



## **Working Effectively with Outside Advisors**

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Looking for a way to get ahead of the competition? Want to develop a specific area of your business, but don't have the expertise? Consider working with an outside Board of Advisors. An outside Board can bring new perspective, provide expertise with minimal investment and ensure every member of your ownership team has a voice in the future direction of the business.

At the recent Resorts of Ontario Fall Workshop/Christmas Celebration, members explored the many advantages of working with an outside Board of Advisors. Three important questions were addressed:

- 1) What is the difference between using an outside Board of Advisors and hiring professionals?
- 2) In what situations can Boards of Advisors add value?
- 3) How can you get started to build a Board of Advisors for your business?

### Outside Boards vs. Hired Guns

Outside Boards provide an objective view of your business. In other words, their advice won't lead to more professional fees in their pocket. A board meets on a regular basis to discuss issues that are important to the business. If you dream big, you'll have professionals sitting around the Board table whom you could never afford to hire as consultants. Finally, unlike Dad or Mom's trusted advisor, outside advisors are there to work in the best interests of all current and future shareholders of the company.

### Boards Add Value

Outside advisors can be brought onto your Board for short periods of time to help you address a strategic issue or need in your business, ie: an international sales expert could join your Board while you're considering marketing to Asian visitors. Outside Boards can be especially useful in times of business transition. Boards can help screen and mentor potential successors so parents aren't forced to decide between their children. Boards can also be used to help resolve family disputes that are affecting the company.



### Let's Get Started

At the Fall Workshop, Resort members showed considerable enthusiasm for working with Outside Boards; some have already started. Here are some important considerations when developing your Board:

- 1) Look at the different areas of your company, and what is holding you back. Where could you, your family or business use some help?
- 2) Include everyone in this process. Ask key family members, shareholders and your management team what they would hope to gain by adding this management structure to your company. What does the company need to move forward, what areas or projects require attention and where would they suggest you find the expertise?
- 3) Who are the best people you know in the areas you've identified? Select the top choices for these roles, and think big. Who will help your company get to where you want to be ten years from now?
- 4) Look for these qualities in an advisor:
  - Everyone trusts the person and feels confident in him or her;
  - Promotes collaboration amongst other advisors;
  - Gives honest feedback even when it may jeopardize the relationship;
  - Has experience with family businesses that are as complex as yours;
  - Is willing to work with both the founder and successor generations;
  - Is at least as successful in his or her field as you are in yours.

Resort owners who've used outside Boards of Advisors attest to the value of this important strategic management tool. For more information on outside Boards of Advisors, or to contact Jennifer or Michael:

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