



# The value of an advisory board

# What is an advisory board & why have one?

- An advisory board is a group of experienced people who provide advice and support to a company's management team & or directors & shareholders.
- Unlike a board of directors, an advisory board has no legal authority, and its members don't have decision making capacity . Instead, they serve as a sounding board and provide guidance.
- The advisory board can add value around a number of areas such as expertise & knowledge, strategic thinking, networking, risk, accountability, recruitment, succession, assisting with relationships.

## Expertise & knowledge

Advisory board members can bring a wealth of experience and knowledge to your business. They can offer guidance on a variety of topics, including finance, marketing, human resources, and more. With their diverse skill sets, they can help you navigate challenges and identify opportunities that you may not have considered.

## Strategic thinking

Advisory board members can help you think strategically about your business. They can offer different perspectives and help you identify your strengths and weaknesses. They can also help you create a long-term vision for your business and develop a plan to achieve your goals.

## Networking Opportunities

Advisory board members can introduce you to new contacts and help you expand your network. They can connect you with potential customers, partners, and investors. This can help you grow your business and open up new opportunities.

## Risk management

Advisory board members can help you identify and manage risks to your business. They can provide advice on legal and regulatory issues, as well as financial and operational risks. By having an advisory board, you can mitigate potential risks and avoid costly mistakes.

## Accountability

Advisory board members can help you stay accountable to your goals. They can provide regular feedback and hold you and your management team accountable for achieving your objectives. This can help you stay focused and on track, even during challenging times.

## Recruitment support

Advisory board members can help you recruit new employees and build a strong team. They can provide advice on job descriptions, interview questions, and candidate selection. By having an advisory board, you can ensure that you're hiring the right people for your business.

## Succession planning

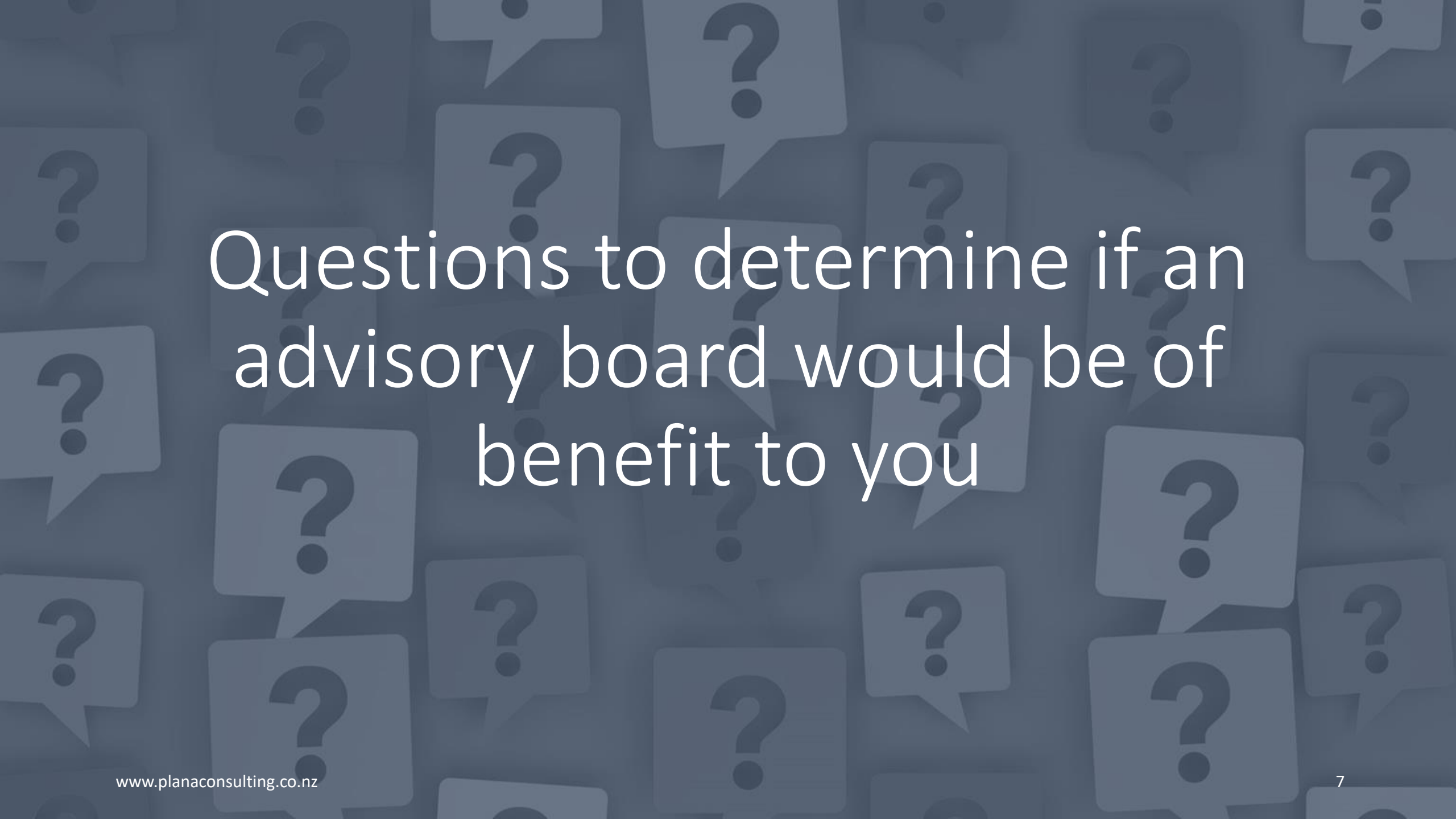
Advisory board members can help you plan for the future of your business. They can provide advice on leadership development, succession planning, and exit strategies. By having an advisory board, you can ensure that your business is set up for long-term success.

## Managing relationships with multiple directors & shareholders

When running a business, managing relationships with multiple directors/shareholders can have its challenges. Advisory boards can help by providing a platform for communication and coordination between management and directors. This can include managing director expectations, clarifying roles and responsibilities, and ensuring that all stakeholders are aligned in their goals and objectives. In addition, advisory boards can provide guidance on how to manage relationships including how to manage conflicts of interest & how to ensure that all directors are treated fairly & feel listened to.

# Examples how an advisory board can help

- A small business owner wants to expand their product line but isn't sure where to start. An advisory board member with experience in product development can offer guidance and help them identify the best opportunities for growth.
- A mid-sized company is experiencing rapid growth but is struggling to manage its finances. An advisory board member with a background in finance can provide guidance on budgeting, forecasting, and managing cash flow.
- A family-owned business is facing succession planning challenges. An advisory board member with experience in family business dynamics can help them navigate the complexities of succession planning and ensure a smooth transition to the next generation.
- A business with multiple or absent directors is wanting to ensure that communication is open, they remain well informed & there are 'no surprises'. It means each party gets their say, regardless of personalities.

The background of the slide is a dark blue-grey color, overlaid with a repeating pattern of lighter blue-grey speech bubbles. Each speech bubble contains a white question mark. The speech bubbles are scattered across the entire page, creating a textured, thematic background.

Questions to determine if an  
advisory board would be of  
benefit to you

Questions	Yes	No
<b>Expertise and Knowledge</b>	Have you ever felt that you needed advice in areas outside your expertise?	Have you always felt confident in your ability to navigate challenges in all areas of your business?
<b>Strategic Thinking</b>	Have you ever struggled to create a long-term vision for your business?	Do you feel that your current strategy is sufficient and doesn't require further discussion?
<b>Networking Opportunities</b>	Have you ever missed out on potential opportunities due to a lack of contacts?	Do you feel that your current network is sufficient and doesn't require further expansion?
<b>Risk Management</b>	Have you ever faced significant financial or operational risks that you weren't prepared for?	Do you feel that your current risk management plan is sufficient and doesn't require further advice?
<b>Accountability</b>	Have you ever struggled to stay on track with your goals?	Do you feel that you're always on track and don't require further accountability measures?



Questions	Yes	No
<b>Recruitment Support</b>	Have you ever struggled to find the right people to join your team?	Do you feel that your current recruitment process is sufficient and doesn't require further advice?
<b>Succession Planning</b>	Have you thought about the future of your business beyond your tenure as a leader?	Do you feel that you have a solid plan for the future of your business and don't require further advice?
<b>Financial Expertise</b>	Do you have a deep understanding of financial management?	Do you struggle to manage your company finances and could use additional advice?
<b>Legal and Regulatory Expertise</b>	Do you have a deep understanding of the legal and regulatory requirements of your industry?	Do you struggle to navigate legal and regulatory issues and could use additional advice?
<b>Sales and Marketing Expertise</b>	Do you have a deep understanding of sales and marketing strategies?	Do you struggle to generate leads and close deals and could use additional advice?

Questions	Yes	No
<b>Human Resource Expertise</b>	Do you have a deep understanding of human resource management?	Do you struggle to hire and retain employees and could use additional advice?
<b>Industry Expertise</b>	Do you have a deep understanding of your industry?	Do you struggle to keep up with industry trends and could use additional advice?
<b>Innovation and Creativity</b>	Do you feel like your business needs fresh ideas and perspectives?	Do you feel like your business has enough innovation and creativity without additional advice?
<b>Efficiency and Productivity</b>	Do you feel like your business could be more efficient and productive?	Do you feel like your business is already running at optimal efficiency and productivity?
<b>Business Growth</b>	Are you looking to grow your business but unsure of the best way to do so?	Do you feel like your business is already growing as fast as it can without additional advice?

Questions	Yes	No
<b>Digital Transformation</b>	Are you struggling to keep up with the latest digital technologies and trends?	Do you feel like your business is already digitally transformed and doesn't require further advice?
<b>Customer Experience</b>	Do you feel like you could improve the customer experience for your clients?	Do you feel like you already have a great customer experience without additional advice?
<b>Relationships</b>	At times do you feel your voice is not heard & there is an unlevel 'playing field' when it comes to discussions & decision making?	Do you feel that communication & relationships are the best they can be?

# About PlanA Consulting

- **John Hutchinson from PlanA Consulting works with New Zealand business owners to help their companies become more effective and efficient, and better places to work, leading to better profitability.**
- Since 2008, John has been able to help privately owned and family companies develop their governance practices, strategic thinking, communicate that to various stakeholders and help them achieve their goals in accordance with their company values. This results in clearer company direction, defined strategy, better governance, better accountability and improved statement of performance and position.
- John has a strong practical business background, having owned his own companies for 20 years.
- PlanA Consulting has developed a number of options for business owners to use, that assists them in making sure they're working on key areas of their business in order to get the results they deserve. These include but are not limited to:
  - General Governance & Management Support
  - Business Strategy & Planning
  - Business Growth
  - Business Risk
  - Business Succession
  - Mergers & Acquisitions

# Sectors john has worked with

- These include but are not limited to:
  - Trade-related businesses
  - Import and distribution, wholesale trade
  - Retail and FMCG
  - Online businesses
  - Professional services such as accounting, legal, insurance, real estate, financial services, administrative
  - Manufacturing
  - Health
  - Not-for-profit organisations
  - Transport
  - Franchisors & franchising

# Want To Know More About Advisory Boards?

Let's talk.

If you'd like to know more about how an advisory board can help your business, get in touch. I can take you through the benefits of independent advice and what type of governance structure would work for your business.

Just give me a buzz or flick me an email today on:

[021 748 142](tel:021748142) or

[john@planaconsulting.co.nz](mailto:john@planaconsulting.co.nz)

[www.planaconsulting.co.nz](http://www.planaconsulting.co.nz)

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