a copy of the transcribed interview for editing and approval before it is used in the research;
- provide information on the understanding that your name will not be used unless you give permission to the researcher;
- review consent at any time there are changes to the initial scope, methods, or direction of the research;
- be given access to a summary of the project findings when it is concluded.

Project Contacts

Researcher: Peter Allen, peter@businesstorque.co.nz, ▮▮▮▮▮▮▮▮

Supervisors: Prof Roseanna Bourke, R.Bourke@massey.ac.nz 06-951-9374
               Dr Wayne Macpherson, W.Macpherson@massey.ac.nz 06-951-8767

Participants are invited to contact the Researcher and/or Supervisors if they have any questions about the project.

Ethics Committee Approval Statement

This project has been reviewed and approved by the Massey University Human Ethics Committee: Southern A, Application 20/12. If you have any concerns about the conduct of this research, please contact Dr Negar Partow, Chair, Massey University Human Ethics Committee: Southern A, telephone 04 801 5799 x 63363, email humanethicsoutha@massey.ac.nz.

UNIVERSITY OF NEW ZEALAND

Improving board effectiveness through learning: An examination of learning interventions for the performance of boards

PARTICIPANT CONSENT FORM - INDIVIDUAL

I have read, and I understand the Information Sheet attached. I have had the details of the study explained to me, any questions I had have been answered to my satisfaction, and I understand that I may ask further questions at any time. I have been given sufficient time to consider whether to participate in this study and I understand participation is voluntary and that I may withdraw from the study at any time. The directors of the company (or trustees of the trust) unanimously agree to my participation in the study, and: (cross out the words that do not apply)

1. agree/do not agree to the interview being sound recorded.

2. wish/do not wish to have the sound recordings returned.

3. agree/do not agree to the Researcher inspecting relevant Board Papers and Minutes.

4. agree to participate in this study under the conditions set out in the Information Sheet.

Declaration by Participant:

I _____ hereby consent to take part in this study.
                        [print full name]

Signature: _____   Date: _____

Improving board effectiveness through learning:

An examination of learning interventions for the performance of boards

Questions for boards and individual board members

I'm going to ask you questions about the learning practices you use to develop your governance.

People learning as individuals

1. Can you tell me how you as individuals have learned the role of director/trustee?

2. What are some things you've learned as individual directors/trustees (what are the biggies)?
   New knowledge and skills? New attitudes?

3. How did you decide that was something you/the individuals needed to learn?

4. How do you know you/the individuals learned?

People learning as a board

5. Do you have a story to tell about how your board has developed itself?

6. What learning practices has the board used out of the examples below? How often?
   Has the board used any other ways to develop itself?
   What else helps you learn?

7. Can you tell me some things you've learned as a board (what's the biggie)?

8. How did you decide that was something you needed to learn?

9. How do you know your board learned?

10. Do you think your board is becoming more effective?

11. Has there been any impact on the business or its performance?

12. Does anything get in the way of your board learning/development?

13. Can you sustain your board improvements? Can you keep learning? Do you need to?

Additional question for people who attended the Rural Governance Development Programme:

14. Which year did you do DairyNZ's Rural Governance Development Programme?

<div style="border: 1px solid black; padding: 10px;">

Examples of Learning Practices boards use

1. A learning item in the agenda of a board meeting
2. Evaluation of a board meeting
3. Someone orchestrates/coordinates the board's learning & development
4. A safe zone for robust discussion
5. A process to learn from past decisions
6. A board learning & development plan
7. A continuous improvement policy
8. Board members reporting on new PESTLE impacts (Political, Economic, Social, Technological, Legal, Environmental)

</div>

Now, looking more closely at some of your learning practices…

Step 1. What Learning Practices has your board used? Circle or highlight them. Add any other ways of learning you've used. Add more rows if you need to.

Step 2. For each Describer, rate the Learning Practices your board uses on the 1–6 scales, where 1 is positive, and 6 is negative.

Step 3. When you consider how your board is learning/developing, what other Describers would you add? Examples of other Describers: Affects the way we work together positively or negatively; Increases/decreases our confidence to govern well; Easy/hard to implement; Like/Dislike. Then rate your Learning Practices using your new Describers.

Repertory Grid

Some Learning Practices our board uses	Important to you (1) - Not important to you (6)	Valuable to you (1) - Not Valuable to you (6)			
A learning item in the agenda					
Evaluation of a board meeting					
Someone orchestrates/coordinates our learning					
A safe zone for robust discussion					
A process to learn from past decisions					
A board learning & development plan					
A continuous improvement policy					
Reporting on new PESTLE impacts					

Appendix 5: Demographic Data of Participants

Demographic Data of Participants

Interview No.	Participant Code	Male/Female	Roles	Entity Type	Faith-Based?	Specific Industry Group	Entity Size (Employee Nos.)	Years in existence to 2020	No. of directors/trustees	No. of advisors, CEO, or others usually at board meetings	Total No. of people at board meetings
Interview 1	P1	m	CEO	PCF		Other manufacturing	6–9	12	1	3	4
Interview 2	P2	m	Director	PC		Agriculture	1–5	13	5	5	10
Interview 3	P3	m	Director	PC		Professional services	20–49	39	4	1	5
Interview 4	P4	m	Trustee	ChTr	Faith-Based	Other services	6–9	12	5	1	6
Interview 5	P5	m	Director	PCF		Agriculture	1–5	11	2	2	4
Interview 6	P6	m	CEO	PCF		Agriculture	20–49	18	5	1	6
Interview 7	P7	m, f	Director, Director	PC		Agriculture	1–5	5	5	0	5
Interview 8	P8	f	Director	PC		same as P7	same as P7	same as P7	same as P7	same as P7	same as P7 *Note 3*
Interview 9	P9	m	Director	ISoc		Primary industry support services	1–5	67	15	1	16
Interview 10	P10	m, f	Director, Director	PCF		Agriculture	1–5	10	2	6	8
Interview 11	P11	f	Director	ISoc		Primary industry support services	100+	18	8	1	9
Interview 12	P12	m	Trustee	ChTr	Faith-Based	Health care and social assistance	1–5	29	7	1	8
Interview 13	P13	f	Manager	VC		Retail trade	10–19	41	5	1	6
Interview 14	P14	m	Past Chair	ChTr		Retail trade	6–9	30	11	1	12
Interview 15	P15	m	Director	PCF		Agriculture	1–5	28	2	2	4
Interview 16	P16	m	Past Chair	ChTr		Health care and social assistance	1–5	20	5	1	6
Interview 17	P17	m	CEO	ISoc	Faith-Based	Other services	1–5	35	7	1	8
Interview 18	P18	m	Director	PCF		Agriculture	6–9	3	3	1	4
Interview 19	P19	m	Independent Chair	PC		Primary industry support services	1–5	10	7	1	8
Interview 20	P20	m	Trustee	ChTr	Faith-Based	Health care and social assistance	1–5	13	3	0	3
Interview 21	P21 (a)	m	Trustee	ChTr	Faith-Based	Other services	10–19	4	11	1	12
	(b)		Chair	ChCo	Faith-Based	Agriculture	50–99	9	12	1	13
Interview 22	P22	m	Chair (retired 2019)	CCO		Construction	50–99	29	5	1	6
Interview 23	P23 (a)	m	Chair	ChTr	Faith-Based	Health care and social assistance	6–9	10	6	1	7
	(b)		Ex-CEO	ChTr	Faith-Based	Health care and social assistance	20–49	70	8	1	9
Interview 24	P24 (a)	m	Gen Manager	ChTr	Faith-Based	Other services	1–5	53	8	1	9
	(b)		Gen Manager	ChCo	Faith-Based	Other services	10–19	2	9	1	10
	Note 1	*Note 2*		*Note 4*							

Notes

Note 1 For P21, P23, P24; the interviewees represented two entities. The answers given include both entities, unless noted otherwise, as (a) or (b.

Note 2 For P7 and P10, two people were interviewed, and the people negotiated and supplied one answer.

Note 3 P8 is a director of the same entity as P7.

Note 4 Entity Type Key:

PC	Private Company (multiple owners not of the same family)
PCF	Private Company owned by 1 family (1 or more generations with ownership or control)
CCO	Council Controlled Organisation (Company)
ChTr	Charitable Trust
ChCo	Charitable Company
ISoc	Registered Incorporated Society
VC	Vet Club

Interview Question 6: Repertory Grid Answers

Describers (D) (rate the Learning Practices between polar opposites, 1=positive and 6=negative)

LPr. No.	Description	D.1 Important to you (1) - Not important to you (6)	D.2 Valuable to you (1) - Not Valuable to you (6)	D.3 Affects the way we work together Positive(1) Negative (6)	D.4 Confidence to govern	D.5 Easy (1) /Hard (6) to implement effectively	D.6 I Like (1) I Dislike (6)	D.7 The other board members Like (1) Dislike (6)	D.8 Comfortable (1) or Uncomfortable (6) to use
LPr.1	A learning item in the agenda	2,1,1,1,2,3,1,1,2,2,2	2,2,3,1,1,1	2,2	3,2,3,1,1	2,1,4,4,2,2,1	1,2,1	3,2	1
LPr.2	Evaluation of a board meeting	1,1,2,1,3,2,1,2,1,2	1,1,3,1,1,1	2,1	2,4,2,1,2	1,5,2,2,2	1,1,4	4,3	
LPr.3	Someone orchestrates/coordinates our learning	1,1,2,1,3,1,1,1	1,1,4,1	2,2	2,5,3,	2,5,3,4	2,1,2,5,	6,4	
LPr.4	A safe zone for robust discussion	1,1,1,1,1,1,1,1,1,1,1	2,1,1,1,1,1,1	3,1,	1,1,1,1,1	1,5,2,1	2,1,3	5,1	1,6
LPr.5	A process to learn from past decisions	2,1,1,1,2,1,1,3,1	2,1,2,1	3,2	3,2	3,4,3,6	3	1	1,3
LPr.6	A board learning & development plan	2,2,1,2,1,2	2,3,1	3,2	2,2	4,3,4,4	4,1	2	
LPr.7	Continuous improvement	2,1,1,1,2,1,1	2,1,2,1	3	2,2,2	4,2	4,1	1	
LPr.8	Reporting on new PESTLE impacts	2,2,1,3,1,1,1,1,3,5,	2,1,3,1,1,1,1	2,1	3,4,5,1,5,	5,4,2,5	3,1,1,	4,2	
LPr.9	Review of (certain aspects) personal attributes -as part of Business Torque Questionnaire (I1)	2	2	2		1	1		
LPr.10	Review of (certain aspects) -as part of Thinking Intentions Profile (I1)	2	1	2		1	1		
LPr.11	Learning by Experience (I2)	1	1		4	4	5	5	
LPr.12	Formal training/education, external (I5)	1,3			3	5		3	
LPr.13	Risk Analysis Matrix (I5)	5,1	1						
LPr.14	Internal training (I6) (Bringing in others, including advisors)	2,1,1,1	1,1		2,1,1,2	2	1	2	
LPr.15	Internal training (I7) (Learning from other board members)	2	2		1		2		
LPr.16	Lean Management System (I9)	1	1						
LPr.17	Farm Gauge, on DairyNZ website (I9)	1	1						
LPr.18	Inducting new board members (I11,I12)								
LPr.19	A spreadsheet decision-making tool (I15)								
LPr.20	Decision-making as Learning (I7)		1						
LPr.21	Other ways of intentional learning								

Repertory Grid Analysis: The Number of Participants who Responded to Each Describer

Repertory Grid Analysis

The Number of Participants who Responded to Each Describer

(A total of 13 participants responded)

	Describers	D.1 Important to you	D.2 Valuable to you	D.3 Affects how we work	D.4 Confidence to govern	D.5 Easy/hard to implement	D.6 I like/dislike	D.7 Our board likes/dislikes	D.8 Comfortable with this Practice
LPr.1	A learning item in the agenda	11	6	2	5	7	3	2	1
LPr.2	Evaluation of a board meeting	10	6	2	5	5	3	2	
LPr.3	Someone orchestrates/coordinates our learning	8	5	2	3	4	3	2	
LPr.4	A safe zone for robust discussion	12	7	2	5	4	3	2	2
LPr.5	A process to learn from past decisions	9	5	2	2	4	1	1	2
LPr.6	A board learning & development plan	6	3	2	2	4	2	1	
LPr.7	Continuous improvement	7	4	1	3	2	2	1	
LPr.8	Reporting on new PESTLE impacts	10	7	2	4	4	3	2	
LPr.9	Review of (certain aspects) personal attributes -as part of Bu	1	1	1		1	1		
LPr.10	Review of (certain aspects) -as part of Thinking Intentions Pr	1	1	1		1	1		
LPr.11	Learning by Experience (I2)	1	1		1	1	1	1	
LPr.12	Formal training/education, external (I5)	2			1	1		1	
LPr.13	Risk Analysis Matrix (I5)	2	1						
LPr.14	Internal training (I6) (Bringing in others, including advisors)	4	2		4	1	1	1	
LPr.15	Internal training (I7) (Learning from other board members)	1	1		1		1		
LPr.16	Lean Management System (I9)	1	1						
LPr.17	Farm Gauge, on DairyNZ website (I9)	1	1						

Appendix 7: Learning Practices used by Participants

Learning Practice Code	Learning Practice Description	No. of Participants	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	P11	P12	P13	P14	P15	P16	P17	P18	P19	P20	P21	P22	P23	P24
LPr1	A learning item in the agenda	11	1	2	3	4		6	7	8					13		15		17							
LPr2	Evaluation of a board meeting, Yes	12	1	2	3	4	5	6	7	8					13					18				22	23	
	Evaluation of a board meeting, No	12									9	10	11	12		14	15	16	17		19	20	21			24
LPr3	Learning Coordinator, Yes	8	1	2	3			6	7						13									22		24
	Learning Coordinator, No	10				4	5			8	9	10					15			18	19	20	21			
LPr4	Safe Zone, yes	14	1	2	3	4	5	6	7	8	9	10	11	12	13		15			18	19		21	22		
	Safe Zone, partly or informally	8				4												16	17			20	21	22	23	
	Safe Zone, No	1																								24
LPr5	Process to learn from past decisions, Yes	6	1					6							13						19		21	22		
	Process to learn from past decisions, Partly or informal	6							7				11	12			15								23	24
	Process to learn from past decisions, No	8		2	3	4	5				9							16	17						23	
LPr6	Board Learning & Development plan, Yes	3		2						8				12	13										23	
	Board Learning & Development plan, Partly or informal	7	1			4	5	6	7				11				15	16				20	21			
	Board Learning & Development plan, No	8	1		3					8					13		15	16	17			20		22		24
LPr7	Continuous Improvement, Yes	10			3	4	5		7	8		10	11	12	13		15			18	19		21	22	23	
	Continuous Improvement, Partly or informally	6		2					7	8	9							16	17			20				24
	Continuous Improvement, No	5	1					6			9								17			20				24
LPr8	PESTLE, Yes	7	1	2	3	4				8	9	10	11		13		15		17		19		21	22		24
	PESTLE, Partly or informally	8					5	6	7											18						
	PESTLE, No	3	1																							
LPr9-10	Learning needs analyses	6	1				5	6	7	8	9	10														
LPr11	Learning by experience (total)	24	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
	Being in other roles	15	1	2	3	4	5	6	7	8	9		11	12	13	14	15	16	17			20	21	22	23	24
	Learning by doing, practice	17				4	5	6		8	9	10	11	12	13		15	16	17	18	19	20	21	22	23	24
	Learning by observation	5																16	17	18	19				23	
LPr12	External formal training & education	15		2		4		6	7	8	9	10	11		13		15			18	19	20	21	22		
LPr13	Risk Analysis matrix	3			3		5																			
LPr14	Internal training - bring in others	10				4		6	7		9		11					16		18				22		
	Mentoring for board members	1											11													
LPr15	Internal training - board members	3		2												14							21			
LPr16	Lean Management System	4			3						9	10									19					
LPr17	Farm Gauge, on DairyNZ website	1										10														
LPr18	Bring in New Board members	3											11	12							19					
LPr19	Decision-making tools	3										10					15				19					
LPr20	Decision-Making as Learning	9				4	5		7			10	11	12			15				19			22		
LPr21	Other ways of Intentional Learning	7	1	2	3						9	11	11	12			15									
LPr21	Other ways of Inherent Learning	3				4														18					23	
	Number of these learning practices used by each participant		9	10	10	11	8	10	12	11	8	12	12	8	10	2	11	7	6	8	11	2	9	11	10	3
	Median	9																								
	Mode	10, 11																								
	Range	2 - 12																								

Appendix 8: Number of Participants who use Inherent and Intentional Learning, with Repertory Grid Ratings

Number of participants who use Types of Learning Practices, with Repertory Grid Ratings

Learning Practice Code	Learning Practice Description	Inherent or Intentional?	"No"	"Partly" or "Informally"	"Yes"	Total of "Yes" + "Partly" or "Informally"	% of those to all participants	Important to you	Increases confidence to govern
LPr.4	Establishing a safe zone for robust decision-making and holding people to account to it	Intentional	1	8	14	22	92%	1.0	1.0
LPr.14	Internal training (bringing in speakers, specialists, or advisors of many kinds to talk with the board, including external mentoring)	Intentional			10	10	42%	1.3	1.5
LPr.7	A commitment to continuous improvement	Intentional	5	6	10	16	67%	1.3	2.0
LPr.5	A process to learn from past decisions	Intentional	8	6	6	12	50%	1.4	2.5
LPr.3	A board member takes on the role of coordinating the board's learning/development	Intentional	10		8	8	33%	1.4	3.3
LPr.1	A learning item in the agenda of board meetings	Intentional			11	11	46%	1.6	2.0
LPr.2	Evaluation of a board meeting	Intentional	12		12	12	50%	1.6	2.2
LPr.6	A board learning & development plan	Intentional	8	7	3	10	42%	1.7	2.0
LPr.8	Reporting on new PESTLE (Political, Economic, Social, Technological, Legal, environmental) impacts	Intentional	3	8	7	15	63%	1.7	3.4
LPr.12	Formal director training/education from sources external to the board	Intentional			15	15	63%	2.0	
LPr.13	Creating and maintaining a Risk Analysis Matrix	Intentional			3	3	13%	3.0	
LPr.9-10	Learning needs analyses	Intentional			6	6	25%		
LPr.21	Other ways of intentional learning	Intentional			7	7	29%		
LPr.16	Lean Management Systems	Intentional			4	4	17%		
LPr.15	Internal training (learning from other board members, including mentoring, coaching)	Intentional			3	3	13%		
LPr.18	Bringing in new board members	Intentional			3	3	13%		
LPr.17	Farm Gauge, on DairyNZ website	Intentional			1	1	4%		
LPr.11	Learning by Experience	Inherent			24	24	100%		
LPr.20	Decision-making as learning	Inherent			9	9	38%		
LPr.19	A spreadsheet decision-making tool	Inherent			3	3	13%		
LPr.21	Other ways of inherent learning	Inherent			3	3	13%		

Scores from Repertory Grid, where more than one participant scored. Scored 1(high) to 6(low) — last two columns: "Important to you" and "Increases confidence to govern".

Number of participants who use Intentional Learning Practices	24
Percentage of all participants	100%
Number of participants who use Inherent Learning Practices	24
Percentage of all participants	100%

Consciousness of board learning

	Start of interview	End of interview
Yes	13	22
No	11	2
Yes	54%	92%
No	46%	8%

Incidence of barriers/hindrances to learning (L) and development in the data.	No. of participants	% of all participants	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	P11	P12	P13	P14	P15	P16	P17	P18	P19	P20	P21	P22	P23	P24
Hubris	23	96%	1	2		4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Ignorance, lack of awareness, not taking responsibility	11	46%		2		4			7	8		10				14		16		18		20		22	23	24
Board composition is wrong	7	29%		2								10		12		14						20		22	23	
Lack of accountability, apathy, energy	6	25%	1	2	3										13								21		23	
Poor Governance systems	6	25%				4	5						11		13	14		16								
Balancing family and business, time, busyness	5	21%										10		12			15		17	18						
Different or no visions, purposes, values	5	21%										10							17			20	21			24
Lack of robust debate, good behaviour, trust	5	21%		2											13	14					19		21			
Chair causing issues, including poor meeting timing	4	17%		2	3						9					14										
Management-Governance issues	4	17%																		18	19				23	24
Complexity, the speed and volume of change, uncertainty	4	17%	1										11	12												24
Know-it-all attitude	3	13%		2									11		13											
Not having a L plan and not implementing	3	13%													13				17			20				
Poor or confused CEO-Board-Chair relationships	3	13%														14								22		24
Lack of desire, gifting, mindset for governance	2	8%		2	3																					
Taking Offence	2	8%													13									22		
Not reflecting or evaluating ourselves	2	8%																		18		20				
Poor or no learning culture	2	8%							7															22		
Deliberate obstruction to L	1	4%		2																						
Electronic (eg Zoom) Meetings	1	4%																	17							
Wrong venue for board meetings	1	4%							7																	

Appendix 10: Incidence of Enablers of Learning and Development in the Data

Incidence of enablers of learning (L) and development in the data.	No. of participants	% of all participants	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	P11	P12	P13	P14	P15	P16	P17	P18	P19	P20	P21	P22	P23	P24
Desire for & embrace change, frustration helps L	19	79%	1	2	3	4	5	6	7	8	9	10	11	12	13		15	16	17	18	19		21			
Formal and structured board processes helps L	14	58%	1	2			5	6	7	8	9	10		12	13		15			18			21			24
Chair's role, incl rel with CEO, helps L	13	54%		2				6	7	8	9		11	12	13					18			21	22	23	24
Keep Gov. and Management separate helps L	13	54%		2	3	4		6	7	8	9		11		13	14			17	18						24
Maintaining a Safe Zone helps L	11	46%				4	5		7	8	9	10	11	12	13				17		19			22		
Board succession	11	46%				4	5	6			9	10	11	12	13				17		19				23	
Confidence, enjoyment, & encouragement helps L	10	42%		2						8		10	11	12	13	14						20	21		23	
Antidote to Pride, EQ help L	10	42%			3	4	5		7			10		12	13			16	17						23	
A learn-by-doing Gov programme helps L	9	38%	1	2	3			6	7	8		10			13		15									
Values, Vision, Purpose, Strategy helps L	9	38%			3	4			7	8		10			13		15		17	18						
The Fiduciary Mindset helps L	8	33%				4				8		10			13		15		17	18	19					
Diversity helps L	7	29%			3			6	7			10				14					19		21			
Success breeds success, seeing progress helps L	5	21%				4								12	13			16			19					
Self-Awareness helps L	5	21%	1		3								11		13		15									
Self-reflection and evaluations help L	5	21%	1	2								10	11										21			
Double-Loop Learning	5	21%	1	2									11							18						24
Desire for Accountability helps L	4	17%	1					6				10						16								
Identifying Learning Needs helps L	4	17%	1	2	3			6																		
Skills Matrix helps L	4	17%			3		5	6															21			
Succession and the right board composition helps L	4	17%			3						9												21	22		
Proactivity helps L	2	8%			3																19					
Getting a Learning Coordinator help L	2	8%			3										13											
Consensus-gaining helps L	2	8%												12								20				
Getting help from outside the board, helps L	2	8%											11										21			
Willingness to be vulnerable, make mistakes helps L	1	4%																				20				
Speed of Learning	1	4%							7																	
Using explicit learning processes	1	4%							7																	
Scaffolding the Learning (& a L Plan) helps L	1	4%		2																						
Diversity helps L	1	4%																					21			
Good Management helps board L	1	4%																16								

Appendix 11: Incidence of the components of the Hubris and Know-it-all Codes

A. The Incidence of the Code across all Participants

Incidence of the components of the Hubris Code and Know-it-all Code	No. of participants	% of all participants	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	P11	P12	P13	P14	P15	P16	P17	P18	P19	P20	P21	P22	P23	P24
Bullying	10	42%			3								11		13	14	15					20	21	22	23	24
Pride	8	33%	1								9		11		13			16			19				23	24
I don't need to learn	8	33%		2		4			7	8					13								21		23	24
Identity tied to past accomplishment	7	29%				4						10							17				21	22	23	24
Ego	5	21%		2							9				13		15				19					
Acting in own best interests	5	21%			3			6													19		21		23	
Own agenda	4	17%													13	14					19		21			
Know-it-all attitude	3	13%		2									11		13											
Greed	3	13%					5										15				19					
Personal attacks & rubbishing expert advice	3	13%												12	13	14										
Prejudice relating to position	2	8%														14							21			
"Hubris"	1	4%																							23	
Experience can be a bias	1	4%																					21			
Bad habits can be learned	1	4%																	17							
Deliberately derailing the board	1	4%														14										
Played by a different set of rules	1	4%														14										

B. The Incidence of the Code by Entity Type

Incidence of the Components of the Hubris Code and Know-it-all Code by Entity Type	Not Faith-Based Entities		Faith-Based Entities		All Entities	
	No. of participants	% of participants	No. of participants	% of participants	Total No. of participants	% of all participants
Bullying	6	35%	4	40%	10	42%
Pride	6	35%	2	20%	8	33%
I don't need to learn	4	24%	4	40%	8	33%
Identity tied to past accomplishment	2	12%	5	50%	7	29%
Ego	5	29%	0	0%	5	21%
Acting in own best interests	3	18%	2	20%	5	21%
Own agenda	3	18%	1	10%	4	17%
Know-it-all attitude	3	18%	0	0%	3	13%
Greed	3	18%	0	0%	3	13%
Personal attacks & rubbishing expert advice	2	12%	1	10%	3	13%
Prejudice relating to position	1	6%	1	10%	2	8%
"Hubris"	0	0%	1	10%	1	4%
Experience can be a bias	0	0%	1	10%	1	4%
Bad habits can be learned	0	0%	1	10%	1	4%
Deliberately derailing the board	1	6%	0	0%	1	4%
Played by a different set of rules	1	6%	0	0%	1	4%

	Board Effectiveness and Organisational Performance		No. of Participants	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	P11	P12	P13	P14	P15	P16	P17	P18	P19	P20	P21	P22	P23	P24
Qu.10	Do you think your board is becoming more effective?	"Yes"	11	1		3		5	6	7	8		10	11	12	13		15	16								
		"Not yet, but it's expected"	1																	17							
Qu.11	Has there been any impact on the business or its performance? [Because of learning practices implemented]	"Yes"	11	1			4	5	6	7	8		10	11		13		15	16								
		"Not yet, but it's expected"	2		2	3																					

Incidence of barriers to learning (L) and development in the data of Faith Based Organisations	No. of participants	% of all participants	P4	P12	P17	P20	P21	P23	P24
Number of FBO's in the data:	10		1	1	1	1	2	2	2
Hubris	6	60%	4		17	20	21	23	24
Lack of desire, gifting, mindset for governance	3	30%					21	23	24
Too busy to fully commit, to give the energy needed	3	30%				20		23	24
Board composition or size is wrong	3	30%					22	23	24
'Ministry' & 'Business' not aligned	3	30%					21	23	24
Not knowing how to translate experience to faith-based boards	1	10%	4						
Chair issues	1	10%							24
Lack of a working Safe Zone	1	10%						23	
Lack of unity on purpose, vision, etc	1	10%	4						
Burnout (not reflecting to pick it up)	1	10%				20			
Governance-Management conflict or not working well	1	10%							24
Mission Drift Mechanism: Diverse sources of revenue	1	10%		12					
Mission Drift Mitigation: Financial resource dependence	2	20%		12	17				
Mission Drift Mitigation: Evolving organisational culture	1	10%						23	
Mission Drift Mitigation: Distractions of daily operational activities	1	10%							24
Self-preservation	1	10%			17				

Incidence of enablers to learning (L) and development in the data of Faith Based Organisations	No. of participants	% of all participants	P4	P12	P17	P20	P21	P23	P24
Number of FBO's in the data:	10		1	1	1	1	2	2	2
Calling, gifted for Governance enables L	4	40%	4	12		20	21		
Learning as Sanctification -Cont. Improvement	4	40%	4	12	17			23	
Ministry-business tension enables L -staying true but professional	4	40%	4	12				23	24
Clear Purpose and Unity of Purpose enables L	3	30%	4	12		20			
Acting by faith, not sight, enables L	2	20%	4	12					
Fiduciaries of Christ, servants, enables L	2	20%			17		21		
Seeing where God is working enables L	2	20%	4	12					
Consensus-gaining enables L	2	20%	4	12		20			
Learning & development as Discipleship enables L	2	20%	4				21		
Desire to learn, and Fidcuiary enable L	1	10%				20			
Identity in Christ enables L	1	10%	4						
A life directed by prayer enables L	1	10%		12					
Knowledge of the organisation's constitution enables L	1	10%					21		
Diversity enables L	1	10%					21		
Faith-Based Inherent Learning	1	10%				20			
Mentoring enables L	1	10%	4						
Mission Drift Mitigation: Intentional leadership re MD	1	10%			17				

Appendix 14: How learning is related to Crow's Board Mechanisms

Mapping number	Crow's observed themes (2016, p. 231)	Crow's suggested underlying Board Mechanisms (BM) (2016, p. 231)	Crow's classification (with Senge's terminology, I or C) (2016; 2006)	Crow & Lockhart's underlying social mechanisms (2016)	In the context of this study, each of these requires Senge's Learning Conditions (LC): (with Senge's terminology, I or C)
BM1	Demonstrable skill and expertise	Strategic Competence	Director (Individual)	Competence	LC2. Mental models (I), LC3. Personal Mastery (I)
BM2	Engagement in strategic management	Active Engagement	Social (Collective)	Engagement	LC1. Systems Thinking (C)
BM3	Focus on future	Sense of purpose	Director (Individual)	Purpose	LC4. Shared Vision (C)
BM4	Collaboration and cooperation	Collective Efficacy	Social (Collective)	Empathy	LC5. Team Learning (C)
BM5	Decisions and adjustments	Constructive Control	Social (Collective)	Control	LC5. Team Learning (C)

Appendix 15: Crow's Board Functions are Performed in a Cycle of Learning

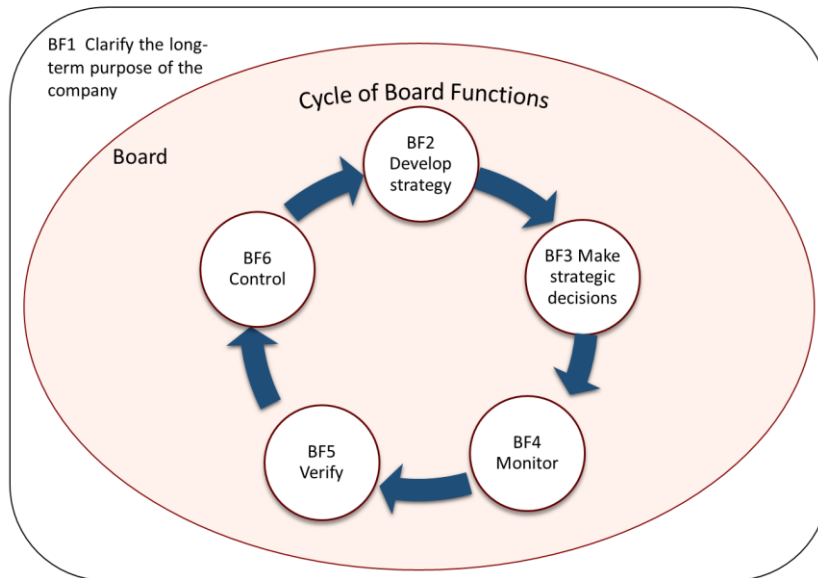Figure 7.3 Crow's board functions (Crow & Lockhart, 2016, p. 1031)

Figure 7.4 Crow's Board Functions in a continuous cycle (Kolb, 1984) of activity and learning.

Figure 7.4 uses Crow's design theme of an oval for the board, within which are five circles representing board functions BF2 – BF6. These functions are shown in the context of BF1, the long-term purpose of the organisation, and demonstrate the cyclical nature of the activities and, therefore, cyclical learning by experience (Kolb, 1984).

Figure 7.5 incorporates information from Table 7.4 and Appendix 14, bringing together one board function and all board mechanisms, with Senge's learning conditions, and Kolb's experiential learning cycle (Kolb, 1984; Morais & Kakabadse, 2013; Senge, 2006).
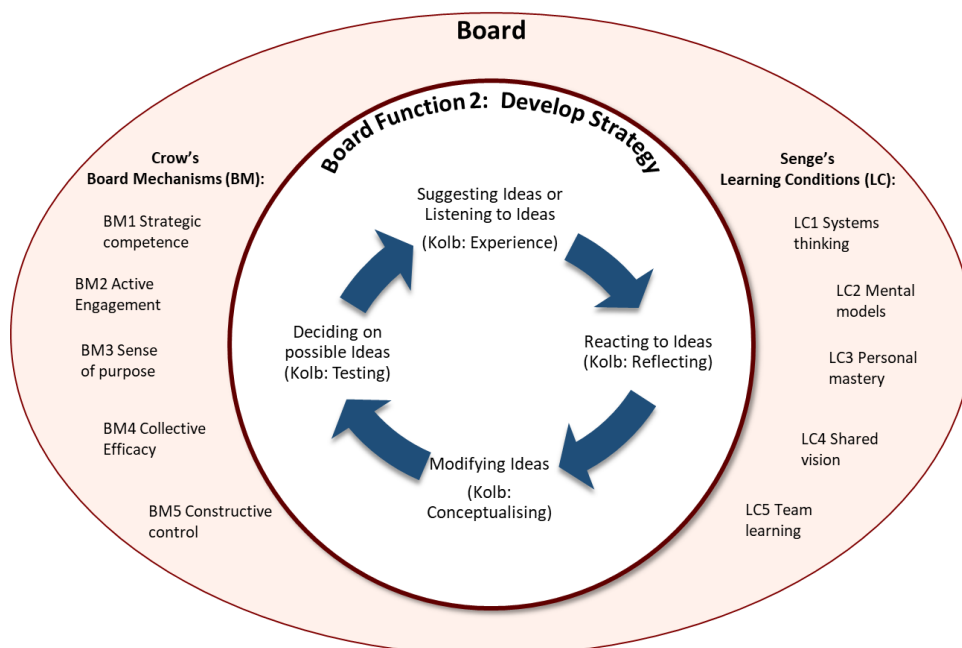

Figure 7.5 A representation of one board function (BF2) being performed in a cycle

Figure 7.5 is a representation of one board function (BF2) being performed in a cycle, in the context of available board mechanisms and learning conditions. Six of these diagrams (Figure 7.5) could be drawn, one for each board function, all with the same learning conditions (Senge) and board mechanisms (Crow).

If Crow and Lockhart's (2016) diagram (Figure 7.3) is a macro view, Figure 7.4 is a micro view, and Figure 7.5 is a sub-micro view. The highest system-wide view that includes the organisation's activity could be represented by the following diagram (Figure 7.6).
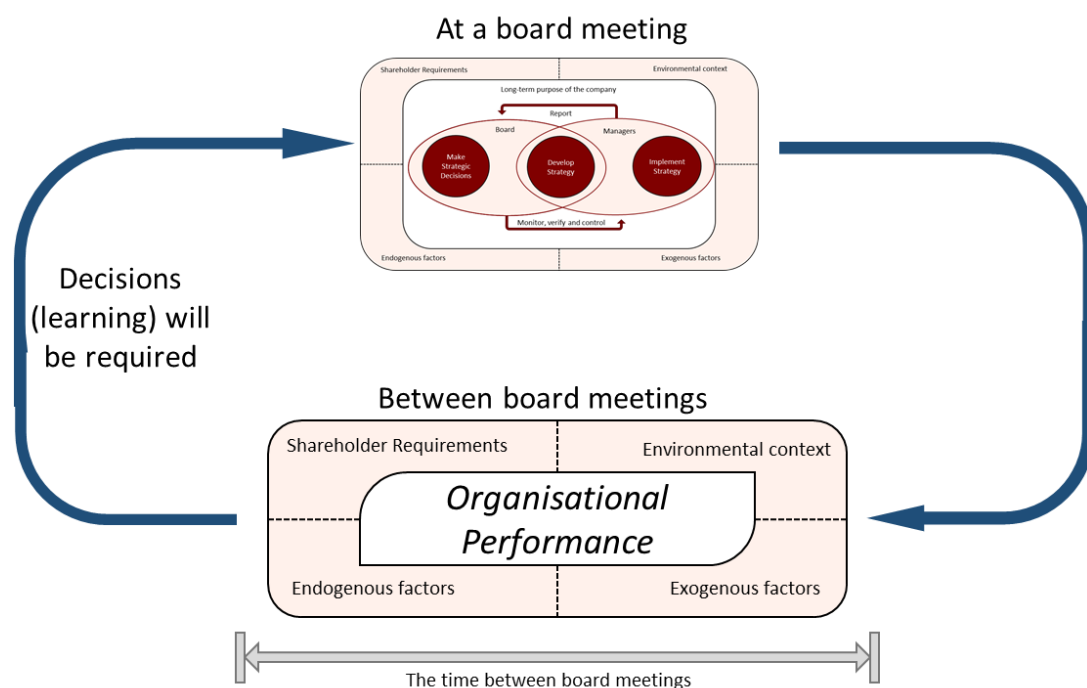

Figure 7.6 The governing system as a continuous cycle of meetings.

Figure 7.6 demonstrates the cyclical nature of governance and its associated learning (Kolb, 1984; Morais & Kakabadse, 2013).

Appendix 16: Senge's learning conditions applied to a board setting

Mapping number	Senge's 5 conditions for learning (Senge, 2006)	Collective or Individual (Senge, 2006)	Definition in the context of this study (board learning)	Satisfying this learning condition could result in:	An example of what the board does to satisfy the learning condition
LC1	Systems Thinking	Collective	The board members understand the whole, examine the interrelationship of parts, get feedback, identify cause and effect, and recognise the need for change.	The board members understand the organisation as a system, their fiduciary roles as a system, and the board as a system.	System development and change

The board is comfortable with complexity and ambiguity.

LC2	Mental Models	Individual	Self-awareness. A board member has the ability to reflect in and on his/her actions and the thinking that generated them. Assumptions are made explicit to others.	The continuous development of thinking. Increased receptivity to change. Board members can know each other's thinking and improve mutual understanding.	Personal reflection, communicated
LC3	Personal Mastery	Individual	A board member has a personal vision and aspiration for continuous learning and scrutiny	Each person is a learner. Each person is motivational for the others.	A personal commitment to continuous learning and scrutiny.
LC4	Shared Vision	Collective	The collective creation and commitment to a common purpose and actions to achieve that purpose	Focus and energy for continuous learning and development	A shared lived vision for learning
LC5	Team Learning	Collective	Dialogue that is robust, without cognitive biases, and draws on the skillsets of the members	Shared understanding/decision (consensus)	Robust decision-making by consensus

Appendix 17: Learning Practices Per Entity Type

Intentional Learning Practices

Number of Entities that use Learning Practices, with Repertory Grid Ratings

Learning Practice Code	Intentional Learning Practice Description	Inherent or Intentional?	Scores from Repertory Grid, where more than one participant scored Scored 1(high) to 6(low) Important to you	Increases confidence to govern	Entity Type PC-Private Company	PCF-One-family Owned Private Company	ChTr-Charitable Trust	CCO-Council Controlled Organisation	ChCo-Charitable Company	ISoc-Incorporated Society	VC-Vet Club	Total Number of Entities	Not Faith-Based	Faith-Based
LPr.4	Establishing a safe zone for robust decision-making and holding people to account to it	Intentional	1.0	1.0	4	6	6	1		3	1	21	15	6
LPr.14	Internal training (bringing in speakers, specialists, or advisors of many kinds to talk with the board, including external mentoring)	Intentional	1.3	1.5	2	2	2	1		3		10	9	1
LPr.7	A commitment to continuous improvement	Intentional	1.3	2.0	3	4	5	1		1	1	15	11	4
LPr.5	A process to learn from past decisions	Intentional	1.4	2.5	2	4	3	1		1	1	12	9	3
LPr.3	A board member takes on the role of coordinating the board's learning/development	Intentional	1.4	3.3	3	2	1	1			1	8	7	1
LPr.1	A learning item in the agenda of board meetings	Intentional	1.6	2.0	3	4	2			1	1	11	8	3
LPr.2	Evaluation of a board meeting	Intentional	1.6	2.2	3	4	2	1			1	11	9	2
LPr.6	A board learning & development plan	Intentional	1.7	2.0	1	1	4			1	1	8	4	4
LPr.8	Reporting on new PESTLE (Political, Economic, Social, Technological, Legal, environmental) impacts	Intentional	1.7	3.4	4	3	3	1		3	1	15	11	4
LPr.12	Formal director training/education from sources external to the board	Intentional	2.0		3	5	2	1		2	1	14	12	2
LPr.13	Creating and maintaining a Risk Analysis Matrix	Intentional	3.0		1	2						3	3	
LPr.9-10	Learning needs analyses	Intentional			1	3				1		5	5	
LPr.15	Internal training (learning from other board members, including	Intentional			1		2					3	2	1
LPr.16	Lean Management Systems	Intentional			2	1				1		4	4	
LPr.17	Farm Gauge, on DairyNZ website	Intentional				1						1	1	
LPr.18	Bringing in new board members	Intentional			1		1			1		3	2	1
LPr.21	Other ways of inentional learning	Intentional			2	2	1			2		7	6	1
	Total Number of Entities Using Intentional Learning Practices				36	44	34	8	0	20	9	151	118	33
	Number of Entities				4	6	9	1	2	3	1	26	15	11
	Intentional Learning Practices per Entity Type				9.0	7.3	3.8	8.0	0.0	6.7	9.0	5.8	7.9	3.0

Inherent Learning Practices

Number of Entities that use Learning Practices, with Repertory Grid Ratings

Learning Practice Code	Inherent Learning Practice Description	Inherent or Intentional?	Scores from Repertory Grid, where more than one participant scored Scored 1(high) to 6(low) Important to you	Increases confidence to govern	Entity Type PC-Private Company	PCF-One-family Owned Private Company	ChTr-Charitable Trust	CCO-Council Controlled Organisation	ChCo-Charitable Company	ISoc-Incorporated Society	VC-Vet Club	Total Number of Entities	Not Faith-Based	Faith-Based
LPr.11	Learning by Experience -Total	Inherent			4	6	9	1	2	3	1	26	20	6
LPr11.1	Learning by experience -Being in other roles	Inherent			3	4	5	1		1		14	10	4
LPr11.2	Learning by experience -Learning by doing, practice	Inherent			2	4	6	1		3	1	17	11	6
LPr11.3	Learning by experience -Learning by observation	Inherent			1	1	2			1		5	3	2
LPr.19	A spreadsheet decision-making tool	Inherent				2	1					3	2	1
LPr.20	Decision-making as learning	Inherent			2	3	2	1		1		9	7	2
LPr.21	Other ways of inherent learning	Inherent				1	2					3	1	2
	Total Number of Entities Using Inherent Learning Practices				12	21	27	4	2	9	2	77	54	23
	Number of Entities				4	6	9	1	2	3	1	26	15	11
	Inherent Learning Practices per Entity Type				3.0	3.5	3.0	4.0	1.0	3.0	2.0	3.0	3.6	2.1

References

Abidi, S., & Joshi, M. (2018). *The VUCA Learner : Future-proof Your Relevance*. New Delhi, India: Sage Publications Pvt. Ltd.

Abraha, M. (2020). Educational Objectives Help or Hindrance? A Reflection against the Position of Eisner. *Research in Pedagogy, 10*(2), 162-168.

Acciarini, C., Brunetta, F., & Boccardelli, P. (2021). Cognitive Biases and Decision-Making Strategies in Time of Change: A Systematic Literature Review. *Management Decision, 59*(3), 15.

Achim, M. V., & Borlea, S. (2013). *CORPORATE GOVERNANCE AND BUSINESS PERFORMANCES. MODERN APPROACHES IN THE NEW ECONOMY*.

Adams, A., Kayes, C., & Kolb, D. (2004). Experiential Learning in Teams. Retrieved from

Ainscough, L., Stewart, E., Colthorpe, K., & Zimbardi, K. (2018). Learning hindrances and self-regulated learning strategies reported by undergraduate students: identifying characteristics of resilient students. *Studies in Higher Education, 43*(12), 2194-2209. doi:10.1080/03075079.2017.1315085

Allen, P., Hunt, M., Lockhart, J., & Crow, P. R. (2014). *Understandingthepracticeofgovernance:Spanningthepractitionerresearcherdivide.Poster.* Paper presented at the Second InternationalConferenceonManagement,LeadershipandGovernance, BabsonCollege,Wellesley,Massachusetts,USA.

Allen, P., Lockhart, J., Kidd, J., & Van Bysterveldt, A. (2013). *Rural Governance Development Programme*: DairyNZ.

Alles, M. (2009). Governance in the age of unknown unknowns. *International Journal of Disclosure and Governance, 6*(2), 85-88. doi:10.1057/jdg.2009.2

Amaladas, S. (2018). *Intentional leadership : getting to the heart of the matter*: Routledge.

Argyris, C. (1991). Teaching Smart People How to Learn. *Harvard Business Review, 69*(3), 99-109.

Arthur, W. (1998). Factors That Influence Skill Decay and Retention: A Quantitative Review and Analysis. *Human Performance, 11*(1), 57-101.

Ary, D., Jacobs, L., Sorensen, C., & Walker, D. (2013). *Introduction to research in education* (9th ed ed.): Wadsworth Cengage Learning.

Asyali, E., Saatcioglu, O., & Cerit, A. (2006). Cooperative learning and teamwork effectiveness: impacts of eductaion period on cadets. *IAMU*, 10.

Aziz, K. (2019). Why is humility so relevant for leaders and can it be developed through coaching? *Strategic HR Review*(1), 30. doi:10.1108/SHR-10-2018-0088

Baker, H. K., & Anderson, R. (2010). *Corporate governance : a synthesis of theory, research, and practice*: Wiley.

Barr, R. B., & Tagg, J. (1995). From Teaching to Learning -A New Paradigm for Undergraduate Education. *Change, 27*(6), 12-25.

Beckham, C. (2020). Beyond College and Career Readiness: Education's Broader Purposes. *Critical Questions in Education, 11*(3), 178-189.

Beerkens, E. (2003). Globalisation and Higher Education Research. *Journal of Studies in International Education, 7*(2), 128-148. doi:10.1177/1028315303007002002

Bell, R. C. (2003). The repertory grid technique *International handbook of personal construct psychology.* (pp. 95-103). New York, NY, US: John Wiley & Sons Ltd.

Bentley, T. (2000). Gestalt in the Boardroom. *Gestalt Review, 4*(3), 176-193.

Berle, A. A., & Means, G. C. (1932). *The Modern Corporation and Private Property*. New York, NY: Macmillan.

Berry, J. W. (2008). Globalisation and acculturation. *International Journal of Intercultural Relations, 32*(4), 328-336. doi:10.1016/j.ijintrel.2008.04.001

Bobolica, V., & Spraggon, M. (2011). Behavioral Governance and Self-Conscious Emotions: Unveiling Governance Implications of Authentic and Hubristic Pride. *Journal of Business Ethics, 100*(3), 535-550.

Brassey, J., De Smet, A., Kothari, A., Lavoie, J., Mugayar-Baldocchi, M., & Zolley, S. (2021). Future proof: Solving the 'adaptability paradox' for the long term, 10. Retrieved from https://www.mckinsey.com/~/media/mckinsey/business%20functions/organization/our%20insights/future%20proof%20solving%20the%20adaptability%20paradox%20for%20the%20long%20term/future-proof-solving-the-adaptability-paradox-for-the-long-term.pdf?shouldIndex=false

Buck, M. A., Mercer, W. N., St. Clair, N. S., & Herbers, M. S. (2019). The Joy of Learning: A Case Study of a Transformative Educator and Activist. *Adult Learning, 30*(3), 101-110. doi:10.1177/1045159518821326

Burgess, S. (2019). III. "Learning from the Past, Transforming for the Future"1: The December 2018 Wells Fargo Settlement and Its Implications for the Future of the Bank. *Review of Banking & Financial Law, 39*(2), 482-498.

Cabrera-Fernandez, A. I., Martinez-Jimenez, R., & Hernandez-Ortiz, M. J. (2016). Women's participation on boards of directors: a review of the literature. *International Journal of Gender and Entrepreneurship*(1), 69. doi:10.1108/IJGE-02-2015-0008

Cadbury_Committee. (1993). The Report of the Cadbury Committee on The Financial Aspects of Corporate Governance: The Code of Best Practice. *Corporate Governance: An International Review, 1*(3), 124-124. doi:10.1111/j.1467-8683.1993.tb00025.x

Carey, D., Dumaine, B., Useem, M., & Zemmel, R. (2018). *Go Long: Why Long-Term Thinking is Your Best Short-Term Strategy*: Wharton School Press.

Carmeli, A., Gelbard, R., & Gefen, D. (2010). The importance of innovation leadership in cultivating strategic fit and enhancing firm performance. *The Leadership Quarterly, 21*(3), 339-349. doi:10.1016/j.leaqua.2010.03.001

Caron, B. (2012). Double-Loop Learning as an Outcome of Double-Loop Governance. Retrieved from Virtual Democracy website: https://cybersocialstructure.org/2012/04/23/double-loop-learning-as-an-outcome-of-double-loop-governance/

Chambers, A. (2005). A teddy bears' picnic or the lion's ring?Do non-executive directors add value? *Measuring Business Excellence, 9*(1), 23-34. doi:10.1108/13683040510588819

Chan, M. C. E., Clarke, D., & Cao, Y. (2018). The Social Essentials of Learning: An Experimental Investigation of Collaborative Problem Solving and Knowledge Construction in Mathematics Classrooms in Australia and China. *Mathematics Education Research Journal, 30*(1), 39-50.

Charitable Trusts Act, (1957).

Charities Commission, G. o. N. Z. (2019). Charities in New Zealand.   Retrieved from https://www.charities.govt.nz/

Chervenak, F. A., & McCullough, L. B. (2001). The moral foundation of medical leadership: The professional virtues of the physician as fiduciary of the patient. *American Journal of Obstetrics and Gynecology, 184*(5), 875-880. doi:10.1067/mob.2001.113854

Chin, D. B. d. s. e., Blair, K. P., Wolf, R. C., Conlin, L. D., Cutumisu, M., Pfaffman, J., & Schwartz, D. L. (2019). Educating and Measuring Choice: A Test of the Transfer of Design Thinking in Problem Solving and Learning. *Journal of the Learning Sciences, 28*(3), 337-380. doi:10.1080/10508406.2019.1570933

Clark, K. R. (2018a). Learning Theories: Behaviorism. *Radiologic Technology, 90*(2), 172-175.

Clark, K. R. (2018b). Learning Theories: Cognitivism. *Radiologic Technology, 90*(2), 176-179.

Claxton, G., Owen, D., & Sadler-Smith, E. (2015). Hubris in leadership: A peril of unbridled intuition? *Leadership, 11*(1), 57-78. doi:10.1177/1742715013511482

Colthorpe, K., Sharifirad, T., Ainscough, L., Anderson, S., & Zimbardi, K. (2018). Prompting undergraduate students' metacognition of learning: Implementing 'meta-learning' assessment tasks in the biomedical sciences. *Assessment & Evaluation in Higher Education, 43*(2), 272-285. doi:10.1080/02602938.2017.1334872

Comindwork. (2018). Fifth Discipline (by Peter Senge) is Systems Thinking.   Retrieved from https://www.comindwork.com/weekly/2018-01-15/productivity/fifth-discipline-by-peter-senge-is-systems-thinking

Companies Act, (1993).

Covey, S. (1989). *7 Habits of Highly Effective People*.

Crow, P. R. (2016). *Understanding corporate governance, strategic management and firm performance: As evidenced from the boardroom.* (Doctor of Philosophy), Massey University.

Crow, P. R., & Lockhart, J. C. (2016). How boards influence business performance: developing an explanation (Vol. 37, pp. 1022-1037).

Currall, S., & Inkpen, A. (2002). A Multilevel Approach to Trust in Joint Ventures. *Journal of International Business Studies, 33*(3), 479-495.

d'Abrera, B. (2018). THE WRITING ON THE WALL: Returning to the true purpose of education can reverse plummeting academic standards. *Institute of Public Affairs Review, 70*(4), 44-50.

da Silva, A. F. (2011). *Learning Organisation Concept and Proposal of a New Approach*. Paper presented at the International Conference on Knowledge Managment and Information Sharing, Paris.

Dann, S. (2018). Leadership and Governance Issues in Faith Based Organisations. In K. W. Wiltshire, A. Malhotra, & M. Axelsen (Eds.), *Transformational Leadership and Not for Profits and Social Enterprises* (pp. 17): Routledge, Taylor & Francis Group.

Dictionary.com. (Ed.) (2021).

Dobbs, P. (2019). *How Theology Shapes Practice in Faith-Based Organisations Supporting Families in New Zealand.* (Doctor of Philosophy), University of Otago, Dunedin, New Zealand. Retrieved from http://hdl.handle.net/10523/9678

Dobbs, P. (2020). *Mechanisms of Mission Drift in FBOs -It's not all About the Money*. Unpublished article.

Donaldson, L., & Davis, J. (1991). Stweardship Theory or Agenct Theory: CEO Governanceand Shareholder Returns. *Australian Journal of Management, 16*(1), 18.

Douglas, E., Lont, D., & Scott, T. (2014). Finance company failure in New Zealand during 2006–2009: Predictable failures? *Journal of Contemporary Accounting & Economics, 10*(3), 277-295. doi:10.1016/j.jcae.2014.10.002

Dudko, V., & Chernyavskaya, V. (2018). Instruments of Corpus Linguistics in the Terminological Exercise "Intentional Learning" (pp. 1-6): IEEE.

Dunlop, C. A., & Radaelli, C. M. (2018). The lessons of policy learning: types, triggers, hindrances and pathologies. *Policy & Politics, 46*(2), 255-272.

Edwards, R., Crosling, G., Petrovic-Lazarovic, S., & O'Neill, P. (2003). Internationalisation of Business Education: Meaning and implementation. *Higher Education Research and Development, 22*(2), 183.

Eisenhardt, K. M. (1989). Agency Theory: An Assessment and Review. *Academy of Management Review, 14*(1), 57-74. doi:10.5465/AMR.1989.4279003

Engestrom, Y., & Sannino, A. (2012). What ever happened to the process theories of learning? *Learning, Culture, and Social Interaction, 1*(2012), 45-56.

Evans, S. (2016). What went wrong with Woolworths' Masters plan? *The Melbourne Age*. Retrieved from http://ezproxy.massey.ac.nz/login?url=http://search.ebscohost.com/login.aspx?direct=true&db=anh&AN=SYD6O1N3VBHEFOZVYROHNO&site=eds-live&scope=site

Fard, H. D., Rostamy, A. A. A., & Taghiloo, H. (2009). How Types of Organisational Cultures Contribute in Shaping Learning Organisations. *Singapore Management Review, 31*(1), 49-61.

Farlex. (Ed.) (2021) Legal Dictionary.

Farrar, J. H., Russell, M. W., & Hampton, L. F. (1985). *Company law and securities regulation in New Zealand*: Butterworths.

Felicia, P. (2011). Handbook of Research on Improving Learning and Motivation.

Ferrero-Ferrero, I., Fernández-Izquierdo, M. Á., & Muñoz-Torres, M. J. (2015). Integrating Sustainability into Corporate Governance: An Empirical Study on Board Diversity. *Corporate Social Responsibility & Environmental Management, 22*(4), 193-207. doi:10.1002/csr.1333

Fink, G., & Yolles, M. (2011). *Understanding Organisational Intelligences as Constituting Elements of Normative Personality*. Paper presented at the IACCM Conference, Ruse, Bulgaria. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=1979593

Finkelstein, S., & D'Aveni, R. A. (1994). CEO DUALITY AS A DOUBLE-EDGED SWORD: HOW BOARDS OF DIRECTORS BALANCE ENTRENCHMENT AVOIDANCE AND UNITY OF COMMAND. *Academy of Management Journal, 37*(5), 1079-1108. doi:10.2307/256667

Fischer, G. (2000). Lifelong Learning—More Than Training. *Journal of Interactive Learning Research, 11*(3), 265-294.

Freeman, R. E. (2010). *Strategic management : a stakeholder approach*: Cambridge University Press.

Garrard, P. (2018). *The Leadership Hubris Epidemic : Biological Roots and Strategies for Prevention*: Springer International Publishing.

Garrard, P., Rentoumi, V., Lambert, C., & Owen, D. (2014). Linguistic biomarkers of Hubris syndrome. *Cortex, 55*, 167-181. doi:10.1016/j.cortex.2013.08.014

Garratt, B. (2003). *The fish rots from the head : the crisis in our boardrooms : developing the crucial skills of the competent director* (New ed ed.): Profile.

Giove, S., & Treuhold, R. (2013). Corporate governance and directors' duties in the United States: overview. Retrieved from https://content.next.westlaw.com/9-502-3346?transitionType=Default&contextData=(sc.Default)&firstPage=true

Glaser, B. G., & Strauss, A. L. (1999). *The discovery of grounded theory : strategies for qualitative research*: Aldine de Gruyter.

Grundei, J. (2018). Are managers agents or stewards of their principals? *Management Review Quarterly - Journal für Betriebswirtschaft*(Preprints), 1-26.

Hagger, M., Rentzelas, P., & Chatzisarantis, N. (2014). Effects of individualist and collectivist group norms and choice on intrinsic motivation. *Motivation & Emotion, 38*(2), 215-223. doi:10.1007/s11031-013-9373-2

Hammer, R. J., Edwards, J. S., & Tapinos, E. (2012). Examining the strategy development process through the lens of complex adaptive systems theory. *The Journal of the Operational Research Society, 63*(7), 909-919.

Hammond, M., & Wellington, J. J. (2020). *Education research : the basics*: Routledge.

Harvard_Business_Review. (2018). FOCUSING ON UNKNOWNS CAN REDUCE OVERCONFIDENCE. *Harvard Business Review, 96*(3), 24-24.

Hattie, J., & Donoghue, G. (2016). Learning Strategies: A Synthesis and Conceptual Model. *Science of Learning Research Centre, 1*(16013), 1-13.

Haynes, K. T., Campbell, J. T., & Hitt, M. A. (2010). GREED, HUBRIS AND BOARD POWER: EFFECTS ON FIRM OUTCOMES. *Academy of Management Annual Meeting Proceedings, 2010*(1), 1-6. doi:10.5465/AMBPP.2010.54495818

Hilbert, M. (2012). Toward a synthesis of cognitive biases: How noisy information processing can bias human decision making. *Psychological Bulletin, 138*(2), 211-237. doi:10.1037/a0025940

10.1037/a0025940.supp (Supplemental)

Hillier, Y. (2010). Towards a Comprehensive Theory of Human Learning. *Studies in the Education of Adults, 42*(1), 98.

Hillman, A. J., Withers, M. C., & Collins, B. J. (2009). Resource Dependence Theory: A Review. *Journal of Management, 35*(6), 1404-1427. doi:10.1177/0149206309343469

Hinks, G. (2019). Nissan's governance report is a warning for all boards. Retrieved from https://boardagenda.com/2019/03/29/nissans-governance-report-warning-for-boards/

Hunt, M. (2014). *An Analysis of an Industry Sponsored Governance Development Intervention: The Case of Dairy NZ's Mark and Measure Programme.* (Masters of Business Studies in Management), Massey University.

Hunt, M., Lockhart, J. C., & Dooley, L. (2016). *An Overview of an Industry Sponsored Governance Development Intervention: The Case of DairyNZ's Mark and Measure Farm Business Governance 2013 Programme*. Retrieved from

Illeris, K. (2018). An Overview of the History of Learning Theory. *European Journal of Education, 53*(1), 86-101.

Incorporated Societies Act, (1908).

Institute_of_Directors_in_New_Zealand. (2016). *Getting on Board With Diversity A guide to getting diverse talent on boards* (pp. 16). Retrieved from www.iod.org.nz

Institute_of_Directors_in_New_Zealand. (2017). *The Four Pillars of Governance Best Practice for New Zealand Directors*.

Institute_of_Directors_in_New_Zealand. (2021). *The Four Pillars of Governance Best Practice for New Zealand Directors*.

Institute_of_Directors_in_New_Zealand, & Minter_Ellison_Rudd_Watts. (2021). Stakeholder Governance: A call to review directors' duties, 26. Retrieved from https://www.iod.org.nz/resources-and-insights/research-and-analysis/stakeholder-governance/#

Jarvis, P. (2006). *Towards a comprehensive theory of human learning*: Routledge.

Joesbury, M. (2015). 'Scaffolding' of action learning within a part-time management development module. *Action Learning: Research & Practice, 12*(1), 65-77. doi:10.1080/14767333.2015.1006916

Kahneman, D., Lovallo, D., & Sibony, O. (2019). A Structured Approach to Strategic Decisions. *MIT Sloan Management Review,* (Spring 2019). Retrieved from MIT Sloan Management Review website: https://sloanreview.mit.edu/article/a-structured-approach-to-strategic-decisions/

Kayes, C. (2008). Exploring Performance Versus Learning in Teams: A Situation Approach. In P. Kumar & P. Ramsey (Eds.), *Learning and Performance Matter* (pp. 137-155): World Scientific.

Kelly, L., & Cordeiro, M. (2020). Three Principles of Pragmatism for Research on Organisational Processes. *Methodological Innovations*, 10.

Kirsch, A. (2018). The gender composition of corporate boards: A review and research agenda. *The Leadership Quarterly, 29*(2), 346-364. doi:10.1016/j.leaqua.2017.06.001

Klapper, R. G. (2014). A role for George Kelly's repertory grids in entrepreneurship education? Evidence from the French and Polish context. *International Journal of Management Education, 12*(3), 407-421. doi:10.1016/j.ijme.2014.06.002

Kluvers, R., & Tippett, J. (2011). An exploration of stewardship theory in a Not-for-Profit organisation. *Accounting Forum, 35*(4), 275-284. doi:10.1016/j.accfor.2011.04.002

Knudsen, J. S., Geisler, K., & Ege, M. (2013). Corporate social responsibility in the board room – when do directors pay attention? *Human Resource Development International, 16*(2), 238-246. doi:10.1080/13678868.2012.756156

Kolb, D. A. (1984). *Experiential learning : experience as the source of learning and development*: Prentice-Hall.

Kolev, K. D., Wangrow, D. B., Barker, V. L., & Schepker, D. J. (2019). Board Committees in Corporate Governance: A Cross-Disciplinary Review and Agenda for the Future. *Journal of Management Studies, 56*(6), 1138-1193. doi:10.1111/joms.12444

Korac-Kakabadse, N., Korac-Kakabadse, A., & Kouzmin, A. (2001). Leadership renewal: Towards the philosophy of wisdom. *International Review of Administrative Sciences, 67*(2), 207-227. doi:10.1177/0020852301672002

Krumrei-Mancuso, E. J., Haggard, M. C., LaBouff, J. P., & Rowatt, W. C. (2019). Links between intellectual humility and acquiring knowledge. *The Journal of Positive Psychology*. doi:10.1080/17439760.2019.1579359

Kuhlman, E. (1994). *Agony in education : the importance of struggle in the process of learning*: Bergin & Garvey.

Kuk, H.-S. h. p. e., & Holst, J. D. (2018). A Dissection of Experiential Learning Theory: Alternative Approaches to Reflection. *Adult Learning, 29*(4), 150-157. doi:10.1177/1045159518779138

Kumar, P. (2008). Singapore: Moving Ahead of Change. In P. Kumar & P. Ramsey (Eds.), *Learning and Performance Matter* (pp. 217-235): World Scientific.

Laing, S. (2013). *Two Forms of the Fiduciary Relationship.* (Bachelor of Laws with Honours), University of Otago. Retrieved from https://www.otago.ac.nz/law/research/journals/otago065274.pdf

Larsen, D. (2005). *The Courage to Communicate:Collaborative Team Skills for XP/Agile Teams*. Paper presented at the International Conference on Extreme Programming and Agile Processes in Software Engineering.

Lewittes, H., & Morris, L. (2021). Intentional Learning, Mindfulness, and Mindset. *International Journal of Pedagogy & Curriculum, 28*(1), 37-55. doi:10.18848/2327-7963/CGP/v28i01/37-55

Li, J. (2016). Humility in Learning: A Confucian Perspective. *Journal of Moral Education, 45*(2), 147-165.

Linden, A. I., Bitencourt, C., & Muller Neto, H. F. (2019). Contribution of knowing in practice to dynamic capabilities. *Learning Organization, 26*(1), 60-77. doi:10.1108/TLO-04-2018-0058

Llewellyn, I. (2021). Directors' Duties: MPs to weigh purpose beyond profit, 2. Retrieved from https://businessdesk.co.nz/article/law-regulation/directors-duties-mps-to-weigh-purpose-beyond-profit

Lockhart, J. (2014). An Exploration of the Emergence of Governance: A Conceptual Journey From Unification to Separation. *Proceedings of the European Conference on Management, Leadership & Governance*, 154-161.

Lockhart, J., McKee, D., & Donnelly, D. (2017). Delivering Effective Blended Learning: Managing the Dichotomy of Humility and Hubris in Executive Education. *Decision Sciences Journal of Innovative Education, 15*(1), 101-117. doi:10.1111/dsji.12120

Löhde, A. S. K., Campopiano, G., & Calabrò, A. (2021). Beyond agency and stewardship theory: shareholder–manager relationships and governance structures in family firms. *Management Decision, 59*(2), 390-405. doi:10.1108/MD-03-2018-0316

MacBlain, S. (2021). *Learning Theories for Early Years Practice*.

Macpherson, W. (2013). *An Examination of Kaizen Drift in Japanese Genba: Implications for Business in the Anglosphere.* (Doctor of Business Administration), Massey University.

Majumdar, A. B. (2019). The Fiduciary Responsibility of Directors to Preserve Intergenerational Equity. *Journal of Business Ethics, 159*(1), 149-160.

Massey_University. (2017). *Code of Ethical Conduct for Research Teaching and Evaluations Involving Human Participants* Retrieved from https://www.massey.ac.nz/massey/fms/Human%20Ethics/Documents/MUHEC%20Code.pdf?2F3CBE296DD2345CC01794BF9CFCA13A

McClure, K. (2020). College Leaders Make Mistakes. Here's Why They Should Apologise for Them. *Edsurge*. Retrieved from https://www.edsurge.com/news/2020-11-16-college-leaders-make-mistakes-here-s-why-they-should-apologize-for-them?utm_medium=email&_hsmi=100434719&_hsenc=p2ANqtz-_SsF4xxlfyOq97YNmXPIU7Pi84m8X7e3GSYr_sB8DJD7c8lq4Dsekv0EwOEc6FJQXiIGcYDsL8Xoseg5DLt0E2-EU14XUFSAb7HKTFndYbtf_Wizo&utm_content=100434719&utm_source=hs_email

McFadyen, D., & Eynon, G. (2021). Risks of Failure in Regulatory Governance. *The School of Public Policy Publications, 14*(2), 1-25. doi:10.11575/sppp.v14i.70596

McLaughlin, L. A., & Braun, K. L. (1998). ASIAN AND PACIFIC ISLANDER CULTURAL VALUES: Considerations for Health Care Decision Making. *Health & Social Work, 23*(2), 116. doi:10.1093/hsw/23.2.116

McNamara, C. (2006). Different Kinds of Learning (Loops of Learning) *Field Guide to Consulting and Organizational Development: A Collaborative and Systems Approach to Performance, Change and Learning* (pp. 217).

Meissel, K., & Rubie-Davies, C. M. (2016). Cultural Invariance of Goal Orientation and Self-Efficacy in New Zealand: Relations with Achievement. *British Journal of Educational Psychology, 86*(1), 92-111.

Menter, I., Elliot, D., Hulme, M., Lewin, J., & Lowden, K. (2011). *A guide to practitioner research in education*: SAGE.

Merriam-Webster. (Ed.) (2021).

Mighton, J. (2008). Sociocultural-Constructivist. Retrieved from http://etec.ctlt.ubc.ca/510wiki/Talk:Sociocultural-Constructivist

Milano, G., Tomlinson, B., Whately, R., & Yigit, A. (2021). The Return on Purpose: Before and During a Crisis. Retrieved from file:///C:/Users/Peter%20Allan/Downloads/the-return-on-purpose-before-and-during-a-crisis.pdf

Millesen, J., & Carman, J. (2019). Building Capacity in Nonprofit Boards: Learning from Board Self-Assessments. *Journal of Public and Nonprofit Affairs, 5*(1), 74-94. doi:10.20899/jpna.5.1.74-94

Minkov, M., Pinaki Dutt, a., Michael Schachner, a., Oswaldo Morales, a., Carlos Sanchez, a., Janar Jandosova, a., . . . Ben Mudd, a. (2017). A revision of Hofstede's individualism-collectivism dimension : A new national index from a 56-country study. *Cross Cultural & Strategic Management*(3), 386. doi:10.1108/CCSM-11-2016-0197

Mitchell, R., Ripley, J., Adams, C., & Raju, D. (2019). Trust an Essential Ingredient in Collaborative Decision Making. *Journl of School Public Relations, 32*(2), 16.

Mok, K.-H. (2005). Globalisation and Governance: Educational Policy Instruments and Regulatory Arrangements. *International Review of Education, 51*(4), 289-311.

Moorfield, J. (2019). Te Aka Online Maori Dictionary. Retrieved from https://maoridictionary.co.nz/search?keywords=tikanga

Morais, F., & Kakabadse, N. (2013). Delving into the Boardroom "Black Box": A Research Model of "Board Learning Capability" (BLC). *Open Journal of Business and Management, 1*, 76-90.

Murray, A., Nixon, C., & Yeabsley, J. (2017). *Is peak globalisation upon us?* Retrieved from Wellington, New Zealand: https://nzier.org.nz/static/media/filer_public/6b/c8/6bc89ea8-996e-45df-9521-9aa183ae030b/2017-01_gobalisation.pdf

Mustakallio, M., Autio, E., & Zahra, S. A. (2002). Relational and Contractual Governance in Family Firms: Effects on Strategic Decision Making. *Family Business Review, 15*(3), 205-222. doi:10.1111/j.1741-6248.2002.00205.x

Naden, C. (2021). First Ever International Benchmark for Good Governance. Retrieved from https://www.iso.org/news/ref2717.html

Nguyen, T., Nguyen, A., Locke, S., & Reddy, K. (2017). Does the human capital of board directors add value to firms? Evidence from an Asian market. *Cogent Economics & Finance, 5*(1), 1-17.

Nicholson, G. J., & Kiel, G. C. (2004). A Framework for Diagnosing Board Effectiveness. *Corporate Governance: An International Review, 12*(4), 442-460. doi:10.1111/j.1467-8683.2004.00386.x

Owen, D. (2014). David Owen : researcher into hubris. *BMJ: British Medical Journal, 348*.

Owen, D., & Davidson, J. (2009). Hubris syndrome: An acquired personality disorder? A study of US Presidents and UK Prime Ministers over the last 100 years. *Brain, 132*(5), 1396-1406. doi:10.1093/brain/awp008

Pale, M. (2019). The Ako Conceptual Framework: toward a culturally and linguistically responsive pedagogy. *Asia-Pacific Journal of Teacher Education, 47*(5), 539-553. doi:10.1080/1359866X.2019.1575945

Perez-freije, J., & Enkel, E. (2007). Creative Tension in the Innovation Process:: How to Support the Right Capabilities. *European Management Journal, 25*(1), 11-24. doi:10.1016/j.emj.2006.11.005

Petkovska, T. (2015). THE ROLE AND IMPORTANCE OF INNOVATION IN BUSINESS OF SMALL AND MEDIUM ENTERPRISES. *Economic Development / Ekonomiski Razvoj, 17*(1/2), 55-74.

Pike, S. (2004). The Use of Repertory Grid Analysis and Importance-Performance Analysis to Identify Determinant Attributes of Universities. *Journal of Marketing for Higher Education, 14*(2), 1-18. doi:10.1300/J050v14n02_01

Pinillos, M.-J., & Reyes, L. (2011). Relationship between individualist-collectivist culture and entrepreneurial activity: evidence from Global Entrepreneurship Monitor data. *Small Business Economics, 37*(1), 23.

Plato. (1957). Theaetetus. In F. Conford (Ed.), *Plato's Theory of Knowledge: The THeaetetua and the Sophist of Plato* (pp. 445-470).

Punch, K., & Oancea, A. (2014). *Introduction to Research Methods in Education* (2 ed.): Sage.

Ratnasari, D., Suciati, S., & Maridi, M. (2019). Empowering scientific thinking skills through creative problem solving with scaffolding learning. *JPBI (Jurnal Pendidikan Biologi Indonesia)*(1), 61. doi:10.22219/jpbi.v5i1.7135

Rhodes, J. (1991). *Conceptual Toolmaking, Expert Systems of the Mind*. USA: Basil Blackwood Ltd.

Richard, C. (2005). Codes, Values and Justifications in the Ethical Decision-Making Process. *Journal of Business Ethics, 59*(1/2), 45-53. doi:10.1007/s10551-005-3409-9

Rinnie, T. A., & Fairweather, J. (2011). Modelling Cultural, National and Innovation Identities in Order to Understand New Zealand's Modest Innovation Performance. *Journal of Social Anthropology and Cultural Studies, 8*(2), 77-105.

Russell, R. (2001). The role of values in servant leadership. *Leadership & Organization Development Journal, 22*(2), 76-84. doi:10.1108/01437730110382631

Saeed, A., Noreen, U., Azam, A., & Tahir, M. S. (2021). Does CSR Governance Improve Social Sustainability and Reduce the Carbon Footprint: International Evidence from the Energy Sector. *Sustainability, 13*(3596), 3596-3596. doi:10.3390/su13073596

Schugurensky, D. (2015). On Informal Learning, Informal Teaching, and Informal Education: Addressing Conceptual, Methodological, Institutional, and Pedagogical Issues.

Senge, P. (2006). *The Fifth Discipline: The art and practice of the learning organisation* (2nd Revised Edition ed.): Random House Business.

Shaikh, I. A., Drira, M., & Hassine, S. B. (2019). What motivates directors to pursue long-term strategic risks? Economic incentives vs. fiduciary duty. *Journal of Business Research, 101*, 218-228. doi:10.1016/j.jbusres.2019.04.022

Shaukat, A., & Trojanowski, G. (2018). Board Governance and Corporate Performance. *Journal of Business Finance and Accounting, 45*(1-2), 184-208.

Shekshnia, S. (2018). How to be a Good Board Chair. *Harvard Business Review*(March-April 2018), 14.

Sidani, Y., & Reese, S. (2018). A view of the learning organization from a corporate governance perspective. *Learning Organization, 25*(6), 434-442. doi:10.1108/TLO-07-2018-0122

Silverman, S., & Solmon, M. (1998). The Unit of Analysis in Field Research: Issues and Approaches to Design and Data Analysis. *Journal of Teaching in Physical Education, 17*(3), 270. doi:10.1123/jtpe.17.3.270

Singer, S., & Edmondson, A. (2008). When Learning and Performance are at Odds: Confronting the Tension. In P. Kumar & P. Ramsey (Eds.), *Learning and Performance Matter* (pp. 33-60): World scientific.

Skowronek, S., & Orren, S. (2020). The Adaptibility Paradox: Constitutional Resilience and Principles of Good Government in Tweny-First-Centure America. *Perspectives on Politics, 18*(2), 16.

Small_Business_Council_NZ. (2019). *Defining Small Business Recommendations of the New Zealand Small Business Council for the Minister of Small Business* Retrieved from https://www.mbie.govt.nz/assets/defining-small-business.pdf

Snook, I. (2014). The Purpose of Education. *Education Aotearoa*. Retrieved from http://ea.org.nz/purpose-education-ivan-snook/

Sport_New_Zealand. (2019). *Nine Steps to Effective Governance Building High Performance Organisations* Retrieved from https://sportnz.org.nz/assets/Uploads/attachments/managing-sport/strong-organisations/Nine-Steps-to-Effective-Governance-Building-High-Performing-Organisations.pdf

Stafford, T. (2018). People who think their opinions are superior to others are most prone to overestimating their relevant knowledge and ignoring chances to learn more. Retrieved from

https://digest.bps.org.uk/2018/05/31/people-who-think-their-opinions-are-superior-to-others-are-most-prone-to-overestimating-their-relevant-knowledge-and-ignoring-chances-to-learn-more/

Statistics NZ, G. o. N. Z. (2014). 2013 Census QuickStats about Culture and Identity.

Statistics NZ, G. o. N. Z. (2018a). Migration drives high population growth.   Retrieved from https://www.stats.govt.nz/news/migration-drives-high-population-growth

Statistics NZ, G. o. N. Z. (2018b). New Zealand Business Demography Statistics.   Retrieved from https://www.stats.govt.nz/information-releases/new-zealand-business-demography-statistics-at-february-2018

Storer, C., Noonan, J., Heath, R., & Murray-Prior, R. (2011). *Facilitated Learning and Adaptive Systems for Building Business Sustainability: the Farm Business Resilience Programme for WA Farmers*. Paper presented at the ANZAM Conference "The Future of Work and Organisation", Wellington, New Zealand.

Strauss, V. (2015). How Governor Walker Tried to Quietly Change the Mission of the University of Wisconsin. *The Washington Post*. Retrieved from https://www.washingtonpost.com/news/answer-sheet/wp/2015/02/05/how-gov-walker-tried-to-quietly-change-the-mission-of-the-university-of-wisconsin/

Tang, Y., Mack, D. Z., & Chen, G. (2018). The differential effects of CEO narcissism and hubris on corporate social responsibility. *Strategic Management Journal (John Wiley & Sons, Inc.), 39*(5), 1370-1387. doi:10.1002/smj.2761

Tekleab, A. G., Reagan, P. M., Do, B., Levi, A., & Lichtman, C. (2020). Translating Corporate Social Responsibility into Action: A Social Learning Perspective. *Journal of Business Ethics*. doi:10.1007/s10551-020-04447-y

The Ministry of Business Innovation and Employment, G. o. N. Z. (2019). Companies Register.   Retrieved from https://www.companiesoffice.govt.nz/

The Ministry of Justice, G. o. N. Z. (2016). Treaty of Waitangi.   Retrieved from https://www.justice.govt.nz/about/learn-about-the-justice-system/how-the-justice-system-works/the-basis-for-all-law/treaty-of-waitangi/

The_British_Academy. (2021). Policy & Practice for Purposeful Business, 61. Retrieved from https://www.thebritishacademy.ac.uk/documents/3462/Policy-and-Practice-for-Purposeful-Business-The-British-Academy.pdf

Thomas, D., & Brown, J. S. (2011). *A new culture of learning : cultivating the imagination for a world of constant change*: CreateSpace?].

TMF_Group. (2019). *The Global Business Complexity Index* Retrieved from file:///C:/Users/Peter%20Allan/Downloads/20190608-TMF-Group-Global-Business-Complexity-Index-2019-EN%20(1).PDF

Tran Ha, N., Shah, G. H., Schwartz, R. D., & Jones, J. A. (2019). Factors Associated With Continuous Improvement by Local Boards of Health. *Journal of Public Health Management & Practice, 25*(5), 415-422. doi:10.1097/PHH.0000000000001009

Trusts Act, (2019).

Tuan, N. P., & Lwin, K. T. Z. (2013). EXPLORING THE LINK BETWEEN LEARNING AND FIRM PERFORMANCE: AN EMPIRICAL STUDY OF PRIVATE MANUFACTURING FIRMS IN YANGON - MYANMAR. *Asian Academy of Management Journal, 18*(2), 55-84.

US_Army. (1993). A Leader's Guide to After-Action Reviews.

US_Government_Accountability_Office. (2013). *Financial institutions [electronic resource] : causes and consequences of recent bank failures : report to Congressional committees*: [Washington, D.C.] : U.S. Govt. Accountability Office, 2013.

Vadeboncoeur, J. A., Vellos, R. E., & Goessling, K. P. (2011). Framing Sociocultural Identity and Identity Construction: A Return *Learning as (One Part) Identity Construction*: Information Age Publishing.

Van Puyvelde, S., Brown, W. A., Walker, V., & Tenuta, R. (2018). Board Effectiveness in Nonprofit Organizations: Do Interactions in the Boardroom Matter? *Nonprofit and Voluntary Sector Quarterly, 47*(6), 1296-1310. doi:http://nvs.sagepub.com/content/by/year

Verbeke, A., van Tulder, R., & Jankowska, B. (2019). *International business in a VUCA world : the changing role of states and firms*: Emerald Publishing Limited.

Visser, M. A. X. (2007). DEUTERO-LEARNING IN ORGANIZATIONS: A REVIEW AND A REFORMULATION. *Academy of Management Review, 32*(2), 659-667. doi:10.5465/AMR.2007.24351883

Vygotsky, L. S. (1994). *The Vygotsky reader*. Cambridge, MA, US: Basil Blackwell.

Walters, D. J., Fernbach, P. M., Fox, C. R., & Sloman, S. A. (2017). Known Unknowns: A Critical Determinant of Confidence and Calibration. *Management Science, 63*(12), 4298-4307. doi:10.1287/mnsc.2016.2580

Walton, D. (1974). Control. *Behaviorism, 2*(2), 162-171.

Warren, L., & Allen, P. (2018). Developing Capacity for Farm Consultancy in New Zealand. In G. Manville, O. Matthias, & J. Campbell (Eds.), *Management Consultancy Insights abd Real Consultancy Projects* (pp. 119-132): Routledge.

Wasonga, T., & Murphy, J. (2007). Co-creating Leadership Dispositions. *Journal of the Commonwealth Council for Educational Administration & Management, 35*(2).

Watkins, C., Carnell, E., Lodge, C., Wagner, P., & Whalley, C. (2002). Effective Learning. *NSIN Network Research Matters, 17*, 8.

Willingham, D. (2019). How to Teach Critical thinking. *Education: Future Frontiers*. Retrieved from https://education.nsw.gov.au/our-priorities/innovate-for-the-future/education-for-a-changing-world/media/documents/exar/How-to-teach-critical-thinking-Willingham.pdf

Wirtz, P. (2011). The cognitive dimension of corporate governance in fast growing entrepreneurial firms. *European Management Journal, 29*(6), 431-447. doi:10.1016/j.emj.2011.06.004

Wongsnuopparat, S., & Chunyang, W. (2021). Corporate Sustainability:Study of Factors that Affect Corporate Towards Organizational Sustainability in Today Fast-Changing World. *Journal of Management and Sustainability, 11*(2), 21.

Wood, D. J., & Gray, B. (1991). Toward a Comprehensive Theory of Collaboration. *The Journal of Applied Behavioral Science, 27*(2), 139-162. doi:10.1177/0021886391272001

Yip, J., Twohill, E., Ernst, C., & Munusamy, V. P. (2010). Leadership in faith-based nonprofits. *Nonprofit Management & Leadership, 20*(4), 461-472. doi:10.1002/nml.20005

Yorke, D. M. (1978). Repertory Grids in Educational Research: some methodological considerations. *British Educational Research Journal, 4*(2), 63-74. doi:10.1080/0141192780040205

Zeitoun, H., Nordberg, D., & Homberg, F. (2019). The dark and bright sides of hubris: Conceptual implications for leadership and governance research. *Leadership, 15*(6), 647-672. doi:10.1177/1742715019848198