

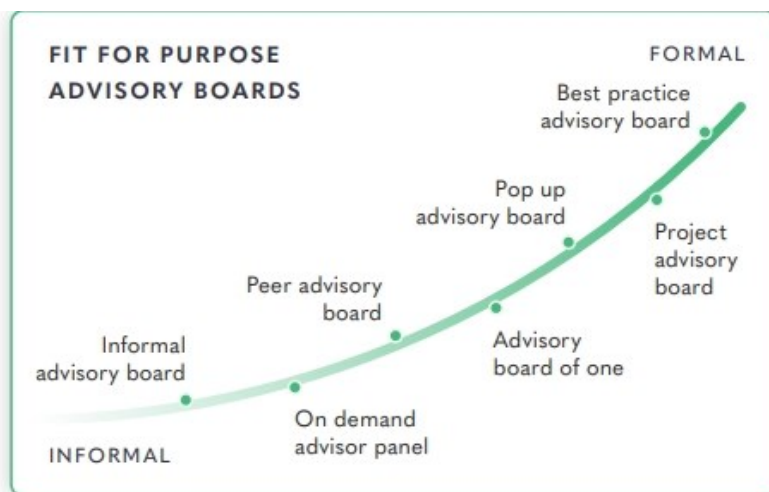
When Does a Business Need an Advisory Board?



Source: Advisory Board Centre's 2023-2025 "State of the Market Report"

Today's businesses operate in a complex and dynamic global environment where staying at the forefront of technological and cultural change is harder than ever before. Without access to the right knowledge and advice, even the most successful business has the potential to lose its footing and jeopardise its competitive advantage.

When a business is faced with a significant challenge or is venturing into uncharted territory, the support of an advisory board can be an invaluable asset. Let's explore what an advisory board does and when an advisory board may be most beneficial for your business.

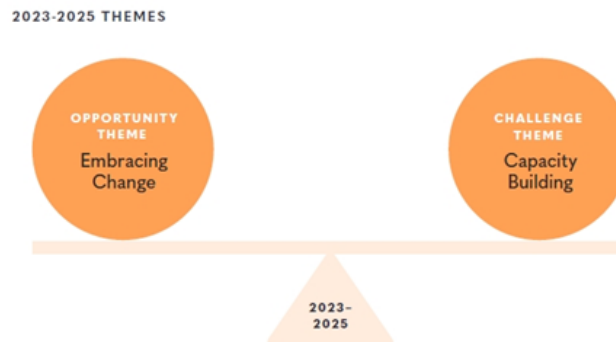


Source: Advisory Board Centre's 2023-2025 "State of the Market Report"

Where are Advisory Boards most Useful?



Source: Advisory Board Centre's 2023-2025 "State of the Market Report"



Source: Advisory Board Centre's 2023-2025 "State of the Market Report"

What Does an Advisory Board Do?

An advisory board is a structured collaborative method for organisations to engage external advisors. Collectively, an advisory board provides specialist or strategic advice to support organisations to solve a range of difficult or complex business problems.

Typically comprising a range of professionals with specialist knowledge or technical expertise, which is not currently available internally within the business, an advisory board provides a platform for business owners, executives or directors to easily access valuable advice which can be used to inform important business decisions. Usually meeting on a semi-regular basis several times per year, advisory boards are designed to support or complement the businesses existing corporate structure.



Source: Advisory Board Centre's 2023-2025 "State of the Market Report"

When Would a Business Use an Advisory Board?

FOUR BIG AMBITIONS

Advisory boards draw in entrepreneurs and owners with big ambitions who are looking for change and **where better never stops**.



Source: Advisory Board Centre's 2023-2025 "State of the Market Report"

Acting as a sounding board to workshop ideas with the wisdom, guidance and support of other more experienced professionals, an advisory board can be invaluable in helping a business navigate a range of situations that could present a major risk or opportunity for the business.

As a business evolves, the range of challenges it's likely to face can expand exponentially. Managing a business can be highly complex...from legal and financial compliance to growth, supply and logistics, technology, marketing, and sustainability.

While most business owners are well equipped to handle the day-to-day requirements of their business, many simply lack the specialist skills and knowledge required to successfully manage the range of more complex or challenging scenarios they may face. Beyond problem-solving alone, most businesses are also looking for ways to ensure their practices are up to scratch, challenge their way of thinking, and accelerate their strategy.

While an advisory board may not be suitable for every type of business, there are some common scenarios where an advisory board could be particularly valuable. These may include:

- **Growth of the business.**
- **Expansion into new markets.**
- **Organisational change and transformation.**
- **Handling a major crisis or critical incident.**
- **Navigating a business sale, exit or acquisition.**
- **Tackling a specific business problem.**



Source: Advisory Board Centre's 2023-2025 "State of the Market Report"

The decisions made when facing any of these scenarios have the potential to determine the ultimate success or failure of a business—by appointing an advisory board, the business is ensuring decision-makers have access to sound advice and guidance to help them approach and navigate any challenges from a confident and informed position.

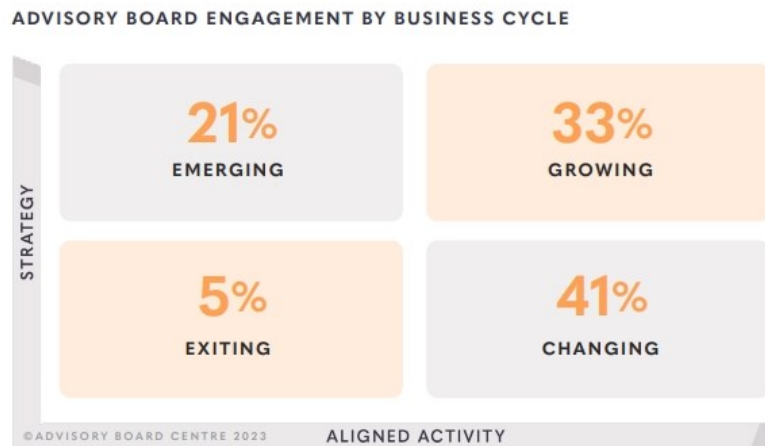
Conclusion

Properly structured and run Advisory Boards can make a difference for relevant businesses, as shown by surveys done by the international Advisory Board Centre, as shown in the diagrams below.



Source: Advisory Board Centre's 2023-2025 "State of the Market Report"

The most recent international data on the structure of advisory boards and the businesses using them are shown in the diagram below.



Source: Advisory Board Centre's 2023-2025 "State of the Market Report"

BUSINESS ADVISORY BOARDS

\$1.5m

Most common advisory board starting point

\$20m

Average size of business with an advisory board

\$40-70k

For paid roles, annual investment in monthly meetings with chair and quarterly with full board

Source: Advisory Board Centre's 2023-2025 "State of the Market Report"

COMMON STRUCTURES



Source: Advisory Board Centre's 2023-2025 "State of the Market Report"

Additional Resources

- A copy of the Advisory Board Centre's 2023-2025 "**State of the Market Report – Understanding the depth and impact of the Advisory Board Sector**" can be accessed [HERE](#)

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