



Webinar

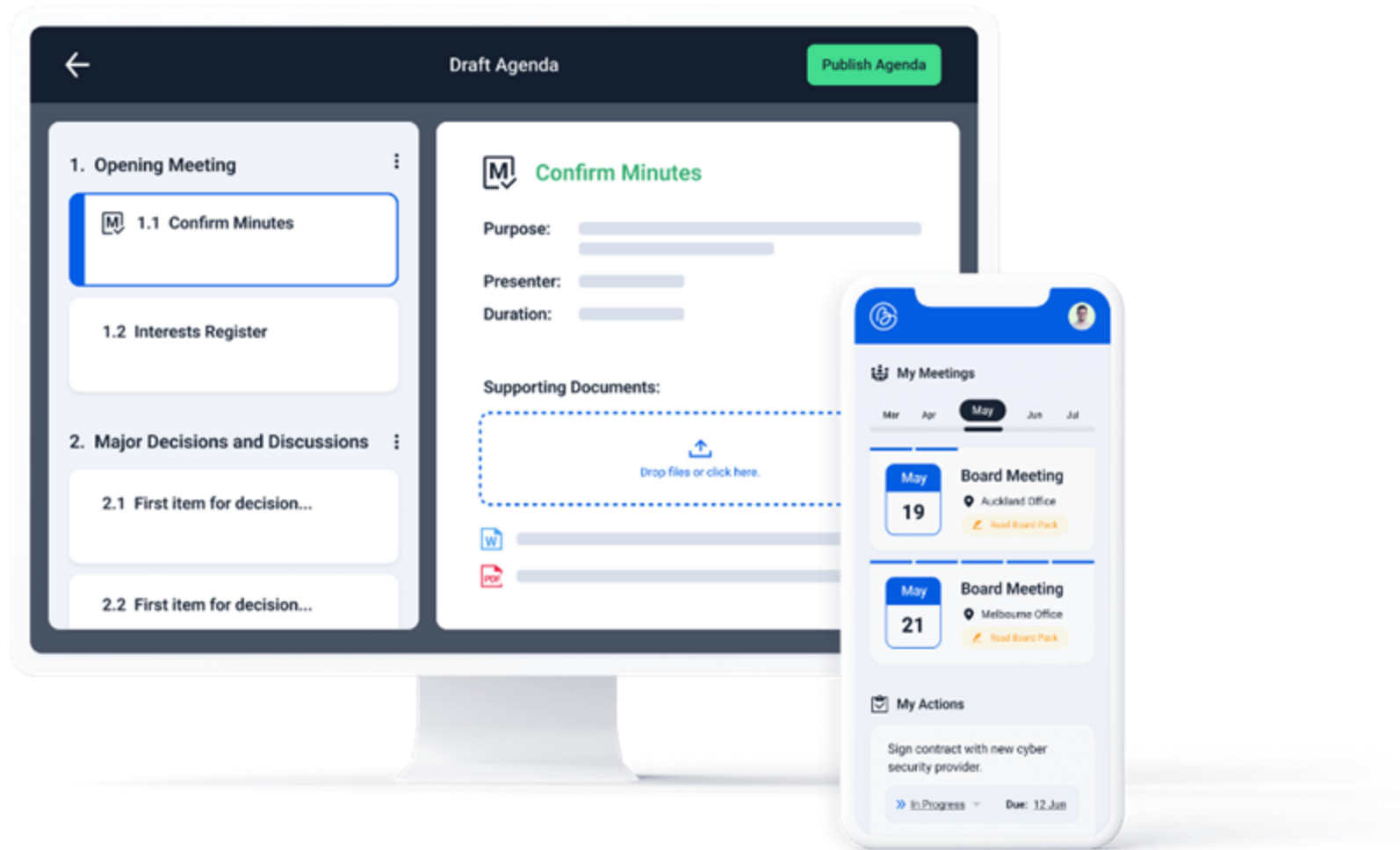
Advisory boards. The board you always wanted

How companies leverage the power of Advisory Boards to defy market forces

With special guest
Craig Richardson







**Making the fundamentals of
governance free and
easy to implement**



Governance Made Easy

Governance Resource Centre

Explore free governance resources for growing your organisation and adopting good governance practises. From meeting minutes templates to CEO reporting templates, our comprehensive guides and templates will cover your governance and business essentials.

Content type

Topic

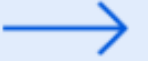
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Slides, webinar video, and
transcript will be sent to you.
Relax, listen and ask questions



Steven Bowman

Managing Director
Conscious Governance



**Craig
Richardson**

Founder and CEO
Crane



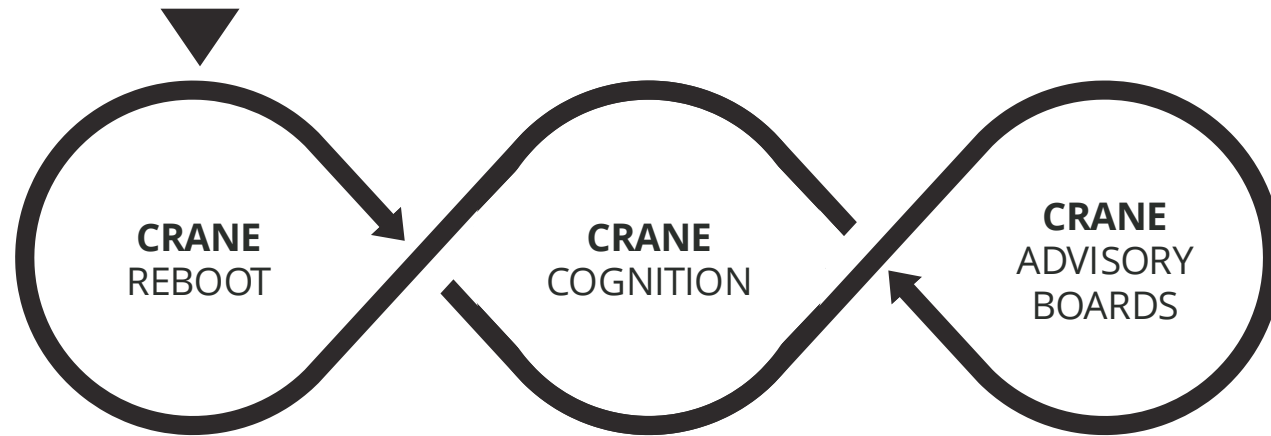
**Julie Garland
McLellan**

Managing Director
The Directors Dilemma



HOW FAST YOU MOVE

We follow a proven three-step process for designing, establishing and managing high performance Advisory Boards.



Understand what you have, where to play and how to win.

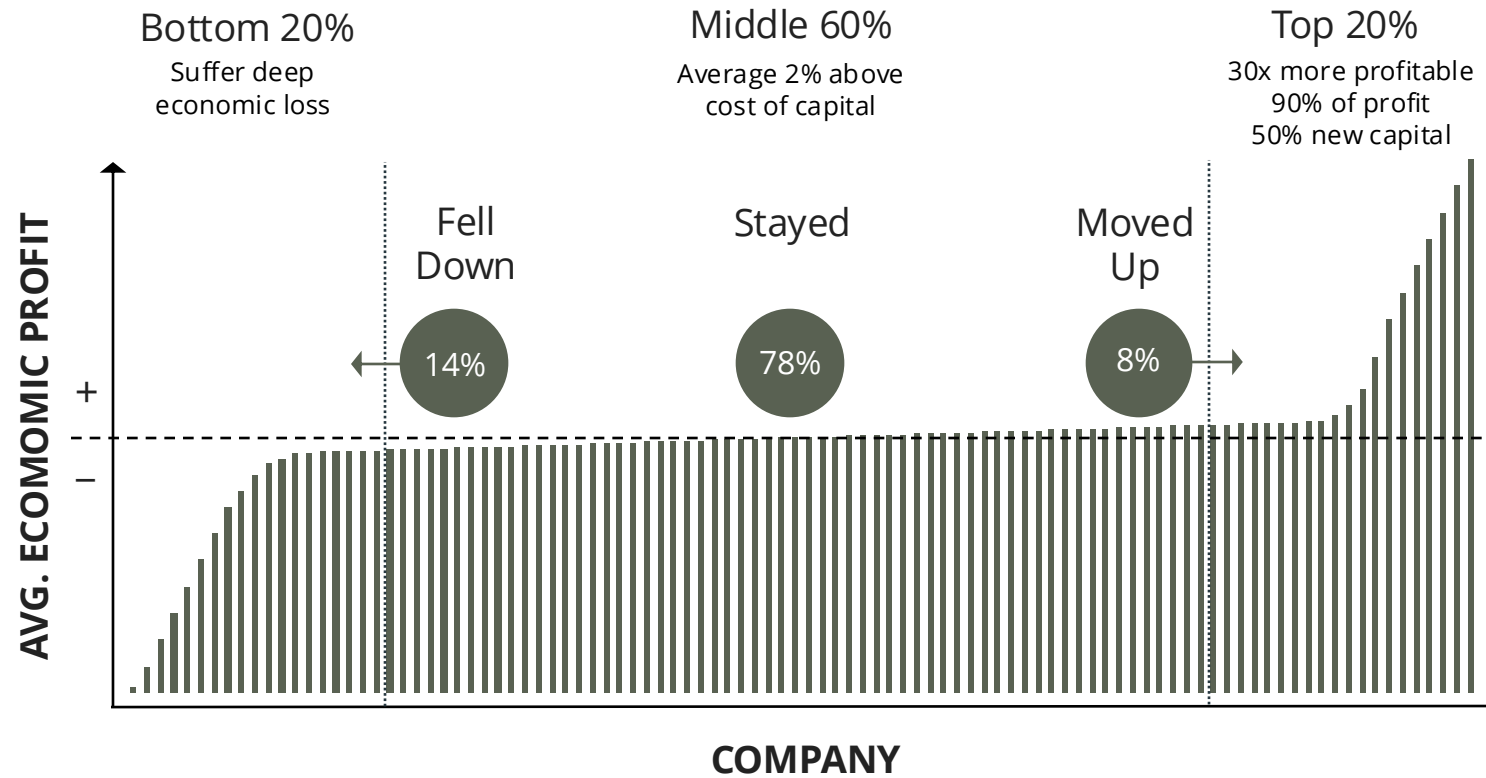
Build the problem-solving capability to move you faster.

Leverage the power of advisory boards to move you further.



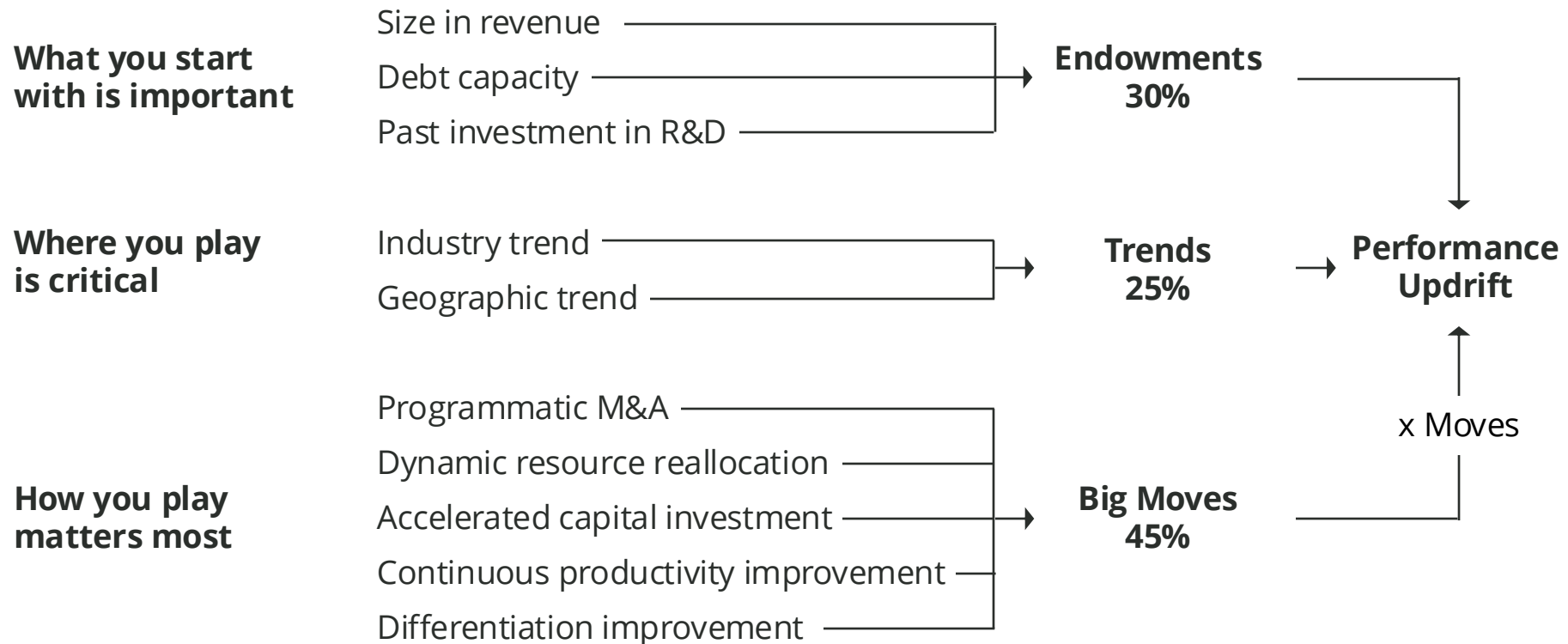
THE UNCOMFORTABLE TRUTH

Most businesses make almost no economic profit. The winners take 90% of available profit and 50% of new capital in each market.





10 levers power upward mobility. Endowments and Trends are important. Big Moves matter most, but not all moves are equal.



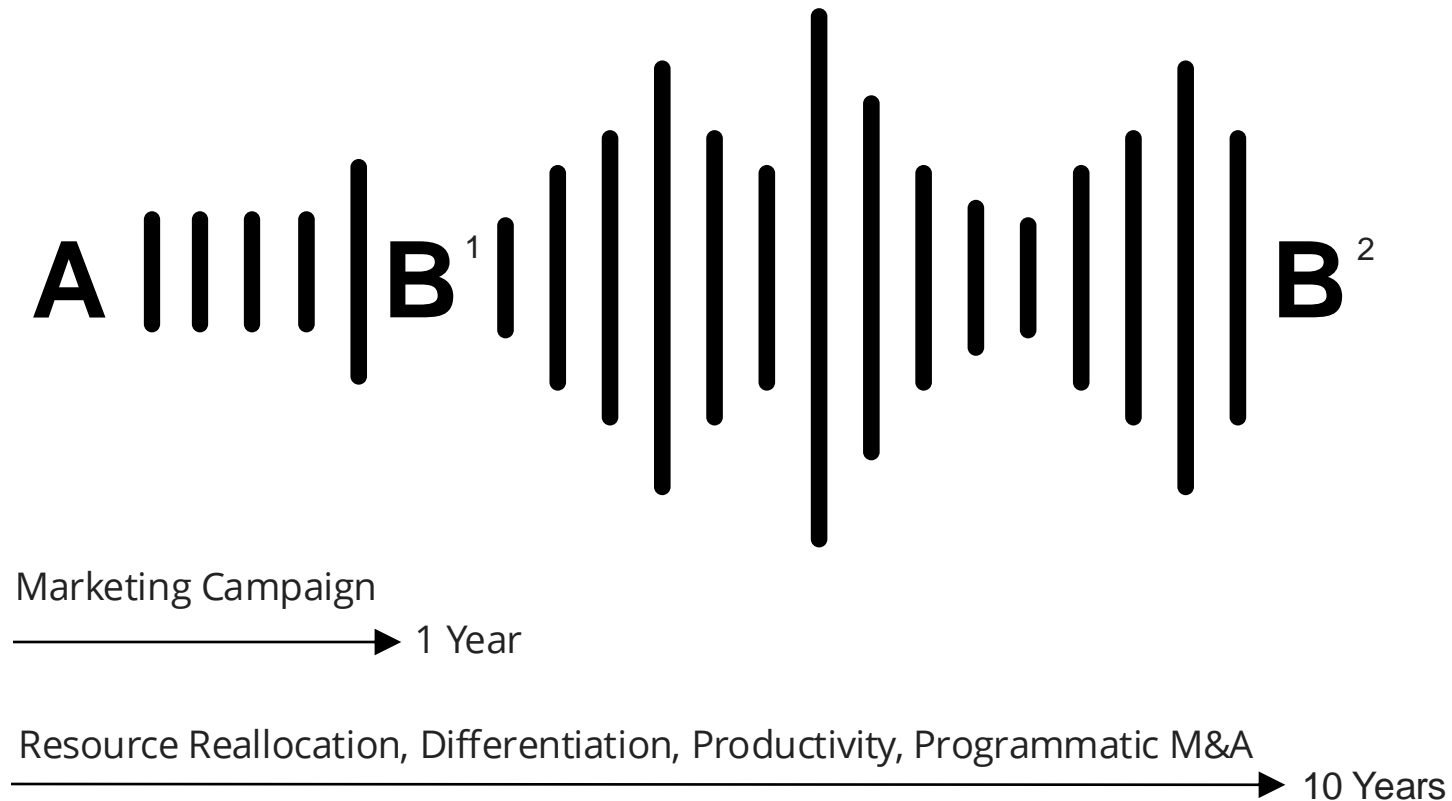
So what stops companies making Big Moves?





RATE-LIMITING FACTOR

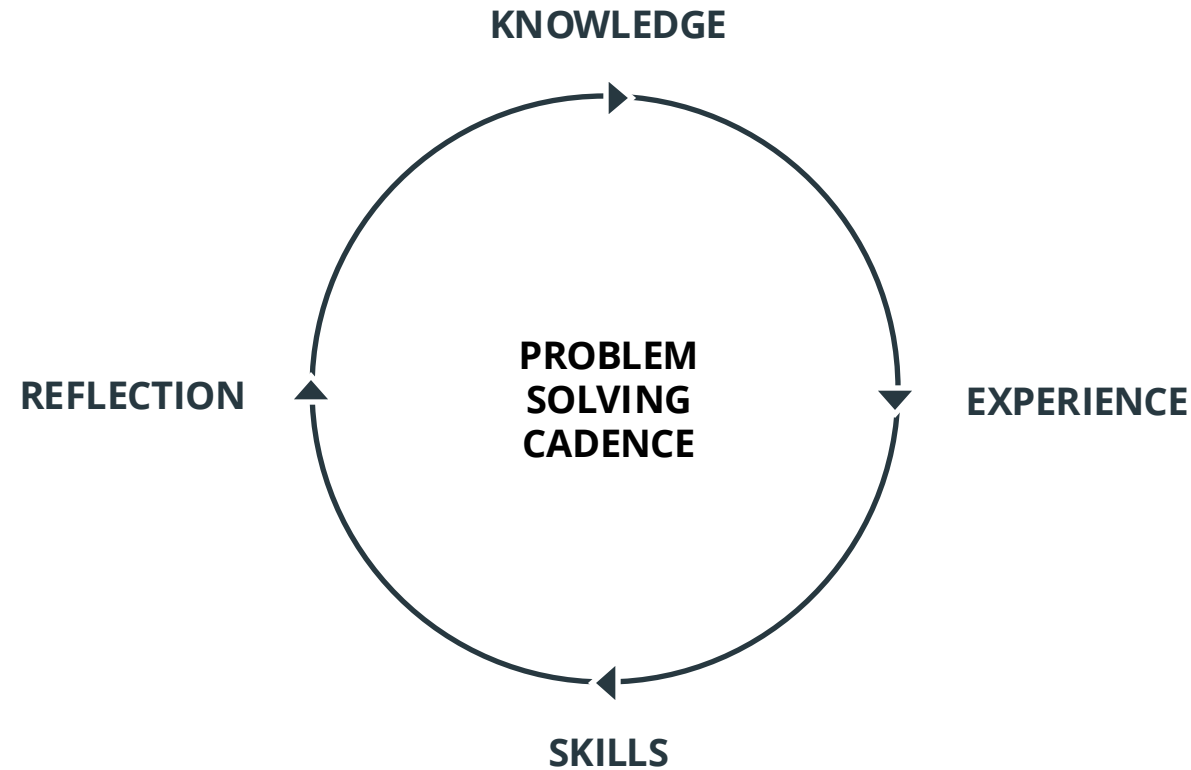
Big Moves take time. Time introduces variability. Variability causes complexity and increasingly higher-level problems to be solved.





RATE-LIMITING FACTOR

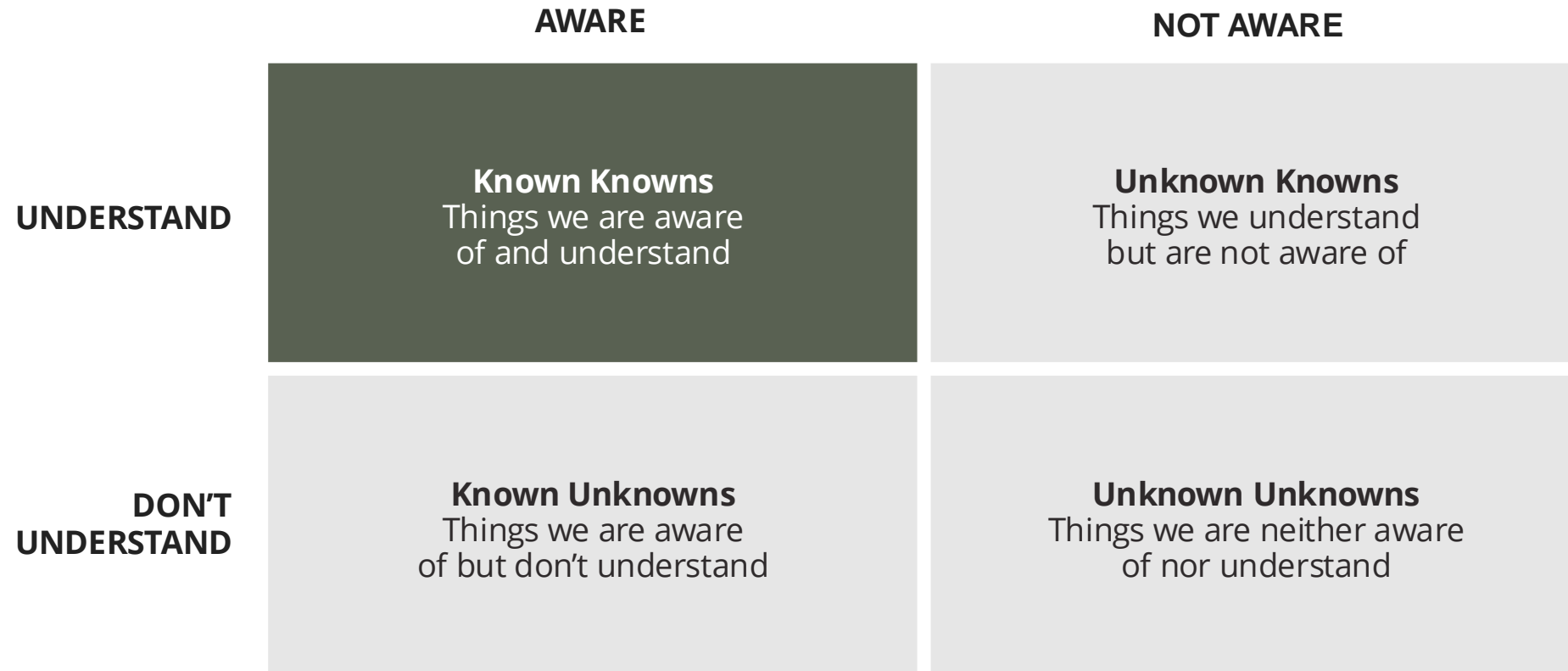
Performance updrift is delimited by how fast a company can understand and solve higher-level problems relative to the market.





RATE-LIMITING FACTOR

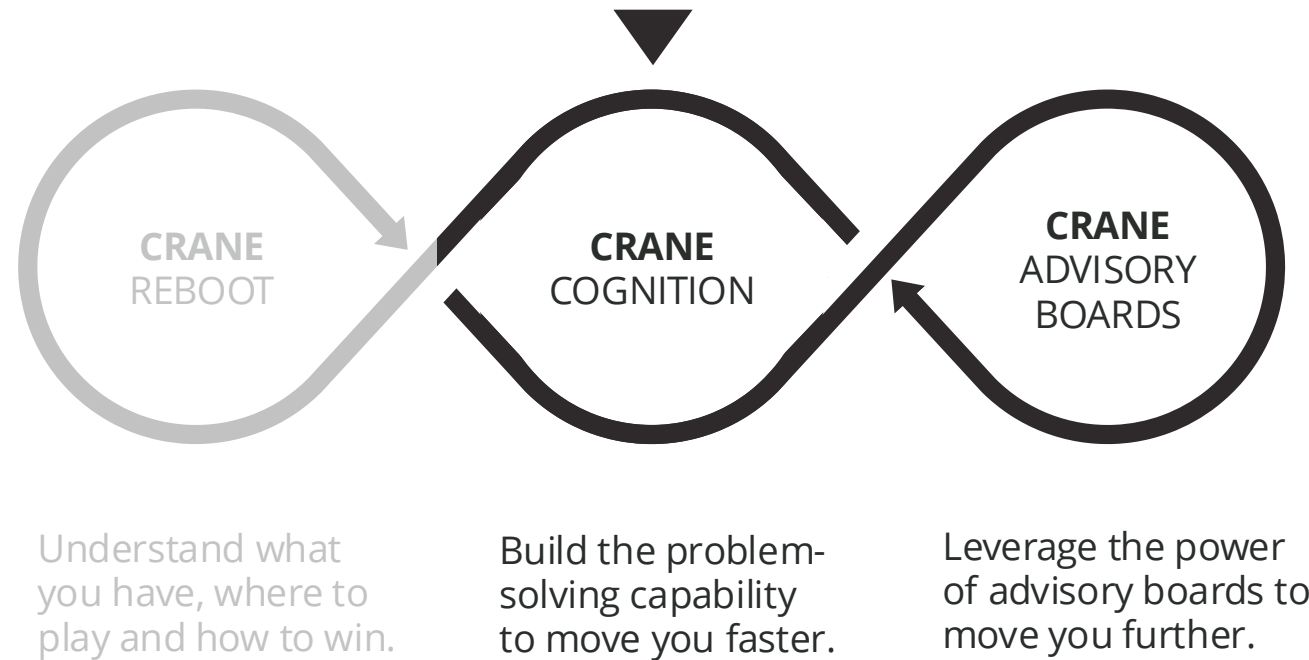
Today's directors and managers are increasingly facing problems outside their day-to-day areas of understanding and expertise.





HOW FAST YOU MOVE

So how do we lift the collective awareness, understanding and problem-solving capability of a business to move faster?





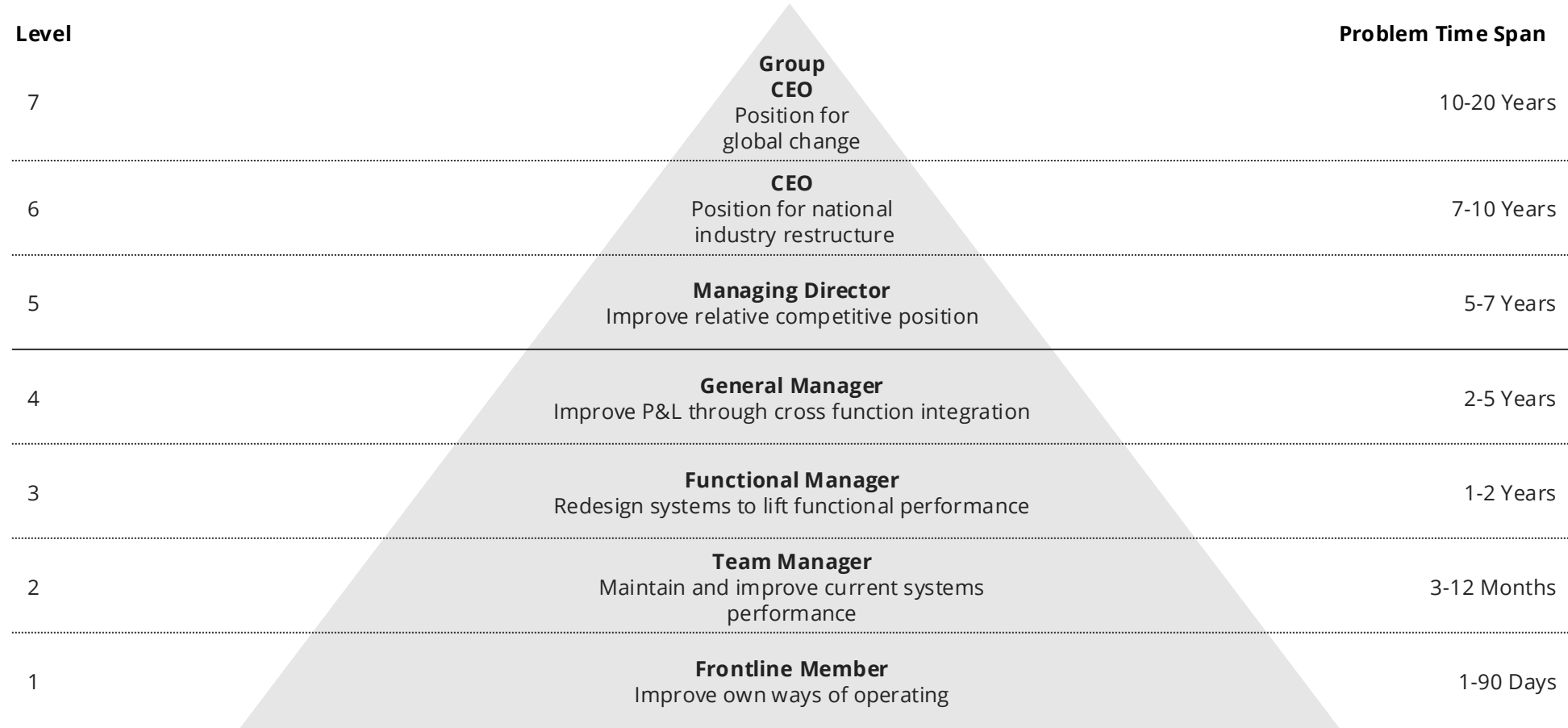
COGNITIVE CAPABILITY

We are all equal as humans. But we are not the same when it comes to solving problems.



COGNITIVE CAPABILITY

Performance is capped by how well cognitive need is understood and capability is built and organised to solve higher-level problems.



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If the odds are probably in your favour, you should make as many decisions as possible within the bounds of what is executable.

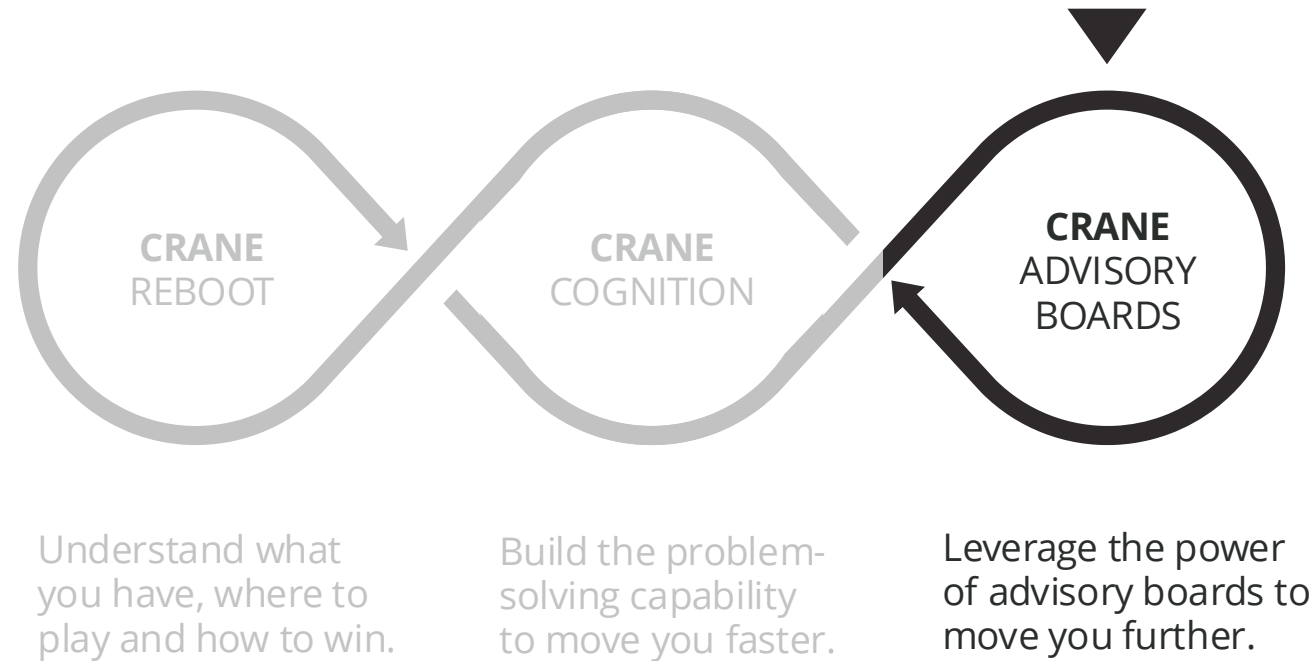
ELON MUSK





HOW FAR YOU GO

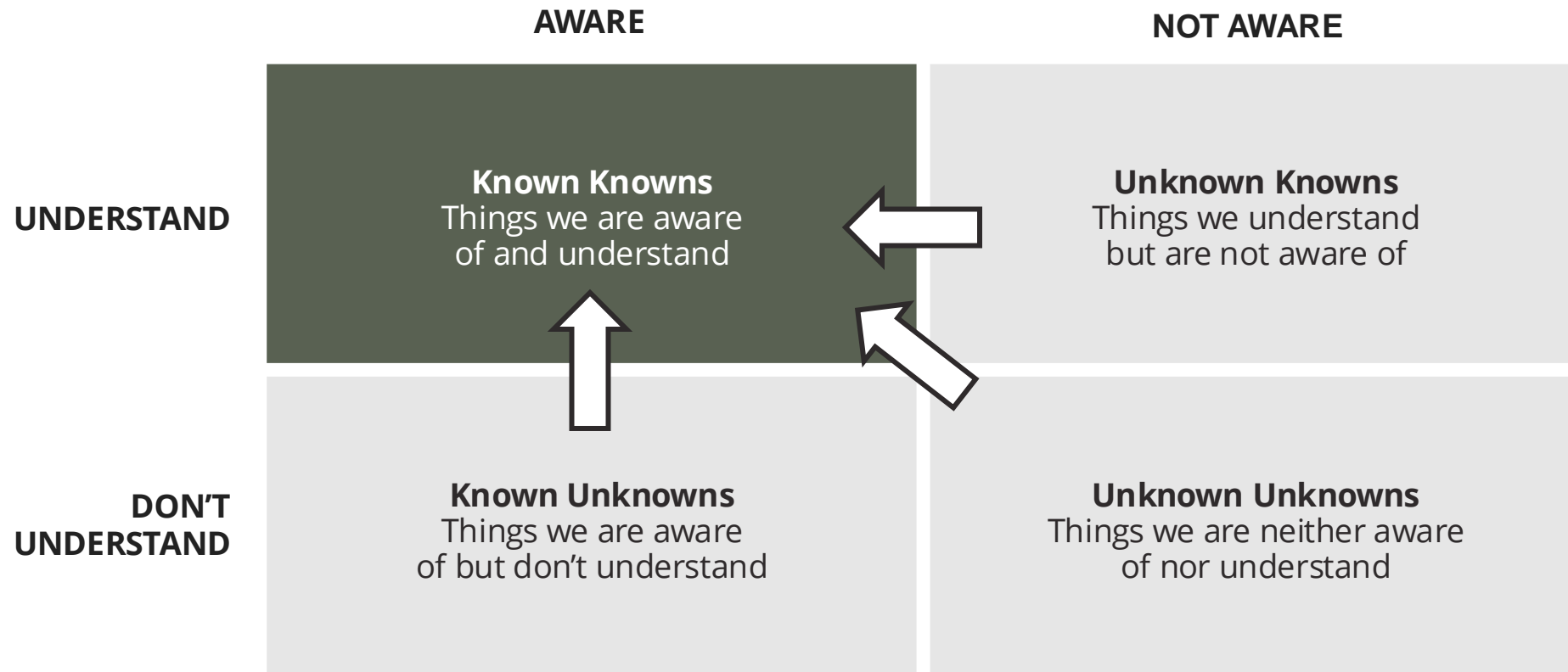
Problem-solving capability determines how fast you move up the profit power curve, known-knowns limit how far you go.





SHIFTING THE ODDS

The more you are aware of and understand, the better you can predict the results of your actions and shift the odds in your favour



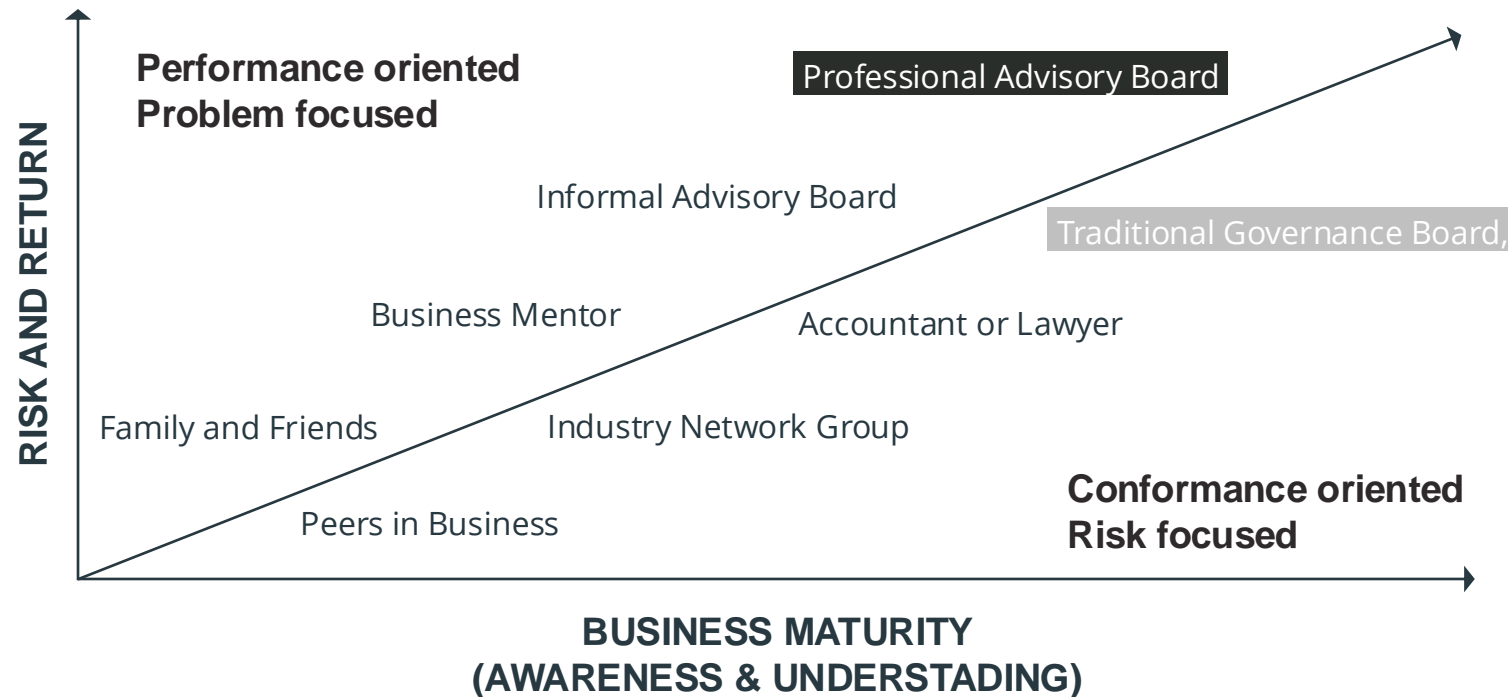


So how do companies increase their
“known knowns” to move further?





To expand the universe of available knowledge and problem-solving capability, companies turn to a range of advisors.



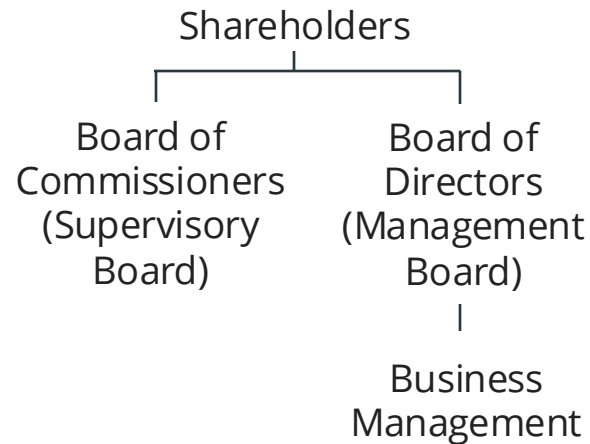


TRADITIONAL GOVERNANCE BOARDS

Traditional Governance Boards were designed last century, primarily to solve business ownership problems.

Two-Tier Board System

(Germany, Netherlands, China)



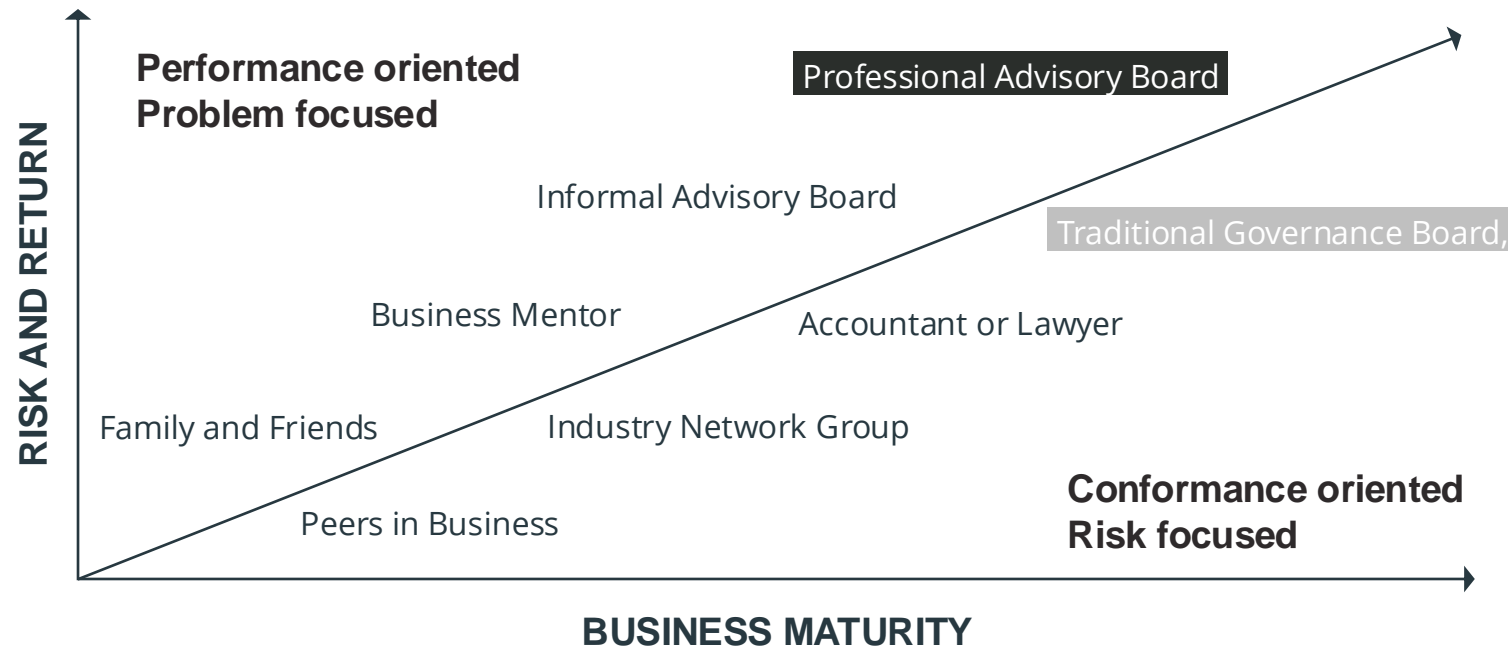
One-Tier Board System

(USA, UK, HK, Australia, NZ)



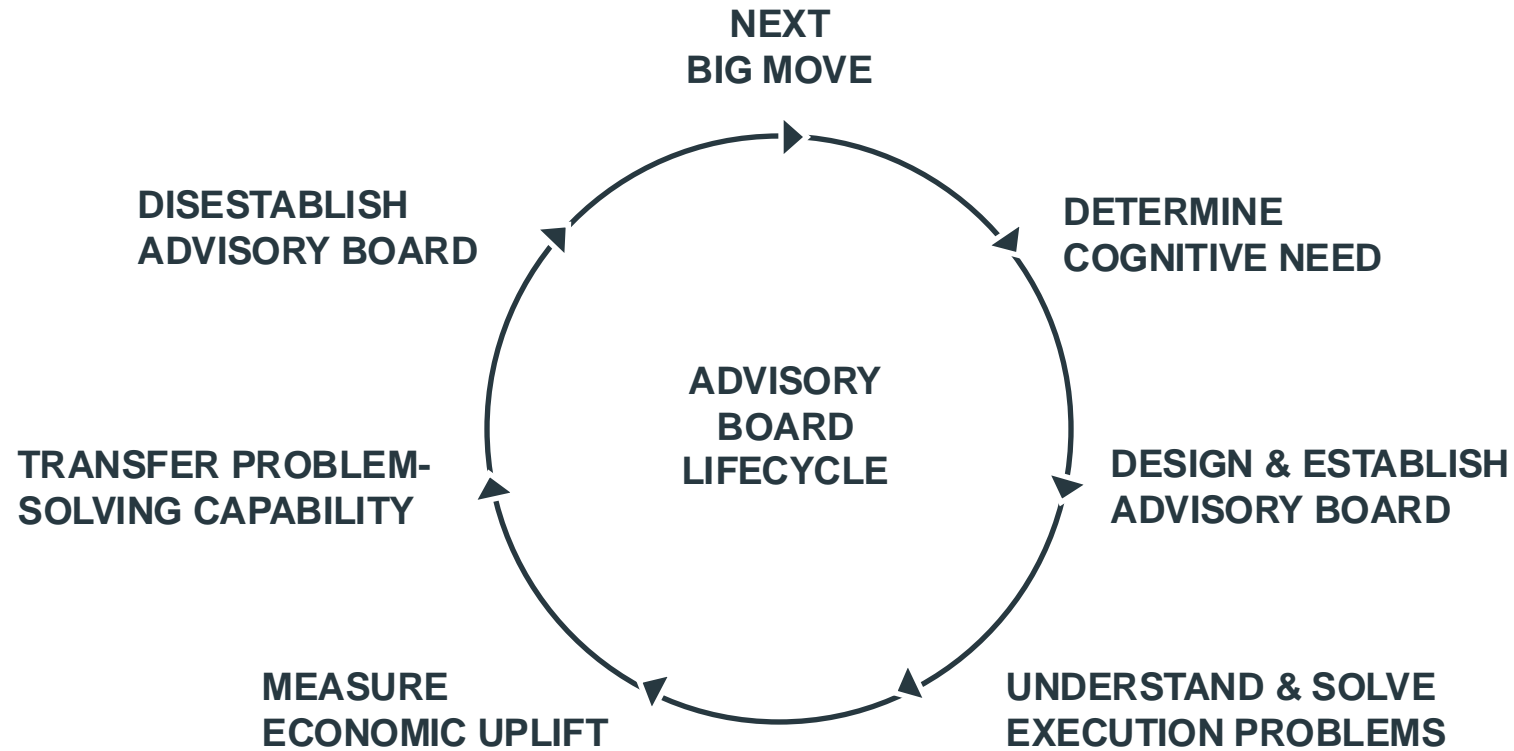


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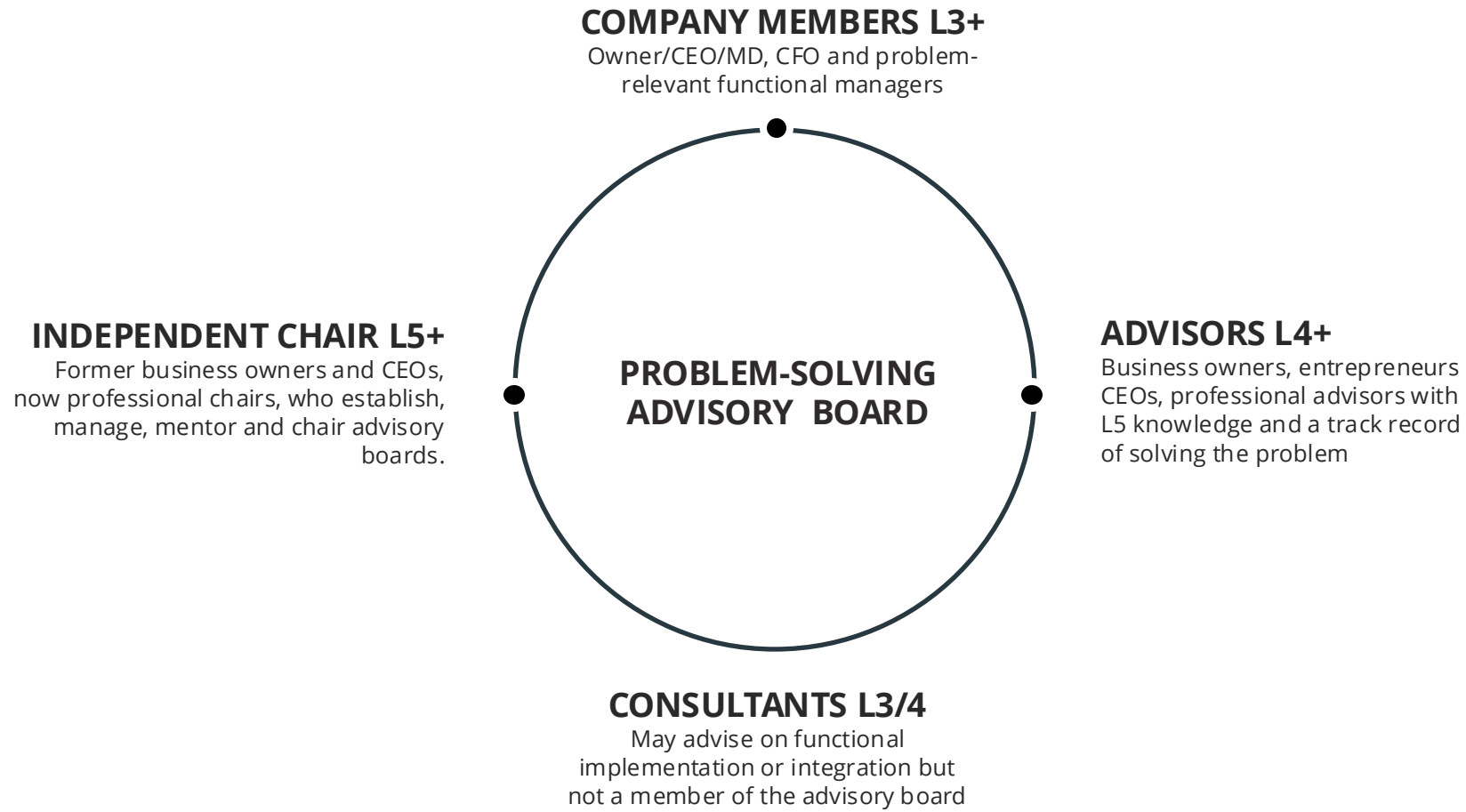


How a high-performance professional Advisory Board works





Professional Advisory Board structure, roles and responsibilities





Traditional Governance Board v Professional Advisory Board

ELEMENT	TRADITIONAL GOVERNANCE BOARD	PROFESSIONAL ADVISORY BOARD
Primary Function	Decision makers	Problem solvers
Modis Operandi	Conformance, consensus	Performance, optimisation
Relationship with Management	Command and control	Support and service
Orientation	"What happened? Why?"	"What next? Why not?"
Key Functional Roles	Directors set strategy and monitor performance Management implement the board's decisions	Advisors recommend solutions to problems Directors and managers make informed decisions and execute
Duties	Fiduciary appointment Companies Act and relevant legislation Responsible for governance for stakeholders	Independent advisors Guided by Advisory Board Charter Engaged to understand and solve business problems
Selection Criteria	Governance experience	Problem-solving capability
Board Term	Usually 3 years+	Term of engagement
Composition	Independent Governance Chair 3-5 permanent non-executive directors CEO	Independent Advisory Board Chair 1-3 problem-relevant advisors CEO, CFO and problem-relevant staff
Meetings	Full board meeting monthly	Chair to CEO weekly/monthly, Advisors 4-6 times a year
Compensation	Chair \$8,000/month+ Directors \$4,500/month+	Chair \$5,000-10,000/month Advisors \$1,500-\$3,500/meeting

ADVISORY BOARDS

10 Key attributes of highly effective Advisory Boards

1. Clear business objectives
2. Specific, Measurable, Achievable, Relevant, Time-Bound goals (SMART)
3. Purpose-built Advisory Board Charter & Code of Conduct
4. Commercial engagement and remuneration of Chair and Advisors
5. Experienced, independent Advisory Board Chair (Level 5+)
6. Problem-relevant Advisors (Level 4+)
7. Problem-relevant Company members (L3+)
8. Structured meeting schedule, agenda, documents, minutes, and actions
9. Clear separation from the board of directors and decision making
10. Efficient advisory board management system*

*We use **BoardPro** for all Crane Advisory Board implementations



ADVISORY BOARDS

90% of the business leaders say having an Advisory Board had a significant impact on the success of their business.

1. Developed new ideas, a broader vision
2. Strengthened management's convictions
3. Expanded the universe of knowledge skills and experience available
4. Introduced better structure and more rigour to manage the company
5. Made better decisions and avoided costly mistakes
6. Broke down owner/management isolation
7. Were the driving force for growth of the company
8. Improved the company's reputation and reassured investors



TRADITIONAL GOVERNANCE BOARDS

CEO looking forward, directors
looking backward, course set
for smooth, low-risk waters.

Looking forward, agile in uncertain conditions, everyone on the team playing their assigned role as part of the whole.





“

The ultimate aim of an Advisory Board is to lift your problem-solving capability, increase the known knowns and deliberately shift the odds of success in your favour.

CRAIG RICHARDSON
CEO, CRANE



Julie Garland McClellan

in www.linkedin.com/in/juliegarlandmclellan



Craig Richardson

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Steven Bowman

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Thank you

