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# set up your own advisory board

Advisory Boards can provide small businesses with an invaluable resource and support structure. JANE TOOHEY, who sits on several boards herself, talks about how to do it and explains why starting your own Advisory Board doesn't have to be a daunting or expensive task.

The first important step is **choosing the right board members**. Choose people you admire and look up to. Choose people who have a skill that you don't. Choose people you can trust, they should be capable of handling sensitive issues and confidential information. It is often worthwhile having at least:

- Someone who understands the legal system.
- Someone who is a wizz at finances.
- A strategic marketer.
- An HR type person.

**Don't be shy.** People will often be honoured to be asked to sit on your board, if they have the time. You will need to agree on a method of compensation to fit each member and you may be able to get creative around how that is achieved, especially in the early stages.

**Next, be sure to set some expectations.** What do you want your board to do? Your legal person may help you select business structures and deal with complex issues around shareholdings and ownership, distribution models and compensation models. Your finance person obviously helps you manage the growth strategy on paper and ensure you don't over spend and over commit. Your HR person will help you deal with complex employee issues, contracts and remuneration. Your marketing person will help set the positioning of the business and drive your target for growth, but get everyone involved in setting the strategy. A great discipline is to develop a one page strategic plan so that everyone is aligned with the direction of the business and can see, in one simple mechanism, the path to achieve those goals. Set short term, medium term and long term goals and agree on the steps to get there.

**You don't have to have a meeting every month.** You may decide to hold group meetings quarterly and meet individually with your board members in between. But when you do have the meetings, be prepared. Choose a site that is comfortable and free from distractions. Distribute information well ahead of time so board members have plenty of time to read through it and prepare their own thoughts and contribution. Keep board members up-to-date via email between meetings so that there is not too much catching up to do at the start of each meeting.

As part of your business plan you may decide to have each member drive a particular project or spear head a new initiative. You may decide to have each member take it in turn to lead the meeting. Whatever you decide, have a plan and make sure everyone understands their role. Maintain a professional edge. Your advisors are not employees or suppliers and cannot be held accountable for your decisions. They are there to make suggestions and observations based on the information you provide.

**Running a business is so much easier when you have a group of trusted people who are specialists in their fields, to test your ideas with and who are dedicated to seeing you succeed!**

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## the steps

- Determine the size of your board.
- Choose the right people, they do not have to be based in your city.
- Work out the compensation for each member individually that suits them and you.
- Map out your expectations.
- Avoid too many monthly meetings, utilise technology to keep everyone informed and meet one on one as needed.
- Choose a project for each member to drive, and be clear on the roles
- Have a plan for growth and make sure everyone understands it. ■