



The Concept of a “Board of Advice”

What is a Board of Advice?

A non-fiduciary committee, usually small in number (and perhaps only one person), that provides non-binding advice to the owners of small businesses and partnerships.

What are the objectives of a Board of Advice?

1. To provide a sense of accountability for the owners in implementing their business plans
2. To act as a sounding board for strategic decision making
3. To test the policies (rather than form the policies) of the business
4. To provide support for the operational manager
5. To further the aims and objectives of the business through networking

What are some advantages and disadvantages of establishing a Board of Advice?

Advantages	Disadvantages
<ul style="list-style-type: none">▪ Provides a forum that disciplines the owners into taking a regular “helicopter view” of their business	<ul style="list-style-type: none">▪ May create tension if the role of the BoA is not clearly defined
<ul style="list-style-type: none">▪ May create access to a more diverse range of experience, beyond the skills and talents of the owners	<ul style="list-style-type: none">▪ Meetings may degenerate into a non-productive social occasion without a framework
<ul style="list-style-type: none">▪ May help develop business opportunities through the networks of the members of the BoA	<ul style="list-style-type: none">▪ May add time and demands to the already busy schedule of the owners

How does a Board of Advice typically operate?

The primary forum is a regular, perhaps quarterly, meeting with the business owners, following a formal agenda with actions arising recorded for reference and follow up. The BoA should be available for specific issues that arise between scheduled meetings.



What does a standard agenda look like for a Board of Advice meeting?

1. Review of performance for the prior period against the business plan
2. Specific business issues that the owners wish to table
3. Brainstorming of issues and business plans
4. Define the action plans arising
5. Review and reset, where necessary, the business goals

