**Detecting Disruptive Personalities: The Need for Board Oversight**

**A Conversation with Jana Monroe, Richard Munro, and Kathy Phelps, Facilitated by Hoshi Printer**

On January 8, 2019, NACD Pacific Southwest held a lunch meeting at The California Club in downtown Los Angeles. In a fireside chat, Hoshi Printer, Board Director of Latronix and Standard Homeopathic Company, and Board Advisor to IMRI, TPS, and AerNos, Inc., interviewed Jana Monroe, Vice President of Global Security for Herbalife, Richard Munro, Director of UST Corporation, a NACD Board Leadership Fellow and Board Director of the NACD PSW Chapter, a Director of The Forum for Corporate Directors, and a member of the Corporate Directors Roundtable of Orange County, and Kathy Bazoian Phelps, partner of Diamond McCarthy LLP, on disruptive workplace behavior, its varied and extensive costs, and useful advice to address the problem at the board level. The panel provided insights on how to identify specific traits and early warning signs of disruptive personalities and inappropriate behavior, as well as practical steps to prevent and address this behavior.

Following are key takeaways:

1. Disruptive behavior, including abusive behavior, is estimated to cost U.S. companies billions of dollars annually. It impacts corporate morale and culture, employee turnover, and health and litigation costs.
2. A majority of employers have no formal anti-bullying policies. In order to address this problem, companies not only need to develop these policies, but they also must be willing to enforce them objectively and regardless of an employee’s contributions to the overall financial performance of the enterprise.
3. At the board level, there are a number of practical ways to deal with the disruptive behavior of a fellow director, including the CEO. They include conducting board training sessions on strong corporate governance; being aware of the signs of disruptive or inappropriate behavior by observing both actions and words of the individuals involved; keeping an open line of communication with fellow independent directors, as well as key members of senior management; and being willing to deal with situations before they become crises.

**Key Questions for Directors to Ask:**

Is disruptive behavior affecting your company? Are the right policies in place to dissuade the bullying of employees and inappropriate behavior? What is the company’s strategy to achieve an inclusive culture? Has the board formulated a plan for disruptive behavior becoming public information? Does the board have open communication with employees and management? How well do you know what’s really happening on the ground level of the company? Does the company have a crisis communications plan?

**NACD & Partner Resources:**

This section can be provided by the program producer & Anne.