



STRATEGIC INSIGHTS

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Quote of the Month

[Entrepreneurs] are often skeptical about the idea of developing an Advisory Board; but truly, no business should be without.

An Advisory Board is a powerful growth tool, a strategy-producing think-tank, and a confidence-boosting support mechanism.

Just because "it's only you" doesn't mean you don't deserve, or can't benefit from, one of the most widely used resources for strategic and creative development in the world of business.

- Marla Tabaka,
Inc. Magazine

The entrepreneur's mind never rests or shuts down. Bloomberg BusinessWeek (2007) reported that vacationers experienced an 82% increase in job performance post-trip, which counters the negative impacts of increased mistakes, anger and resentment caused by vacation deprivation.

In addition to performance and attitude, skipping vacations impacts health. Men who don't take regular vacations are 32% more likely to have heart attacks than those who do, and women are 50% more likely to have heart attacks if they don't take vacations.

A vacation does not mean simply going away physically, but resting your mind, a true challenge for the entrepreneur.

Entrepreneur and author of *Managing Corporate Lifestyles*, Ichak Adizes, answers the question, "**What is a vacation?**" to address how business owners can give their brain a break.

Advisory Board Best Practices for Privately-Held Companies

The following is the first installment in a series of *Insights* of the best practices in establishing and managing an Advisory Board for a privately-held company. The major topics we will examine over the next few issues are:

1. Reasons to Establish an Advisory Board for a Private Company
2. Role of the Advisory Board
3. Structure, Creation and Management of the Advisory Board
4. Special Considerations for Advisors of Family-Owned Businesses
5. Linking the Family with the Advisory Board

The objective of the private company is to conduct its business activities so as to increase corporate profit and shareholder value. To that end, your closest advisors—lawyers, CPAs, bankers, estate planners—have a unique perspective of your business. Individually, their scope is powerful but limited; collectively, however, they possess a broadened view of your organizational standing and outlook that could vastly differ from their sole view and from your own.

Creating and facilitating a purpose-driven and judicious advisory board and engaging your roundtable of advisors regularly can expose threatening pitfalls as well as open profitable opportunities—scenarios that can make or break your business. A specialized "task force" with both a strategic and tactical focus, the advisory board expands your understanding of opportunities and obstacles in performance, organizational development, long range planning, business development, and exit or succession planning.

Top 10 Reasons to Establish an Advisory Board for a Private Company

An Advisory Board delivers the following benefits:

1. Sounding board beyond the management team
2. Objective opinions without alternate agendas
3. Strategic planning insight and oversight
4. Confidential advice
5. Productive, challenging and provocative questions
6. Creative thinking and problem solving
7. Insight into key management talent
8. Improved decision making and planning process
9. Ownership & Management Succession
10. Exit Planning

Surround yourself with a purpose-driven team of experienced advisors who support you with balanced and objective advice.