

IS YOUR ADVISORY BOARD VALUABLE OR A BAD HABIT?

Thousands of organizations establish advisory boards for all kinds of reasons, often with abundant implicit expectations, but vague purpose and expected outcomes. Quarterly or twice-annual meetings, with agendas tossed together at the last minute, quickly become an unwelcome obligation, but once established, they often continue regardless of their value. Members of the board, presumably invited because they have the ability and willingness to contribute, can become disengaged and disappointed.

A poorly run advisory board is more than a disappointment, it has real costs.

WEAK ADVISORY BOARDS COME AT A COST

Advisory board members include people accustomed to high-level decision-making who hold themselves accountable. Failing to create an opportunity for advisors to weigh in on strategic issues, or reaching out to them with only tactical requests, is a sign that the executives aren't able to benefit from the advisors. Sensing this, the most capable members of the advisory board will either disengage or resign.

Leaders who interact with an advisory board have an opportunity to develop leadership skills, including those that can prepare them to interact with a governing board later in their career, or

sharpen skills if they already report to a board. Savvy advisory board members notice whether the leaders are actively learning and developing – or not. Even a motivated advisor will stop trying to help someone who doesn't accept help.

HOW TO GET IT RIGHT

There are three critical things to help improve an advisory board and all happen by intention, thought, and investing in relationships.

- 1. Create clarity of purpose.** When asked to join an advisory board, good leaders will inevitably ask, "What is the role of the advisory board for this organization?" Vague answers are a clue that the leaders maintain the board out of habit rather than strategic intent. For example, if the purpose is to raise money, call it a donor development committee. Leaders who try to pass off a fund-raising group as an advisory board may succeed, but the benefits will be temporary.

One advisory board in healthcare education has a robust process in which the members are knowledgeable and well-connected. They are able and willing to bring others into discussions

of a strategic nature to benefit the specific organization and the future of healthcare more broadly. This organization provides an opportunity to give and derive satisfaction from so doing.

2. Build strong relationships. Leaders who know the advisory board members beyond their LinkedIn profile can call upon advisors for specific help. For example, Chris is a senior executive with deep experience in customer insight. When he joins a board of any type, Chris is frequently tapped to use his expertise to benefit the organization, which he finds very satisfying. However, while his expertise may be clear from his resume, what isn't is his uncanny ability to turn data into a compelling story; that understanding of him only comes from investing in the relationship.

3. Bring your A-Game. It is crucial to form and lead an advisory board as part of your professional duties. If advisors realize that leaders have de-prioritized this body, or frequently make excuses for poor performance, it not only affects them but will reflect poorly on the organization.

Leaders should ask themselves, "What is our objective for this advisory board?" If the answer is an outcome of high value, then it's worth treating it as a vehicle for value creation. On the other hand, if it is not of high importance, or its purpose is more transactional, perhaps it's best not to have an advisory board.

An advisory board can yield significant benefits when leaders sincerely work to articulate clarity of purpose, build relationships, and conduct themselves as professionally as they would other aspects of their role. However, the review may also indicate that the board is not advisable. Learning what to stop doing is at least as valuable as knowing what to do.

Helping Define Your Company's Future Success



THE BOARD MINDSET

We can help you formulate a strategy that works:

- Defines the choices a company is making about who is and who is not a customer
- Doesn't serve as a rationalization for budgets
- Challenges assumptions
- Seeks to reduce risk, not avoid it
- Serves as a framework in which adjustments are expected and can be accommodated

We advise on any unaddressed issues to help the board and the company move forward. If you have any questions about The Board Mindset, visit www.theboardmindset.com or [contact us](#).