



Gene Siciliano



Advisory Boards: Priceless Guidance Without the Oversight

If you were to ask us to list the best practices management tools that are most useful to *both* startup companies and longstanding businesses, it would be a pretty short list. After all, their money needs are far different, and their tools and capabilities for serving customers and managing their businesses are very different as well. But if we talked about the most valuable tools that are typically ignored by both entrepreneurial and enduring businesses, our list would drop to a single entry – the Advisory Board.



An Advisory Board is a group of experienced and influential business leaders who are willing to help the CEO become more successful by providing access to experience and resources that the CEO typically would never have the time, money or network to develop alone. Yet they come at a fraction of the cost of buying those resources in the open market.

A good advisory board can combine the benefits of a team of consultants, a focus group of your customers, and the leading knowledge experts in your industry, all in one room at the same time. All you need to do is assemble them, ask the right questions, and be prepared to implement the best of their suggestions.

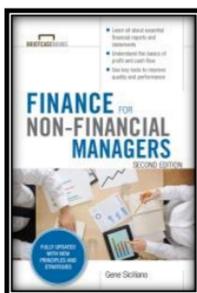
Unlike a board of directors, your advisory board has no authority over the CEO or the management of your company. Thus there is no risk in ignoring their advice, except losing the benefit that might come from taking it. Your advisory board has no legal exposure or fiduciary responsibility, in turn, which can make it easier to attract the people you want.

If you think it might be time to consider this “hidden secret” of business management, here is our version of Frequently Asked Questions:

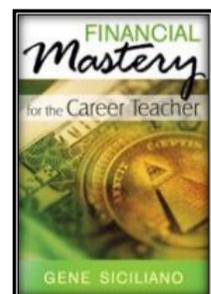
Finance for Non-financial Managers, 2nd Edition, McGraw-Hill 2014, covers 14 key topics in the increasingly demanding world of business finance.

This new and significantly expanded revision includes a wealth of new material, following on the heels of the best selling original.

Because managers can no longer afford to be non-financial.



Gene brings his extensive financial management acumen and plain language writing style to the world of personal finance with **Financial Mastery for the Career Teacher**,



Corwin Press 2010. Written at the urging of an educational publisher, the guidance and strategies in this book will work for professional people well beyond the education industry.

Gene Siciliano is the founder and president of Western Management Associates, source of *Your CFO for Rent*® services for over 25 years. The firm provides interim and part-time CFO/Controller services, executive coaching and guidance in operational finance and exit strategy. Gene and his team of seasoned CFOs and controllers have a clear mission in their work with CEOs and owner/operators of privately owned companies. Our value proposition:

- Increase the company’s net worth and profitability by improving the management team’s financial proficiency and bottom line results, and
- Develop and execute strategies that will make your company more appealing to a buyer or investor, if and when the time comes for an ownership transition.

1. **Is it expensive?** The cost of having an Advisory Board is pretty minimal. The fees are usually small (or maybe even non-existent in promising startup companies with only stock to offer). The time commitment is typically a quarterly meeting of a day or less, aside from preparation time. The largest cost may only be the travel expenses of bringing them together if they live out of the area, and of course your time in preparing a productive agenda and chairing the meeting – and you can hire us do to that for you.



2. **What are some areas of expertise from which you might choose potential members?**

- Your most important customers, to find out firsthand how they feel and what they want, and to let them know you really value their opinions,
- Management icons in your industry, to help you open doors you can’t open alone,
- Leading researchers in your industry, to assist your product development efforts,
- An intellectual property attorney to guide you through protecting your technology advances, or
- A senior business consultant, to help your decision-making and your internal processes to evolve as your business grows.



3. **Where to look for them?** Your industry likely has dozens of seasoned and successful executives who would like to help your company, and have just never been asked. Professional advisors valued by your peers can be immensely valuable, and many of them may reside in your own town. The trick is in deciding what kinds of expertise you most need, finding the people with the most to contribute in those areas, and then managing their interaction so that they get some benefits as well.

4. **What might board members want?** Advisory Board members typically enjoy being able to contribute to a different company than the one they run (or ran, because recently retired executives can be a great potential source).

They also enjoy the opportunity to interact with other board members, and thus widen their own range of contacts. And surprisingly, they often like to be recognized for what they have accomplished by being invited to join an advisory board. Recognition can be a powerful motivator for executives who have already accumulated all the wealth or success they need, but have kept their heads down getting there. Then too, they may just want the opportunity to help others with all their hard-earned experience, perhaps over a nice dinner.



Finally, if your company is a startup with stock that might climb in value, everyone likes to talk about their last market winner, especially if they helped it get there.

5. **Are you getting free advice?** Not really, since free advice is usually worth what you pay for it. But are you getting:

- Potentially very good advice at very modest cost? Yes!
- The opportunity to gain competitive advantages you hadn’t even thought of? Yes!
- The ability to accelerate your own learning curve and the success of your business at the same time? Definitely!

Should you consider doing something today? Yes, yes, and yes!

And if you have decided to get started and you want help doing it, call me. I can help you, 310-645-1091 or 888-788-6534.

[Contact me](#) for more information.

Gene Siciliano, *Your CFO for Rent*®

