

Putting Together a Great Advisory Board

No business is too small to benefit from having an Advisory Board and an Advisory Board is such a powerful management tool that no small business should be without one.

But how do you go about putting together a great board?

1. Select well.

Select people to serve on your board who truly believe in who you are, what you do, how you do it, and who care enough about your organization to think about what they can do to help your business succeed. Affluence and influence are fine. But if these characteristics are not backed by wisdom, integrity and commitment, they don't amount to much.

2. Determine the Competencies you need

Review the company's mission, vision, values and strategic direction as well as a position description describing the responsibilities of an advisory board member. Then, consider:

- *What are the personal attributes every member should bring to advisory board work?*

Your bottom line for advisory board members will be a commitment to adding value, support for your company's mission and values, personal integrity and an understanding of the difference between the role of management and governance.

- *What are the professional and technical backgrounds and the skill sets board members need to understand the organization and be best placed to contribute?*

Identify the ideal skill set of knowledge and experience that would be of most value to the company in the year ahead. Expertise in finance and business management are the most commonly needed backgrounds, but your company may need members knowledgeable about specific industries or markets, IT, marketing, contract law, etc. You may also want a successful entrepreneur from another industry who understand the challenges of being a start-up company and can share their most important lessons.

3. Articulate your expectations.

Don't assume that potential board members will understand what is expected of them once they agree to become advisory board members or be aware of the distinction between a Board of Directors and an Advisory Board. Before bringing them on board, brief them on their role, be clear about what you're trying to do and how you would like the Advisory Board to work. Let prospective advisors know what your business goals are and that you don't expect them to take on an active management role or assume any liability for your company or for the advice they offer.

4. Take responsibility for facilitating Advisory Board meetings

As the CEO you will need to:

- Prepare the agenda for advisory board meetings and ensure distribution of briefing material at least 10 days prior to each meeting
- Maintain minutes of board meetings
- Ensure minutes are distributed to members shortly after each meeting
- Answer questions and respond to advisory board members requests for information.

5 Regularly review

As your business changes and develops, your needs will change and the range of skills and expertise that you need will change. Regularly review the composition of your advisory board.