

Business Advisory Alternatives



*Can Collective Wisdom
Transform Your Business?*



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If you are a business owner or CEO, How would you respond to the following statements?

- I am confident that I consistently make the right decisions for my company.
- I know exactly where I want to take my company; and achieving this vision will help me achieve my personal vision of success.
- The advice I receive from my current business advisor(s) is objective, diverse, experience-based and in my best interest.
- When I develop plans for my business, I stay focused, I am accountable and I consistently achieve my goals.

As a business owner or CEO, you probably want to:

- Increase your income and improve equity in the business.
- Focus your time on strategic initiatives you enjoy and have quality time for family and friends.
- Know where to find employees, how to make sure you make a “good” hire and how to keep your top talent.
- Resolve partnership or family business issues objectively.
- Know how and where to invest your dollars so that you can drive growth and profitability.
- Increase the value of your business so you can exit the business when you are ready.

Yet, most business owners do not know how to go about pursuing these aspirations. Or, if they have a vision and strategy, they get caught up in the day-to-day of the business and cannot break through to accomplish their vision of success.

There are two types of business owners

1. Those who go it alone
2. Those who leverage the experience of others

If you fit the latter mold, whose experience do you rely on to take your business to the next level?

“Decisions don’t happen in a vacuum; the best ones rarely come from deep pondering in isolation. They happen when people learn from and draw on the experiences of others.”

Harvard Business Review
Beyond the Echo Chamber

“TAB has helped me to develop my strategic planning ‘muscle’ which has led to the implementation of several successful strategies to grow my business. I’m happy to report that TAB has helped me to improve my small business tenfold!”

Mike Greene
Greene Moving and Storage, LLC
Manchester, CT

Business Advisory Alternatives

Board of Directors

One option will be to hire your own board of directors. Can you interest a strong group of business experts to advise your business—and afford to pay them?

Chamber of Commerce

Another option is your local Chamber of Commerce. Chambers of Commerce are a great resource for networking, but you're not going to get serious advice to improve your business from the chamber.

Online Resources

There are some great online resources, blogs and forums that you can participate in. But it takes in-depth discussions to get to the heart of your issues. This can't be achieved through an impersonal resource.

Family & Friends

Many business owners turn to family & friends to advise on key decisions. Will your family & friends offer objective, experience-based advice that is in your very best interest?

Business Consultants

Business consultants are an option as well. They can be pricey. But most importantly, once a solution is identified, who is going to hold you accountable for executing it?

Business Advisory Alternatives

What the BIG Dogs Do

Larger and more successful businesses have substantial advisory resources to tap into. Not just financing resources but, more importantly, knowledge resources. Large corporations have boards of business advisors to help them make better business decisions.

A BusinessWeek article elaborates on these resources:

Entrepreneurs often find themselves so engaged in the daily details of running their businesses that it can be difficult to look at the big picture, let alone plan for it. Large corporations often benefit from having an outside board of directors that can work with the company on a range of issues to take it to the next level. However, small business owners rarely have the time or financial resources to hire a board that can give them thoughtful and objective views on tackling problems and coming up with practical strategies.



If they can have a board of advisors, why can't you?

The good news is that you can.

Your Own Business Owner Advisory Board

SMB owners can now have access to the same kind of business advisory boards as larger businesses, at an affordable price point. The concept is called Business Owner Advisory Boards.

Business Owner Advisory Boards are groups of non-competitive business owners who meet regularly to help each other improve profitability and build a more valuable company. Members of Business Owner Advisory Boards apply their collective experience to offer objective, quality advice to each other.

The BusinessWeek article continues:

“The emergence of business owner advisory boards has become an affordable option for small companies to sharpen their focus and allocate their assets and time to improve their businesses.”

Some History...

Business owner advice dates back to ancient Greece, Proverbs (“plans fail for lack of counsel but with many advisors they succeed”) and Benjamin Franklin’s “juntas”.

In the 1930s, business guru Napoleon Hill coined the phrase ‘Master Mind’. A business master mind can be defined as a group of like-minded individuals who come together on a regular basis to help and support one another to grow their respective businesses.

When asked about the key to his success, Andrew Carnegie replied that it could be traced to the “sum total of the minds” of his business associates.

Common Business Owner Advisory Board Topics

“What businesses should we be in...

...How much should we grow...

...How should we compete...

...Do we have the right financial, technological, and human resources to achieve our goals?”

Professor John A. Davis
Harvard Business School

Do Groups Make Better Decisions?

Business Owner Advisory Boards work because they ultimately result in better decisions.

Professor Stephan Bainbridge of UCLA School of Law authored a research paper titled *Why a Board? Group Decision Making in Corporate Governance*. This study cites group decision-making research going back as far as the 1930s.

Bainbridge writes “numerous studies have found that group decisions are not only superior to those of the average member, but also to those made by the very best individual decision maker in the group.”

Our own research of business owners backs this up.

Our Business Owner Survey reveals that:

- 76% of small business owners who are part of an advisory board are predicting a profit increase over the next 12 months.
- 65% of Board members reported higher profits, compared to only 41% of business owners who do not participate in a Business Owner Advisory Board.
- 64% of Board members trust their advisory Board the most to provide overall business advice.

Business Owner Board Success Story:

Tough Business Decisions

Try to put yourself in Curt Hahn's shoes. Hahn runs Nashville-based company Film House which had a successful track recording creating TV commercials and two feature films. He had a script that he wanted to use to create a new movie, but was reluctant to go forward.

Hahn came to his TAB board to explain his predicament. He was willing to put his life savings into the project. But he felt the timing was not right. Hunter Atkins, CEO of the Bank of Nashville, is on Hahn's board. He read the script and became a 50/50 investor in the film.



With the encouragement of the board, Hahn went forward to direct the movie and enlisted Oscar-nominated actor Brian Roberts in his film Deadline. In fact, several other board members participated as extras in the movie, getting a behind the scene look at how a feature film is made.

"TAB is a learning experience for everybody there. Not only do you learn how to make your own business better, it's also an introductory course to every other business type and style that's around the table. That's what I've enjoyed most about it - looking behind the curtain at other businesses. TAB affords curious people like me the opportunity to do that."

Hunter Atkins
TAB Member

Why Facilitation is Better

We've established that Business Owner Advisory Boards are the strongest asset for helping business owners & CEOs improve their business. So why shouldn't you just create your own business owner advisory board?

Well, why does an orchestra need a conductor?

All the musicians are professionals. They can all read the music and play their instruments. Yet, the conductor orchestrates the individual players to achieve a result that is so much more than the sum of the parts.

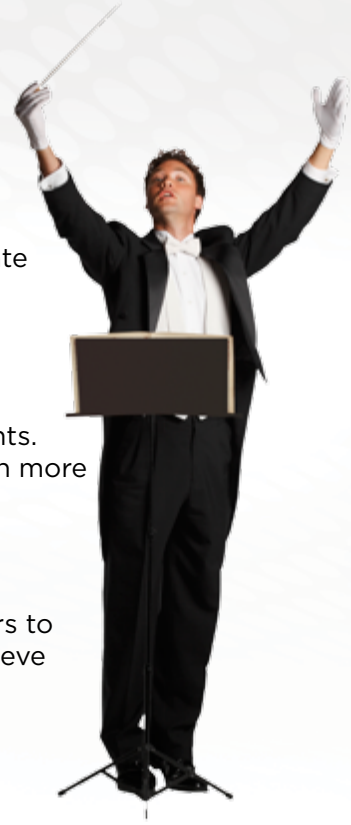
Facilitators are seasoned business advisors who have seen it all themselves. But, unlike consultants, who are always trying to give the answer, facilitators coach business owners to find the answers themselves. They keep them motivated and focused to help them achieve more than they ever thought possible.

Multipliers

Facilitators play a critical role in the performance of the Business Owner Advisory Board. We think of Facilitators as Multipliers. They know how to harness the experience, know-how and passion sitting around the board room.

How do Business Owner Advisory Boards Actually Work?

- A group of 5 to 10 non-competing business owners & CEOs are assembled into each board.
- The boards meet once a month for a fast 4-hour facilitated board meeting.
- Meetings follow a structured agenda to optimize the time of each member.
- Every member gets a time slice to focus on their specific issues and opportunities.
- The Facilitator guides the discussion.
- Board members ask probing questions to get to the heart of each issue.
- Board members apply their experience in similar matters to provide input and advice into each topic.



Members take away a number of concrete suggestions from each board meeting. And, what we tend to find is that members learn from the challenges of other Board members...the multiplier effect.

“I believe in never asking just one person but in getting as much feedback as possible. Opinions always vary. By asking several people what they think, you get many angles and can weigh them all. This way, you are never considering just one person’s opinion, so no one piece of advice is ever truly bad.”

Sir Richard Branson

Business Owner Board Success Story:

Extraordinary Results

CEO and Owner Terry May started MESA, a producer of cathodic protection and corrosion control solutions, 35 years ago. His company has been growing ever since.

In 2012, MESA was awarded the Malcolm Baldrige National Quality Award... for the second time! The Baldrige Performance Excellence Program, managed by the National Institute of Standards and Technology, awarded MESA the nation’s highest presidential honor for performance excellence. It’s a very rare accomplishment to win this award once, not to mention twice.



Mr. May has been a member of TAB for the better part of 20 years. Since joining The Alternative Board, MESA’s annual revenue has grown from \$5 million to over \$50 million.

“The advice, criticism, and direction that I’ve gotten in my TAB group has really saved me a lot of heartache. At first I wasn’t convinced of the value of TAB, but I made an operations decision based on one of my first board meetings that more than paid for my membership in The Alternative Board. TAB Tulsa has been helping me make good decisions ever since.”

Terry May
TAB Member

Confidentiality is Critical

Once we explain Business Owner Advisory Boards to owners & CEOs, they love the idea.

But some of them raise a concern about sharing confidential information at board meetings.

Confidentiality is critically important to successful Business Owner Advisory Boards.

Your Business Owner Advisory Board should be carefully hand-picked so that competitors, customers and suppliers do NOT sit on the same board. All Board members should be required to sign confidentiality agreements.

An Exclusive Community

Groucho Marx once wrote:

“I don’t want to belong to any club that will accept people like me as a member.”

In the case of a TAB Board,
the opposite is true.

Qualifications to Become a TAB Member

- Owners, Presidents, CEOs, Managing Partners – that is, the Decision Maker
- Willingness and ability to grow, change and improve their business
- Commitment to attending monthly board meetings and supporting fellow board members
- Approval by other members of the Board

“I came on the TAB board knowing that I had been re-inventing the wheel, and that there were people who have already been down many of the same roads I’m on. My other resources never were able to go deep enough with me to give me the perspectives I needed. TAB makes me a better business owner and makes my company a better company.”

David Emrich
PostModern Company, Denver, CO

The Boards are Only the Start

Let’s say that you join a Business Owner Advisory Board and start attending your board meetings. We assure you that the time you spend at the meeting each month will be the most valuable time you spend on your business. You’ll feel invigorated after the board meeting and you’ve picked up several great ideas to pursue.

Then, you go back to the office and next thing you know, you’re caught up in the whirlwind. These are all the day-to-day activities that take up nearly all of your time and prevent you from accomplishing your strategic goals.

At TAB we won’t let that happen!

Your Facilitator meets with you between board meetings for your own private coaching session. Your Facilitator is skilled at helping you break through the whirlwind. He or she will never lose track of your Personal Vision of Success and how your business will allow you to achieve this vision.

Business Owner Board Success Story:

Achieve Your Goals

Ben Allen of Allen Technology Advising (ATA), had a Personal Vision. For five years, Allen made it his goal to find a way to travel to Tanzania for an extended stay without letting his business suffer in his absence.

In order to do this, he needed to learn how to orient his business so that it became less dependent on him. His board helped him re-design his company and the responsibilities of the staff so he is working on the business, rather than just in the business.

In 2013, Allen was able to realize his dream of taking a seven month sabbatical with his family to Tanzania. It was a rewarding experience of a lifetime, and his return to the U.S. made it even more so. While Allen was away, ATA posted the largest profit month in its history. Additionally, clients raved about the huge improvement in customer service.

"I credit The Alternative Board for my ability to successfully pull off such an amazing opportunity of a lifetime. I am learning so much about running a business extremely well. Without a doubt, TAB involvement is the best investment I have ever made as a business owner."

Ben Allen
TAB Member



TAB Business Coaching

Business Coaching forms an important part of the TAB model and contributes a strong ROI. An International Coach Federation (ICF) study on business coaching found a median return on investment of 3.44 times their investment.

Your monthly private coaching session is the vehicle for achieving real business improvement. It takes those great ideas coming out of the board meeting and transforms them into results.

"The TAB Board has helped me stay focused on my real business issues, not on the day-to-day distractions. As a sole proprietor, my monthly coaching sessions help me maintain accountability and focus on setting goals and meeting them."

Dave Treadwell, President
Vital Signs
Ho Ho Kus, NJ

Strategic Business Tools

In addition to choosing the right advisor, you need the right business improvement tools. Like doctors, Facilitators need to diagnose before prescribing a fix. Facilitators apply a business diagnostic tool – think of it as an MRI for your business – to identify gaps and opportunities in your business.

They also have access to strategic planning tools to align your personal and business visions, and create the strategic plan to achieve them.

Other tools assess the behavioral styles of your organization to improve communication. Training programs are also available to improve the alignment of your organization; so that the entire company is working as a team toward your vision.

“One of the biggest benefits to me has been the strategic business analysis. This is not something that most of us do regularly or very well. TAB has required me to continually analyze my business’s strengths, weaknesses, personnel, short-term and long-term goals. I am able to look at my business from a different perspective. As a result, I am more comfortable with the direction I am able to provide.”

Bryan Keen
Keen Compressed Gas
Wilmington, DE

Business Owner Board Success Story:



Strategic Business Tools

“We didn’t do any planning, we just started doing,” recalls TAB Member Don Barker. In 2009, Barker joined TAB, which he says has been a “lifesaver” for his firm BHB Structural Engineers.

BHB started to participate in TAB’s Strategic Business Leadership (SBL) process, which helps companies set strategic goals and put a plan in place to achieve them. At the end of each year, the BHB executive team meets offsite where they determine the critical success factors for the upcoming year. For these, they set goals, strategies, and action steps to help them reach their objectives.

Barker says that BHB is probably the only engineering firm in the area that follows a strategic planning process like SBL. But he also credits it with much of the firm’s success. “I think we’re the type of company we are because of the SBL process.”

“We’d probably only be about a third the size if not for TAB, if we even existed still. I always tell my TAB facilitator that he is the reason why we are where we are now.”

Don Barker
TAB Member

Business Advisory Alternatives

Learn More

Having advised over 15,000 businesses over a 20 year period, we have found that Business Owner Advisory Boards are the most effective for small and medium-sized businesses ...at an affordable price.

Over time, TAB extended the Business Owner Advisory Board model by complementing Board Meetings with Business Coaching and Strategic Business Tools.

We are not talking about a silver bullet. Success requires commitment, openness, accountability and hard work. The most successful owners realize this.

Was *Business Advisory Alternatives* helpful to you? Help someone else out by [forwarding to a colleague](#).