

Article # 5

How does the owner nurture the advisory board to keep it vital and valuable?

Nurturing your board of advisors is a little like fertilizing your vegetable garden. If you feed and nurture your vegetable garden you will reap a bountiful harvest. If you feed and nurture your board your company will reap the fruits of their participation and contributions.

It takes effort on your part to be sure you are nurturing your board to reap the harvest of their participation, but the returns are dramatic. The methods and steps you take must be customized to fit your company and the mission statement you developed for your board. The items discussed below are designed to get you started thinking about ways you might nurture your board.

Encourage involvement from your board members. You have appointed them to bring their new thinking and their unique wealth of experience to your company. Focus your relationship with each of the board members by drawing from their fresh ideas and perspective. Recruit for “type A” personalities who relish speaking up and taking an active role in the board process.

Open communication, in both directions - you to the board and the board to you- is important in order to extract the value of a board of advisors. Phone your board members between meetings and through informal discussions keep them up to date. Encourage your board members to call you with “between meeting” thoughts and ideas. The more you share the greater the return from your board. The idea of “open ongoing discussion” management is an important way to leverage the value of your board.

Expose management to your board. Your key professional, paid managers are important to the performance of the company. At each meeting select a manager to present a current project or problem to the board. Exposing your managers to the board gives the managers and their team’s recognition and increases their pride of ownership in their work. It also gives your board the opportunity to assist you in the evaluation and development of your key managers.

Visit a customer along with one of your board members. Visiting a customer in either a formal or informal setting will give the board member a better understanding of the customer and market environment you are competing in every day. It will bring a new appreciation of the opportunities and problems your company is dealing with. The result may be that the board member may think differently about the business by gaining the perspective of the customer.

Visit a supplier with a board member. Suppliers are an important partner in the supply chain. It is critical for your

board to understand the issues between your company and your important suppliers. In addition to encouraging a broader understanding of your company, a visit to a supplier will create an opportunity to bring new thinking and creative ideas to the negotiations between your company and your suppliers.

Give feedback to your board members on a regular basis. When a board member makes a significant contribution to the company in the way of new thinking or creative approaches to solving problems recognize the board member both privately and publicly. Giving credit encourages new levels of participation and contribution.

If a problem arises with a board member have a private feedback discussion and resolve the issue as soon as possible.

Share data openly with your board members. The more you are willing to manage and operate with an “open book” style the more you will get back from your board. Sharing performance data around productivity, market share, operating performance, financial results, customer surveys, and union contracts will enhance your board members understanding and increase their ability to contribute to better performance.

Read a book / share a book is a unique and valuable way to stimulate thinking and generate constructive conversation between you and your board. The best owners I have experienced are readers and students of the business

process. When you and your board have read selected current business books and articles and discussed that information with each other you stimulate new thinking and raise the bar for expectations from the business. This is an easy and inexpensive way to nurture both your board and your managers.

In addition to the tips provided above develop your own ways to nurture your board. Time and effort spent on nurturing activities will return benefits to the company many times over.

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(Article # 6 in this series will cover how to maintain value in a privately owned company board of advisors).