



Take on Board Podcast – Episode 308

Transcript – Advisory board mini series: Take on Board Event - Louise Broekman answers questions on the advisory board market

Helga Svendsen 0:00

So folks, this is, well, it's the final standard episode in the advisory board series where we've heard from all sorts of magnificent people. And this final episode, although heads up, there's a bonus episode next week, this final episode is the Q and A from the event that we had with the fantastic Louise Broekman, where she told us about the state of the advisory market.

Helga Svendsen 0:26

If you haven't listened to that episode, tune into last week's episode.

Helga Svendsen 0:32

Today's the Q&A, there was so much Q&A, some was asked during the event. Some we did after the event. So anyway, listen in. It's going to be fantastic to answer all of your questions about the state of the advisory market 2025.

Helga Svendsen 0:46

Okay, on with the show. Alrighty. I'm going to go back to the questions the next question Max asks, ***"How do you think about advisory boards in smaller organisations that may struggle to get good candidates for a board in the first place."***

Louise Broekman 1:05

Yeah, the most common size of a business in the business sector to have an advisory board is 1.5 million in revenue, which is quite small, but there's an increased sophistication in the way that the

business sector, in particular, startups and scale ups are using advice. The main thing is around getting clarity around your expectation first.

Louise Broekman 1:23

There are different job boards out there. The Advisory Board Centre has got one where you can place roles openly, for free on those job boards. And then the advisory board sector is, as we've talked about, are really giving in nature, and they're really wanting to support different people at different levels. And so there's, there's a genuine desire for people in the advisory board space to support and help who've gotten, you know, incredible backgrounds and experience. So the main thing is just to reach out and go to the people that you don't know.

Helga Svendsen 1:53

Yes, love it. Thank you. Ari asks, I love this, **"How do you define the budget or the rate for an advisor or advisory board?"**

Louise Broekman 2:05

Yeah, we do an engagement and remuneration report. So we've got high level information in the state of the market coming up, but we do have a report coming out later this year with deeper insight.

Louise Broekman 2:17

Generally, advisory board chairs will work on a retainer and work with the organisation on a monthly basis and share the quarterly meetings, or the, you know, the ongoing meetings, whatever the cadence is, advisors just generally get paid per meeting for meeting attendance.

Louise Broekman 2:32

Advisors generally are not on a retainer, because if they can't turn up to a meeting, that means that, you know, it doesn't push everything out. So in the business market, I think it's fair to budget between \$3,000 to \$5,000 a month for a chair and advisors per meeting. You know, between \$2,000 to \$3,500 and it's generally double that or more.

Louise Broekman 2:55

In the corporate sector, depending on everyone has their own rate. Rates may be also less, but to be really clear about what your budget is upfront, and that way you're not wasting time on either side.

Helga Svendsen 3:07

I was having a conversation yesterday with a client about a role that had been advertised, that advertised inverted commas, sessional rates, but no definition whatsoever about what sessional rates were. It's like, is that \$2.75 or is that...? Yes? I wish there was more transparency in a whole range of these things. Anyway, beautiful. All right. Next up, you talked about a sponsor. So Mary Muirhead asks, **"Can you define what a sponsor is in this context?"**

Louise Broekman 3:34

So a sponsor in the business sector, it could be the business owner, a founder, the owner of an organisation in larger environments, or even not for profits, where it's not a business structure, the person is going to be championing and approving the advisory board. So it could be the CEO, it could be a project owner, it could be a board member, it could be a minister or a department head in a government department. So it's whoever that go to person is authorising the advisory board and is going to be the key stakeholder internally.

Helga Svendsen 4:08

So somebody's asked here, they haven't got their name, so I can't say who they are, but somebody's asked, **"How much of the specialised advisory growth is being driven by economic activity, or slacker economic activity and economic turbulence like tariffs?"**

Louise Broekman 4:22

It is all around those unknowns and trying to navigate today, let alone what's next. So these projects, really specific, project advisory boards could be three months to really road test some thinking or put some strategic input, and then then leave.

Louise Broekman 4:39

We've got in our own organisation, we've got our own strategic advisory board. We've got a project advisory board now working on something. We've always used these specialised advisory boards because it helps to really fast track something that would organically take just forever. It just cracks through these things. So absolutely, this is a big area of driving current activity, for sure.

Helga Svendsen 5:00

It Gaye asks, "***What training development or resources are available, such as certification or accreditation to better position someone to gain an advisory board role?***"

Louise Broekman 5:10

So the certified chair executive program, where people are credentialed to be a certified chair, is the only credential in the world for advisory board professionals. So that's a two day in person program, or four days virtually. That's the program that we run all around the world. So it's about best practice, how to establish advisory boards, set it up, manage it, refresh it, and how to build it into your portfolio.

Louise Broekman 5:32

There's also a new program that is being currently launched, which is around advanced facilitation skills for chairs and facilitators. So those are really specifically designed around people who are chairing and managing advisory boards and committees and different thinking systems. So they're the two credentials.

Helga Svendsen 5:54

Anna Wilkinson asks, "***Given the comment on ethics, should we be considering ethicists as key professionals, technical skills we seek for boards?***"

Louise Broekman 6:03

There's an increase in ethics advisory boards, let alone ethics professionals being on an advisory board. So, you know, there's been a massive growth of ethics advisory boards in SAS based tech businesses, but with AI, automated vehicles, the space industry, biotech, ethics questions are everywhere.

Louise Broekman 6:20

So the growth of ethics advisory boards itself is a real thing. I also think that when we talk about the increase in specialist advisory boards, the growth in generalist chairs, people with an ethics background make excellent chairs. So we're putting together an advisory board at the moment in the UK, which is a racial equity advisory board, and so the chair is an ethics specialist when you're

dealing with people who are more specialised around it. So that way it's a lens of the ethical implications of what's being discussed at the table. So yes, I think it's a, it's a very good skill to have.

Helga Svendsen 7:03

Interesting. I really noted that, when you talked about it as well, that ethics, it, there is a rise, I think, in the relevance of ethics in all sorts of conversations. Ari asks, and this is an interesting one, ***"Do professionals tend to join governance and advisory boards of similar companies?"***

Louise Broekman 7:20

I'm going to create a cop out answer on that one, and it depends. Look at any potential conflicts of interest in all of that. It's possible. It just depends on the situation. But you think about it, though, when you're building a profile in boards, if you are known in particular sectors, to think about it at a sector level, not an industry level, because an industry level, you're going to have diminishing value every time you have a conversation. So if you want to bring broader context and not create conflicts of interest, having a sector view, rather than an industry view, actually broadens out your value proposition.

Helga Svendsen 7:57

Our final question, ***"When does the discussion around establishing advisory boards come around, and how do you decide which type of advisory is best suited for a company?"***

Louise Broekman 8:08

So most people, when they start the journey, only 37% of businesses actually know what they are looking for. And so when they go to the journey of looking to build an advisory board, it's a discovery process. So it takes time. So it could take three weeks, it could take a year to establish the advisory board and that discovery process, you need to really think about, what is that purpose? What are the different options you've got in the way the advisory board could work, and then establishing it well. So you kind of got to go slow to go faster later on. 85% of organisations, when they look into building Advisory Board are doing it for the very first time. So there are many things that they just don't know. So it takes their time. They're very brave when they do that. If they've got different decisions to make, and they're still making them in the same way, it's just not going to cut it. So take the time to do it well.

Helga Svendsen 9:00

Thank you again. We can see from the feedback how much people valued this conversation. Thank you for taking the time to share and to stay on the line to answer these next round of questions as well. Thanks for all that you do. You are such a superstar.

Louise Broekman 9:14

Thank you, Helga. I really appreciate the support for the sector too.

Transcribed by <https://otter.ai>